WFP
World Food Programme

AFGHANISTAN FOOD SECURITY UPDATE

1st Quarter (January-April) 2023

CHAPTER 01

The data presented this chapter are referenced
WFP market monitoring and World Bank economic monitor

Inflation

Foreign Exchange

Trade Developments

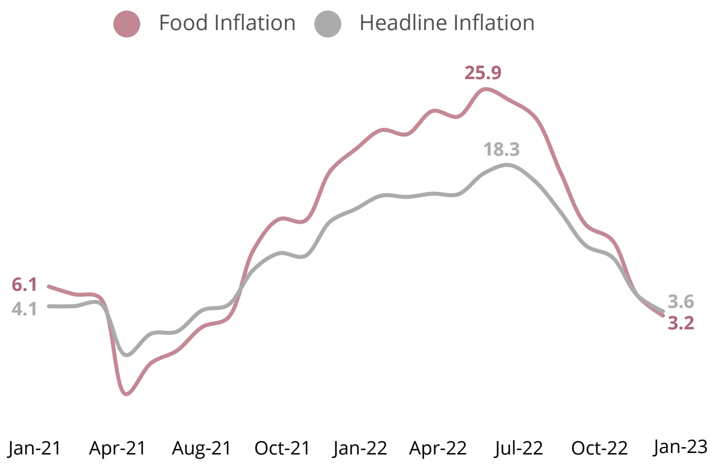
Cereal Price Update

Afghanistan Economic Overview

Headline and Food inflation continued to decline

Food inflation continued to decrease from 26 percent in June 2022 to 3.2 percent in January 2023, with prices of basic household items also showing a decline on a year-on-year basis. The declining trend in global food prices from their mid-2022 peak has contributed to easing the inflationary pressures in Afghanistan. While household purchasing power has been eroded due to the overall higher price level compared to August 2021, the recent deflationary trend in basic household item prices indicates a positive development.

Change in Food and Headline Inflation[1]

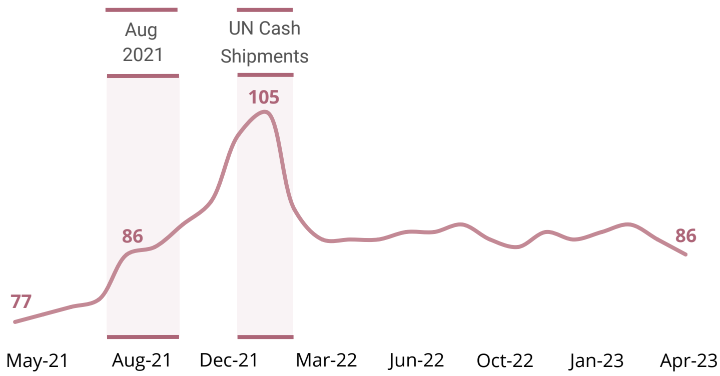


The AFN has appreciated against the USD since January 2022

The stability of the AFN began to take hold between January and March 2022 when UN cash shipments began, and the De facto authorities exerted strong controls on the illegal export of foreign currency, strengthening the AFN rate. The appreciation of AFN against foreign currencies can be seen as a positive development for the economy, as it can help to stabilize prices and improve household purchasing power.

Change in Exchange Rate[2]

Apr 2021 - Apr 2023 (AFN/USD)



Afghanistan's export sector has shown a slight improvement with a steady contribution from food and coal exports[3]

Based on World Bank economic monitoring data, Afghanistan's export in the first quarter of 2023 reached US$ 500 million, representing a growth of 7 percent compared to the same period last year. While food exports continued to account for half of the national exports, there has been an increase in the share of textile merchandise, which now represents 15 percent of all exports.

There was a persistent increase in merchandise imports in Q1 2023 while the trade deficit further widened

Imports into Afghanistan amounted to 1.8 billion USD in Q1 2023, growing 32 percentage points compared to the same period in the previous year. The trade deficit between Q1 2023 and Q1 2022 was 1.3 billion USD, indicating a growth of 45 percent year-on-year. UN cash shipments for the period of 560 million USD covered less than half of the merchandise trade deficit.

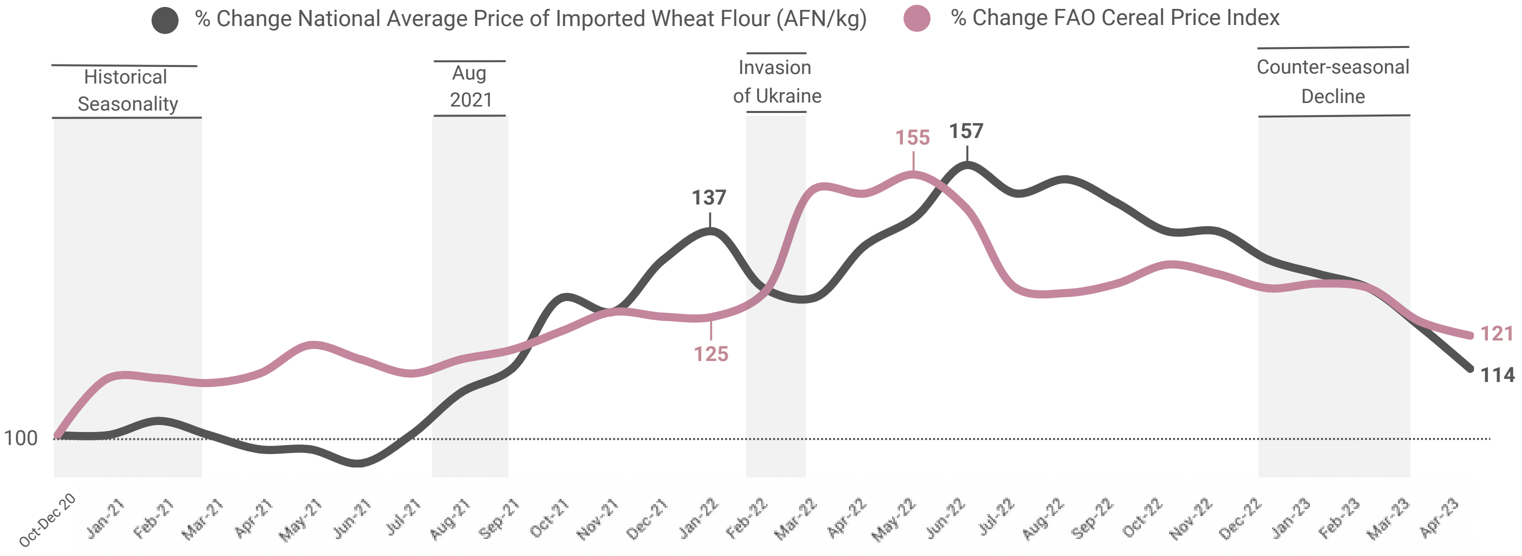
1. WFP, Data viz, Jan 2023
2. WFP, Afghanistan Monthly Market Monitoring, April 2023
3. World Bank, Monthly Economic Monitor, April 2023

Afghanistan
National Cereal Prices Update

Afghanistan's food market is heavily occupied by a small number of players which makes it highly susceptible to price shocks on the international market. When food prices increase, it has a significant impact on households, small businesses, and overall macroeconomic growth in the country.

Global cereal prices continued to decline since their peak in May 2022 but remained elevated compared to 2021, at levels much lower than the peak prices observed in mid-2022. The prices of Kazakhstan's wheat grain exports, which are the main staple for Afghanistan, have stabilized since their peak in June 2022.

Staple Food Prices Continue to Fall After Domestic and Global Price Shocks



Data Source : WFP Market Monitoring
Note : Oct-Dec 2020 = 100

> While the national wheat flour prices have continued to decline, they are still 20 percentage points higher than August 2021

The restrictions on grain exports from Russia to Central Asian countries impacted Kazakhstan's imports. In turn, this significantly reduced grain exports throughout Central Asia including Afghanistan.

The Black Sea Grain Initiative (BSGI) is a deal between the Russian Federation and Ukraine, as well as the Republic of Türkiye and the United Nations, to ensure the export of grain, other food commodities, and fertilizer from three Ukrainian ports on the Black Sea.

First signed on 22 July 2022 and renewed three times to date, the Black Sea Grain Initiative has successfully facilitated substantial volumes of grain exports from Ukraine, helping to lower global food prices from their mid-2022 peak.

Although the 17 May extension of BSGI for an additional 60 days is highly positive, the average number of days between a ship's departure from one of the Black Sea ports covered by the agreement to that ship's clearance of inspection, a key safeguard, reached a peak of two more weeks in April.

This was the highest length of time for inspection clearance since October 2022, just before the BSGI's only suspension so far.

As inspection times rose, total shipment volume declined by about 1/3 month-on-month. Disruption to the BSGI would likely raise global cereal prices and the price of wheat within Afghanistan.

CHAPTER 02

The data presented this chapter are collected via mobile surveys

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Restrictions on Female Workers

Food Consumption

Coping Strategies

Incomes and Food Expenditure

Access to Market and Healthcare

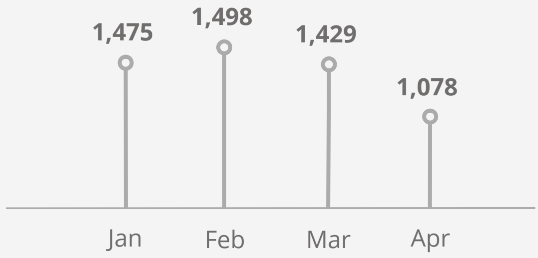
Background and Methodology

WFP has been conducting monthly telephone surveys across all 34 provinces of Afghanistan for over 2.5 years to gain a better understanding of the food security situation and its underlying factors. Starting from 2023, the reporting frequency has transitioned to a quarterly basis, and this specific report presents data collected from January to April 2023.

The methodology has remained consistent throughout the survey rounds, with a few minor adjustments. Since August 21, 2021, panel surveys have been conducted for 80 percent of the respondents in each round. The results are weighted to ensure geographic and socio-demographic representativeness. It is important to note that due to the nature of this survey being conducted through mobile phones, the results may have an upward bias on key outcomes, as households with cell phone ownership are more likely to be better off. In January 2023, the questionnaire was updated to include specific questions pertaining to the ban on female workers.

NUMBER OF HOUSEHOLDS SURVEYED:

January - April 2023



Male-headed households: 96%
Female-headed households: 4%

Average household size:
10.4 members

Urban households: 50%
Rural households: 50%

Households reporting having
a member/s with a disability: 19%

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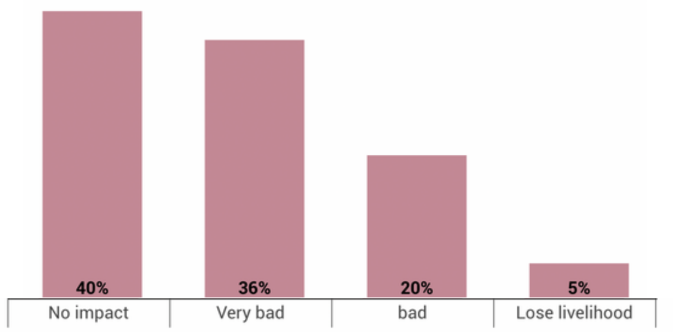
Restrictions on Female Workers

79% of households were aware of the restrictions on female workers

Impact of the Restrictions on Female Workers

April 2023



95% of households rated humanitarian assistance as very important or important

A significant proportion of households (79 percent) demonstrated awareness of the restrictions on female workers.

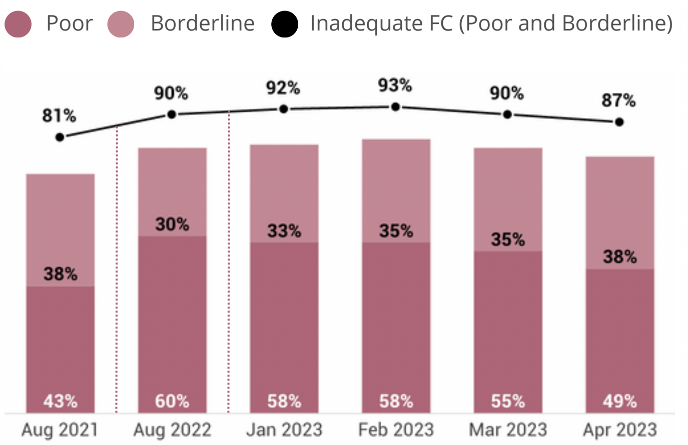
While examining households' perception of the impact of the restrictions on female workers, approximately two-thirds (61%) respondents that they experienced a significant negative impact or even lost their primary sources of income.

It is worth noting that an overwhelming majority of households (95%) regarded humanitarian assistance as very important or important for their family and livelihood.

Food Consumption

87% of people in Afghanistan face inadequate food consumption[4]

Food Consumption Group



Food groups by number of days

Average consumption (every seven days) in April 2023

Staples	7.0	Pulses	1.3
Fat	6.6	Protein (Animal)	0.7
Sugar	5.7	Diary	0.6
Vegetables	1.9	Fruit	0.2

Eight out of ten households continue to face food insecurity

Although there has been a minimal improvement in food consumption over the recent quarter, the vast majority of the population (87 percent) still does not have adequate food consumption and dietary diversity.

There has been a persistent trend of people consuming less diverse diets over the years

While staple foods are consumed on average seven days a week nationwide, the consumption of other food groups, such as protein (0.7 days) and vegetables (1.9 days), remains persistently low.

The Proportion of Poor Food Consumption by Household Head's Education

Lower than Primary	Primary	Secondary+
60%	51%	41%

The Proportion of Poor Food Consumption by Household with Person with Disabilities

HH with PwD/s	55%
HH without PwD/s	48%

Households headed by individuals with lower levels of education and households with PwDs are disproportionately affected

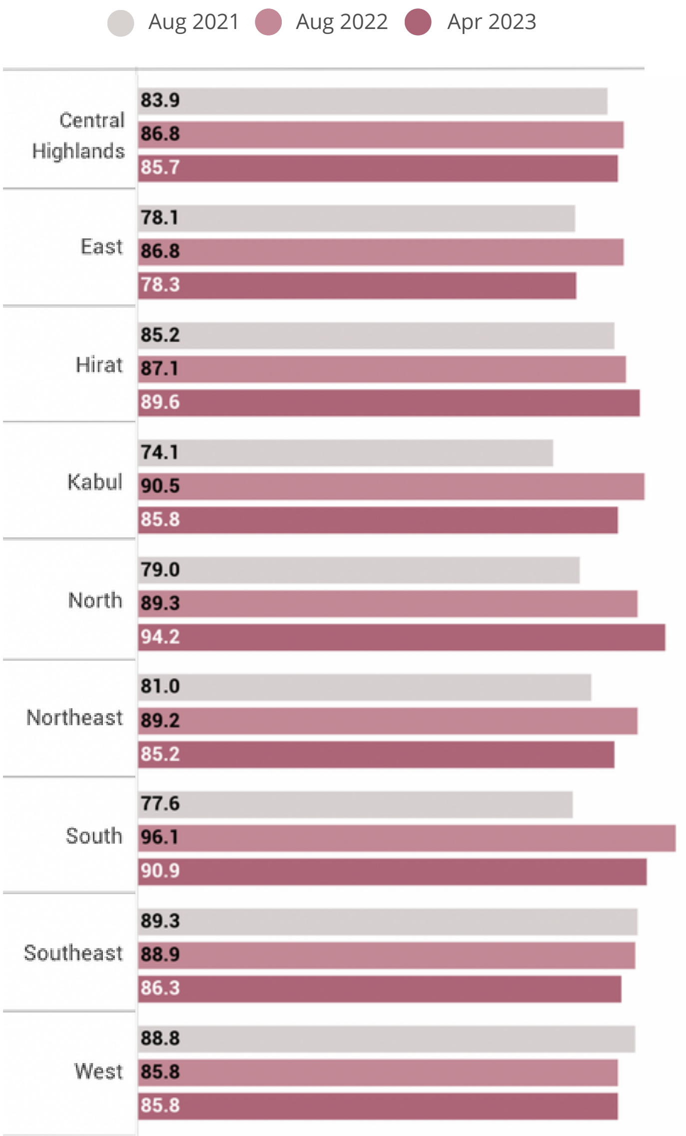
Households with less educated household heads continue to face significant challenges in accessing sufficient food. Although households with a head who has completed secondary education have relatively better food consumption, those with less educated household heads still experience a 20 percentage point higher rate of poor food consumption.

Furthermore, households with PwDs are more likely to experience poor food consumption, with 55 percent having poor food consumption compared to 48 percent of households without PwDs.

4. This is based on the Food Consumption Score indicator which is calculated according to the types of foods consumed during the previous 7 days, the frequencies with which they are consumed and the relative nutritional weight of the different food groups. Inadequate food consumption refers to the households classified with Borderline or Poor food consumption.

Food Consumption

Inadequate Food Consumption by Region (%)



All regions have at least 75 percent of households facing insufficient food consumption.

Compared to August 2022, seven out of nine regions showed a slight improvement in food consumption. This improvement could be due to the continuous delivery of humanitarian food assistance and the decrease in global and national food prices from their mid-2022 peak.

However, there is a concerning trend in the North region, with inadequate food consumption increasing from 79 percent in August 2021 to 94 percent in April 2023. This deterioration is the highest among all regions.

Some provinces in the North, including Jawzjan, Faryab and Balkh, have been severely affected by drought, potentially exacerbating the worsened food consumption.

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Coping Strategies

People are resorting to drastic measures to put food on the table

In April 2023, one out of three households (36 percent) is resorting to high coping strategies to meet their immediate food needs.

It is worth noting that over 80 percent of households are compromising the quality of their food and 78 percent are borrowing money or food, which may contribute to an increase in household indebtedness. In addition, half of the households are reducing the number of meals they consume.

Although there has been a gradual decrease in the proportion of households with high coping in the past quarter, dropping from 57 percent in January 2023 to 36 percent in April 2023, this still remained three times higher than the pre-collapse level.

Consumption-based Coping Strategies

ONE YEAR COMPARISON

Apr 2022 VS Apr 2023

Proportion of households which have used the following strategies at least once in the past seven days

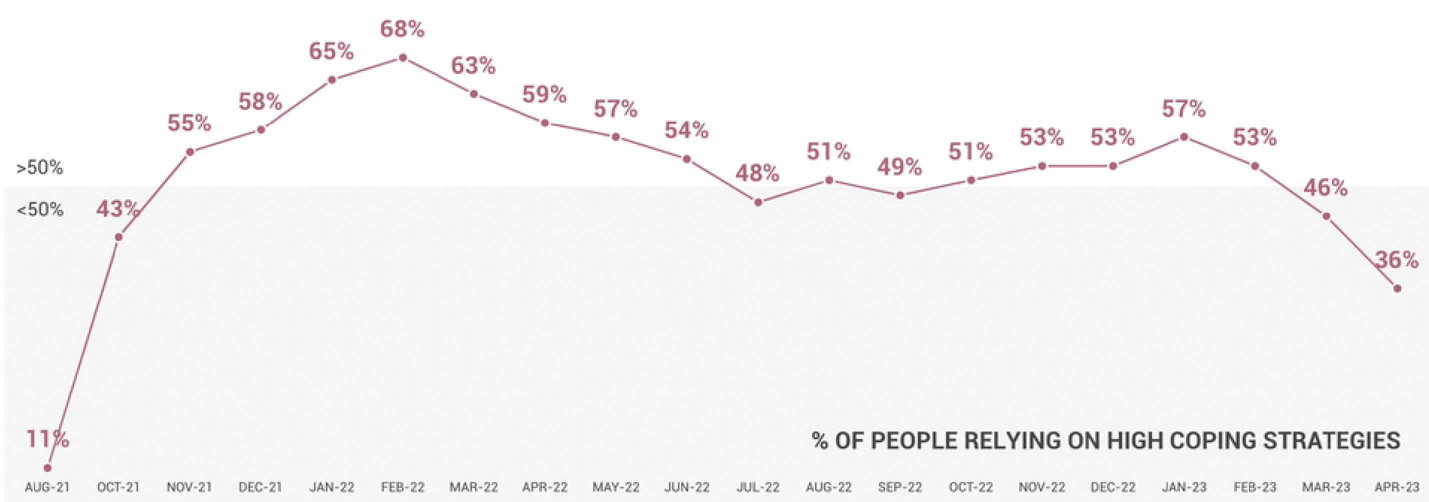
Rely on less preferred and less expensive food
86% (**-4%** compared to Apr 2022)

Borrow food or rely on help from a relative or friend
73% (**-7%** compared to Apr 2022)

Reduce the number of meals eaten in a day
56% (**-5%** compared to Apr 2022)

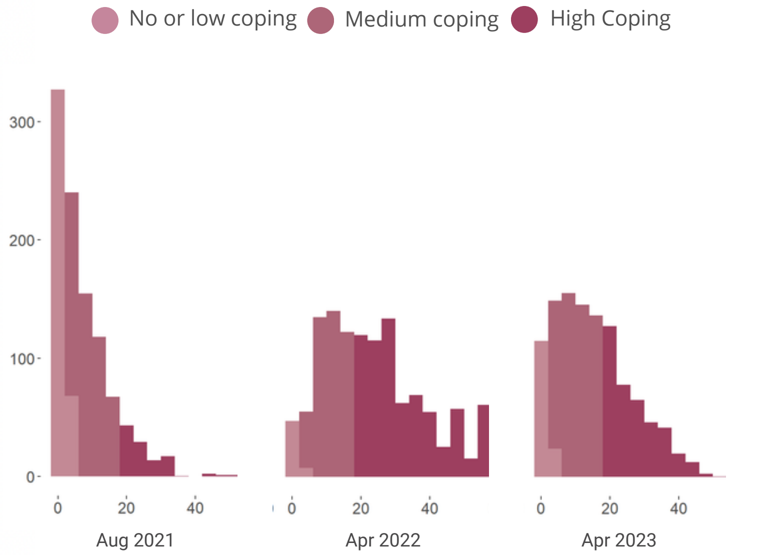
Limit portion size of meals at meal times
54% (**-19%** compared to Apr 2022)

Restrict adult consumption so small children can eat
20% (**-4%** compared to Apr 2022)



Underlying Vulnerabilities

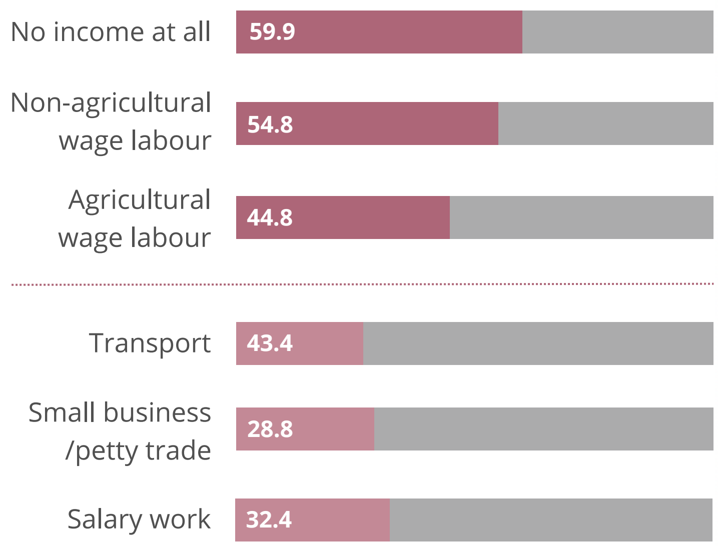
Consumption-based
Coping Strategies Score Distribution



Proportion with High Coping

BY PRIMARY INCOME SOURCE (%)

Jan-Apr 2023 Average



A slight improvement in coping strategy score has been observed

The distribution of household coping strategy scores shows a minimal change in the proportion of households scoring below 60, indicating a moderate level of reliance on negative coping strategies compared to the same period last year. In addition, there is a 23 percentage point decrease in the proportion of households relying on high coping strategies.

In April 2023, despite the slight improvement, households are still adopting three out of five coping strategies on average to fulfill their immediate food needs.

The use of coping strategies varies by income sources

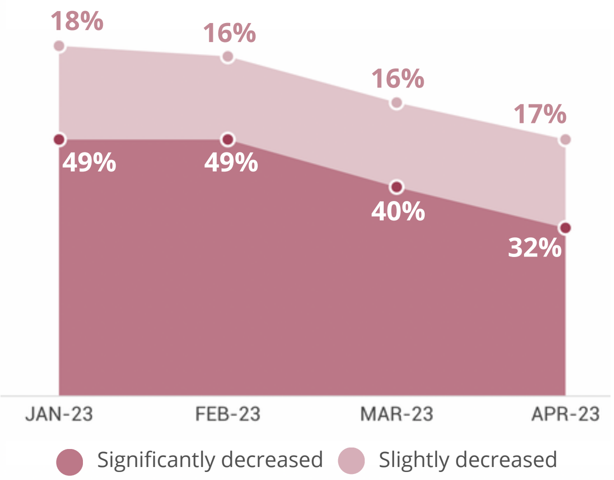
Since the takeover, there has been a decline in opportunities in the civil service and construction industry, leading to widespread job losses and unpaid workers. As a result, unemployed households have been forced to resort to drastic measures.

Households with no income are much more likely to rely on extreme coping strategies during food shortages, with 60 percent adopting high coping strategies. Conversely, households with salaried work showed relatively less reliance on high coping strategies. Approximately half of the households with non-agricultural wage labour and agricultural wage labour depend on high coping strategies.

Incomes and Food Expenditure

Income Change

% FACING DECREASING INCOMES



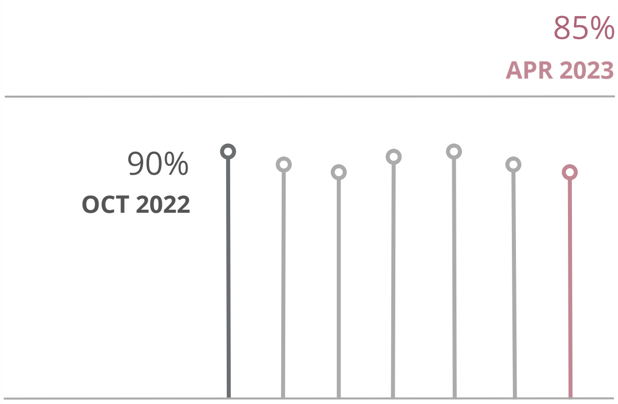
One-third of the population has experienced a significant reduction in income

While about 45 percent of the population is engaged in non-agricultural wage labour, followed by salary work (12 percent) and small business (8 percent), 7 percent of households do not report any income.

Overall, the number of households reporting a decrease in income has been declining over time. However, about half of the households (49 percent) appeared to experience income decreases compared to the same period of last year.

Almost all household income is spent on food

PROPORTION OF INCOME SPENT ON FOOD (%)



Households continued to allocate more than 80 percent of income on food

The proportion of income spent on food remained consistently high over the past 6 months. In the region-wise analysis, the North (Balkh, Faryab, Jawzjan, Samangan and Sar-e-pul provinces) had the highest food expenditure share, with 89 percent of income spent on food. While key food commodities prices remained stable, unemployment continue to put a strain on the financial status of households.

With increasing restrictions on women's access to public spaces and higher unemployment, female-headed households spent 8 percentage points more on food than male-headed households.

Concerns and Access

Top Concerns

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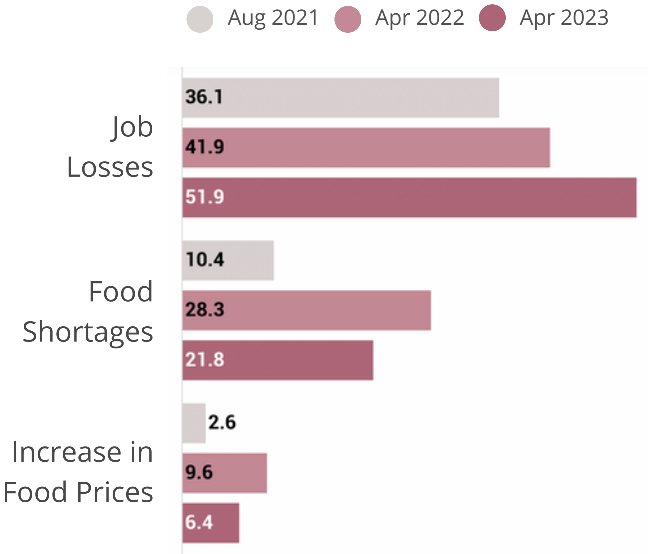

Job losses and food shortages remained the biggest concerns

More than half of households (52 percent) are worried about losing their opportunities for work, followed by concerns about food shortages (22 percent), and increases in food prices (6 percent). Worries about food shortages have doubled since August 2021.

While there has been a reducing trend in major food commodity prices, it still remained high compared to August 2021. Further, the limited job opportunities exacerbate households' poorer access to food and purchasing power, especially those already living below the poverty line.

Market Access

24%

of households facing difficulties in accessing market

One in four households are facing difficulties in accessing markets

Long distances to markets and travel restrictions have been reported as major reasons preventing accessing markets, followed by far distances to market (18 percent) and travel restrictions (2 percent).

Health Access

34%

of households facing difficulties in accessing health care

One-thirds of households facing difficulties in accessing health care

The vast majority of households (88 percent) cited lack of money as a major reason, followed by far distance to hospital (4 percent) and closure of hospital (1 percent).

This report updates Afghanistan's food security situation based on 16 rounds of data collection via telephone surveys across 34 provinces. Since August 2021, panel surveys are conducted for 80 percent of respondents in each round. Results are weighted to ensure socio-demographic representativity.

WFP Response:

WFP is working to meet the food and nutrition needs of millions of people in Afghanistan. In 2023, WFP requires US$2.2 billion to deliver emergency food, nutrition, and livelihood support to those in need.

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