

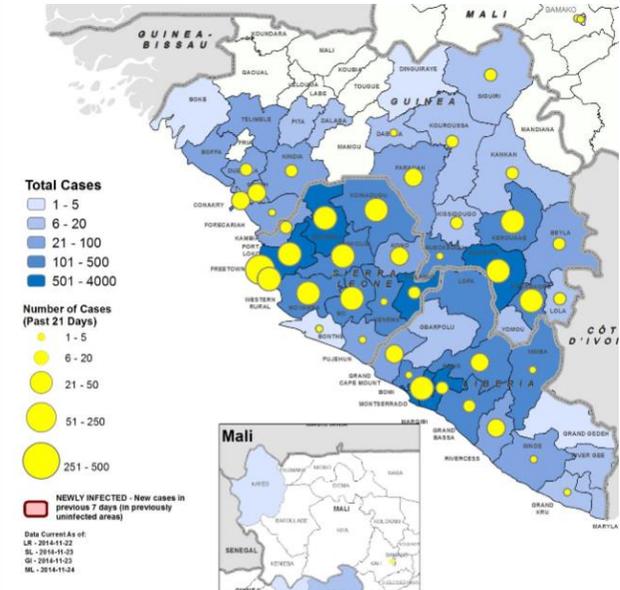
Below-average incomes lead to a significant decline in household purchasing power

Guinea, Liberia, and Sierra Leone are FEWS NET remote monitoring countries. In remote monitoring, a coordinator typically works from a nearby regional office. Relying on partners for data, the coordinator uses scenario development to conduct analysis and produce monthly reports. As less data may be available, remote monitoring reports may have less detail than those from countries with FEWS NET offices. The analysis presented in this report is based on various field information provided by local partners, such as trader organizations, WFP, and OCHA. FEWS NET also participates in an informal working group to exchange information and discuss analysis related to the potential food security impacts of the Ebola outbreak in West Africa.

KEY MESSAGES

- The number of Ebola cases in Liberia, Sierra Leone, and Guinea continues to rise. However, based on currently available information, previous projections of an exponential increase in Ebola cases in the coming months are looking increasingly unlikely. As a result, FEWS NET has updated its analyses using a scenario of a lower, but still substantial, increase in the number of Ebola cases by late January 2015.
- Households with family members infected by Ebola will face below-average harvests and incomes, as well as difficult physical access to food due to household-level quarantines and social stigma. Between November 2014 and March 2015, directly-impacted households not receiving humanitarian assistance will likely face Crisis (IPC Phase 3) food insecurity.
- For poor, market-dependent households in areas worst affected by Ebola, below-average incomes and market disruptions have atypically reduced household purchasing power. Currently, these households are Stressed (IPC Phase 2) but will likely decline into Crisis (IPC Phase 3) between January and March 2015. In zones with fewer Ebola cases, market-dependent households will likely remain Stressed (IPC Phase 2) during this time period.
- Due to the ongoing rice harvest, farming households will meet the majority of their staple food needs through their own production in the short-term and will face Minimal (IPC Phase 1) food insecurity through December. However, below-average incomes from crop sales will likely limit expenditures on essential nonfood needs and contribute to Stressed (IPC Phase 2) food insecurity between January and March 2015, particularly once household food stocks begin to deplete.

Figure 1. Distribution of confirmed and probable Ebola cases, as of November 23, 2014



Source: [WHO](http://www.who.int)

CURRENT SITUATION

Ebola caseload

[According to the World Health Organization \(WHO\)](http://www.who.int), as of November 23, 2014, there has been a total of 15,901 confirmed, probable, or suspected cases of Ebola in Guinea, Liberia, and Sierra Leone. Regions within each country with the highest number of recent cases include N’Zerekore and Macenta in Guinea, Monrovia in Liberia, and Freetown, Port Loko, Western Rural Area, and Bombali in Sierra Leone. Meanwhile, several zones that experienced a high number of cases earlier on in the outbreak, such as Lofa County in Liberia and the districts of Kenama and Kailahun in Sierra Leone have seen few to no new

cases. Of the three countries worst affected by Ebola, only Sierra Leone is still experiencing an increasing rate of new cases. In the other two countries, weekly caseload numbers have stabilized or been in decline.

Agricultural production

The main rice harvest is still ongoing throughout the region. Crop production levels are generally reported to be average, with slightly to moderately below-average harvests in areas worst affected by the outbreak. These declines in production have generally been linked to reduced labor availability as community groups that typically cultivate together were less active than usual this season, particularly during the crop maintenance period. According to farmers in areas worst affected by Ebola, this will likely result in a slight to moderate decline in crop yields this year.

Harvests of cassava, which is generally a less labor intensive crop, have been reported to be less affected by these labor issues compared to rice. While a recent WFP rapid assessment in Liberia, conducted in late September and early October, found that farmers believed their cassava harvests would be below average in certain areas, declines in production were generally linked to issues unrelated to Ebola, such as flooding or fewer farmers cultivating this crop this year.

With regards to cocoa, a November 2014 study by Welthungerhilfe in Sierra Leone found that labor availability issues had not significantly limited production, and actors in the sector anticipated this year’s production would be higher than in past years.

Household incomes

Fears relating to the Ebola outbreak have contributed to a significant economic slowdown in Guinea, Liberia, and Sierra Leone, resulting in below-average incomes for many households. According to [a recent survey by the World Bank, Gallup, and Liberia Institute of Statistics](#), roughly half of urban respondents and a third of rural respondents in Liberia who had previously been working earlier in the year during the 2014 Household Income and Expenditure Survey (HIES) reported that they were no longer employed in October and November 2014. This survey also found no statistically significant differences in unemployment levels between regions worst-affected by Ebola and other regions of the country.

The findings of this study mirror other reports from partners and key informants in [Sierra Leone](#) and Guinea that the Ebola outbreak has had a negative impact across many sectors of the economy and household income sources. In addition, agricultural households in all three countries are reportedly facing more difficulties than usual marketing their staple and cash crops due to market disruptions, border closures, and reduced demand. Atypically low incomes are likely having a negative impact on food access for poor, market-dependent households across the three countries.

Markets

While there have been some reports of previously closed markets re-opening, Ebola-related fears continue to disrupt normal market functioning across the three countries. For example, [the International Growth Centre reports that their most recent](#)

Figure 2. Rice production levels in 2014 compared to 2013 levels, as reported by county-level key informants in Liberia



Source: WFP (Preliminary results from Liberia rapid assessment)

Figure 3. Cassava production levels in 2014 compared to 2013 levels, as reported by county-level key informants in Liberia



Source: WFP (Preliminary results from Liberia rapid assessment)

[survey](#), conducted at the end of September and the beginning of October, found a continued decline in the number of traders in quarantined areas of Sierra Leone compared to both previous months and to 2012 levels. In comparison, the number of traders increased in October of their reference year (2012) compared to August and September as the start of the main harvests increased trading opportunities. A recent WFP rapid assessment in Liberia also found that interviewed traders reported a decline in the number of customers, traders, trucks, and food stock levels compared to last year at most markets, with the exception of southeastern Liberia where the Ebola outbreak has been less severe.

Due to the outbreak, many official restrictions on population movements have been put into place across the region. With regards to current roadblocks in Sierra Leone and Liberia, November 27th reports from FEWS NET's key informants, as well as recent information from partner organizations, indicate that agricultural food products are being allowed to pass through. In addition, there are no recent reports of official internal movement restrictions in Guinea.

In mid-November, FEWS NET conducted its first round of data collection for an SMS-based trader survey in Sierra Leone and Liberia. While additional analysis is required, preliminary results suggests that roughly half of respondents in Sierra Leone and a little more than half of respondents in Liberia reported that weekly and daily markets were open and operating normally. Among the other half, most indicated that markets were open and functioning at reduced levels while a smaller number reported that local markets were closed. In addition, a little more than half of traders reported that they believed food availability in the zone that they worked was currently sufficient to meet the needs of local consumers, with a slightly higher percentage of Liberian traders responding positively to this question than those in Sierra Leone.

Price trends during the past month varied with seasonally normal trends in most areas but with some atypical price increases observed at certain markets. More specifically, in Guinea and Sierra Leone, prices for staple foods (local and imported rice, maize) were generally either stable or in decline (by less than 10 percent) between September and October, which is seasonally normal given the ongoing harvests. However, some price increases for imported rice, ranging from 5 to 7 percent, were observed at markets in Freetown, Moyamba, and Tonkolili in Sierra Leone. Meanwhile across Liberia, imported rice prices were either stable or increased by less than 10 percent. These price increases are likely related to domestic market disruptions and the lagged effect of the Liberia dollar depreciation in June and July of this year, which increased the cost of imported goods.

UPDATED ASSUMPTIONS

Recent caseload estimates for the three Ebola-affected countries indicate that an exponential increase in the number of cases in the coming months is no longer likely. Based on currently available information, FEWS NET has updated its planning figure to 40,000 to 100,000 cumulative Ebola cases in Guinea, Liberia, and Sierra Leone by late January 2015. While this new planning figure will not affect the majority of assumptions used by FEWS NET in establishing its scenario for the period of October 2014 to March 2015, the following assumption has been updated:

- **Markets:** Imports of rice from international markets will likely continue at relatively normal levels due to continued port functioning. However, Ebola-related fears and official restrictions on movements will continue to reduce trade flows between rural and urban markets, leading to moderate supply disruptions and localized food shortages on certain markets. In addition, the closure of cross border points and some markets, particularly in rural areas worst affected by the outbreak, will likely continue. Food prices are expected to be volatile.

A description of the other assumptions developed for this scenario can be found in [FEWS NET's October 10th alert](#).

PROJECTED OUTCOMES

Given these updated assumptions, elevated levels of food insecurity are still expected in all three countries for both households directly and indirectly impacted by the Ebola outbreak. For households with family members infected by Ebola, the loss of productive family members will contribute to below-average harvests and incomes. This, along with difficult physical access to food due to household-level quarantines and social stigma, will significantly limit food availability and access. For those not receiving humanitarian assistance, small to moderate food consumption gaps and a sustained deterioration in the nutritional quality of household diets, equivalent to Crisis (IPC Phase 3) food insecurity, is likely between now and March 2015. Similarly, for poor, market-dependent households in areas worst affected by the outbreak, market

disruptions and a significant deterioration of purchasing power will limit food access. These households are expected to face Stressed (IPC Phase 2) outcomes in November and December before then declining into Crisis (IPC Phase 3) food insecurity by March 2015.

Similar to a normal year, poor agricultural households will rely on their own staple food production in the short-term. However, once these stocks deplete, sometime during the first quarter of 2015, these households will become increasingly reliant on local markets to access food. However, given market disruptions and reduced income from crop sales and labor, household purchasing power will be limited. Currently, these populations are facing Minimal (IPC Phase 1) acute food insecurity although they will likely decline into Stressed (IPC Phase 2) food insecurity between January and March 2015.

UPDATED HOUSEHOLD ECONOMY APPROACH (HEA) ANALYSIS FOR BOMI COUNTY, LIBERIA

In early November 2014, FEWS NET conducted a Household Economy Approach (HEA) outcome analysis using a 2005-06 baseline for parts of Bomi County, Liberia formerly known as the Cassava and Charcoal Livelihood Zone¹. The purpose of this analysis was to better understand the possible food security implications of an exponential increase in the number of Ebola cases on a rural, Ebola-affected livelihood zone in the region. A detailed description of the analysis can be found in [FEWS NET's November 3 special report](#).

Given its updated Ebola caseload planning figure and new information from recent assessments in Liberia, FEWS NET revised its HEA analysis for Bomi County with certain adjustments to the following assumptions:

- **Agricultural labor incomes, in-kind labor payments, and lunches provided during agricultural labor work will decline** to 35 to 75 percent of the reference year.
- **Incomes from self-employment and the sale of crops will decline** to 30 to 75 percent of the reference year due to a general economic slowdown, reduced consumer purchasing power and demand, market disruptions, and difficulties transporting goods between zones. **Charcoal sales** will also decline to 85 percent of the reference year.

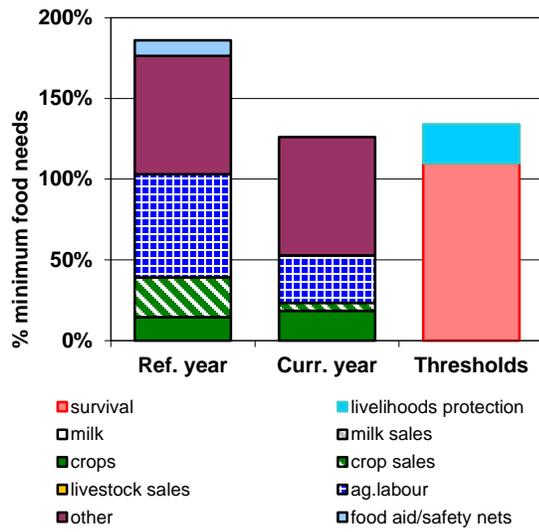
The results of the updated outcome analysis for the Charcoal and Cassava Livelihood Zone of Bomi County indicate that Ebola-related disruptions to markets, trade, and livelihoods could cause a decline in total annual household income (food plus cash) as a percentage of minimal food needs for households across all wealth groups. However, increased consumption of cassava and wild food products (bush yams and wild palm oil) could be sufficient to enable poor (33-50 percent of households), middle (25-35 percent of households), and better-off households (10-20 percent of households) to at least minimally cover annual food and non-food needs.

Meanwhile, for very poor households (10-15 percent of households), the analysis of annual food and income suggests that they will be able to generate enough income during the next year to minimally meet annual food needs, although they are likely to be unable to afford essential expenditures to protect their livelihoods (i.e. livelihoods protection deficit) during the entire year. Also, as certain food and income sources are only available at specific times of the year and households are unable to completely smooth their consumption, small food consumption gaps (i.e. survival deficits) are possible in June before wild yams become increasingly available. This suggests that very poor households will face at least Stressed (IPC Phase 2) food insecurity during the remainder of the 2014/15 consumption year (or through September 2015), with the possibility of Crisis (IPC Phase 3) in June 2015.

The seasonality analysis also suggests that due to an inability to completely smooth consumption over the entire year, poor households might also face livelihoods protection deficits, roughly equivalent to Stressed (IPC Phase 2) in June 2015, despite generating sufficient annual income to theoretically cover both minimal food and nonfood needs for the entire year.

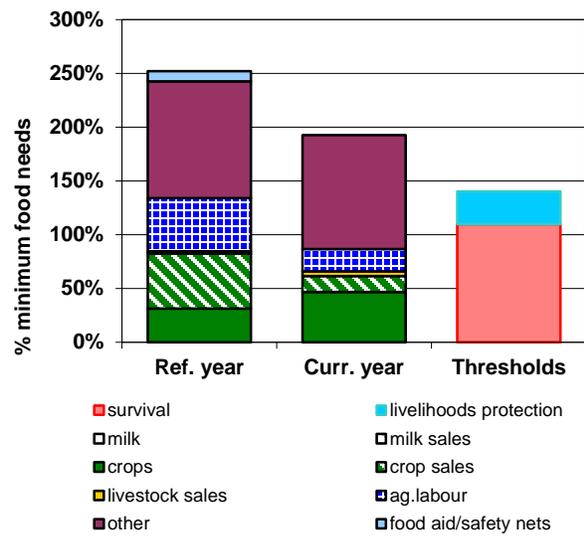
¹ A livelihood zoning "plus" activity conducted in 2011 reclassified this zone as the "Rubber and Charcoal with Food Crops" livelihood zone.

Figure 4. HEA outcome analysis results for total incomes (food and cash) for very poor households, Oct 2014 – Sept 2015



Source: FEWS NET

Figure 5. HEA outcome analysis results for total incomes (food and cash) for poor households, Oct 2014 – Sept 2015



Source: FEWS NET