

## Yemen's invisible food crisis

*A year of intense conflict has created one of the world's biggest humanitarian emergencies and risks pushing millions into famine*



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A man transports food by donkey to Taiz city, an area largely cut off from supplies.

### Background

*Since March 2015, Yemen has been gripped by a conflict involving different forces including the Houthis, the former president, and the Government of Yemen backed by a military coalition led by Saudi Arabia.*

*During an intense 12 months, markets have been bombed, water plants and businesses destroyed and the majority of essential services have ground to a halt. Almost 600 health facilities have closed due to damage or a shortage of supplies or staff.<sup>1</sup> In the first half of March 2016 alone, airstrikes and naval shelling hit four markets and three farms.*

## One year of conflict...

One year on from the escalation of conflict in Yemen, fighting has killed more than 6,100 people and resulted in an average of 113 casualties per day.<sup>2</sup> In the first seven months of 2015, more civilians were killed or injured in Yemen as a result of explosive weapons than in any other country in the world.<sup>3</sup>

An invisible food crisis has pushed almost a quarter of the population to the edge of starvation,<sup>4</sup> and risks turning famine warnings into a reality over the coming months.

Conflict has forced 2.4 million people to flee their homes and has destroyed jobs, creating crippling debt and poverty. The destruction of trading routes and farms by warring parties, a de facto blockade on commercial imports and a drop in agricultural production, as well as a long-running fuel crisis have created a scarcity of supplies in markets and exorbitant prices for staple food items.

Now a looming financial crisis threatens to compound one of the world's largest humanitarian crises. In February, the Central Bank of Yemen stopped guaranteeing favourable exchange rates for imports of sugar – and the latest indications are that it may be about to do the same for rice and wheat.

Business people have told Oxfam that they are deeply concerned. For example, one of the main importers of wheat to Yemen said it may have to halt its shipments of grain in March and April due to the uncertainty in the banking sector.

Saudi Arabia has purchased billions of dollars in arms, including drones, bombs, torpedoes, rockets and missiles – mostly from the USA and the UK – to support its ongoing campaign in Yemen. The sale of arms to parties to the conflict compromises governments' ability to promote a peaceful solution to the crisis.

These weapons have been quietly fuelling the Yemen conflict and making life worse for the 21.2 million people – or 82 percent of the population – who are in urgent need of humanitarian assistance. Yet as of 22 March, the UN humanitarian appeal for Yemen, which requested \$1.8bn to cover the needs of 13.6 million people in 2016, is only 12 percent funded.

This catastrophic cocktail of under-reported crises means millions of people may not be able to afford food in the coming months.

## ... has made widespread hunger much worse...

Oxfam surveyed more than 250 people across 31 areas of Hajjah governorate in north-west Yemen in February 2016, and found that 60 percent of families were forced to borrow or forage for food. Some people displaced by the conflict said they fear hunger and starvation, for both themselves and their children, if the conflict continues.

Many said their savings were running out and increasing food prices mean they will not be able to provide the basic food their family needs. All respondents spent more per month than they are able to earn. For example, women displaced to urban areas such as Abs said their average monthly outgoings were \$214 against an average income of \$118. The high cost of living means more girls are being forced into early marriage as a way of increasing the family income; and as poverty increases, women and girls are increasingly being exposed to violence, abuse and exploitation.

Even before the escalation of conflict, Yemen had 10 million hungry people and one of the highest malnutrition rates in the world,<sup>5</sup> with half of children under the age of five chronically malnourished.<sup>6</sup>

A Yemen government and UN survey of nutrition levels between August and October 2015 found alarming levels of malnutrition. For example, in Al-Hodeidah 31 percent of the population was acutely malnourished compared with 18.3 percent in 2014.<sup>7</sup>

In June 2015, 10 out of the 22 governorates in Yemen were classified as 'one step away' from famine and in need of immediate life-saving assistance.<sup>8,9</sup>

A further nine governorates are also facing a food security crisis; families are struggling to find enough to eat, there are high levels of acute malnutrition and people are being forced to sell essential possessions to pay for food.<sup>10</sup> If the conflict continues, these people are in danger of sliding closer to famine.

## ... and families are struggling to cope.

Oxfam's food survey found that 63 percent of households said they rely on credit or loans to buy food, while almost half of those surveyed said they rely on neighbours and community members to supplement their food supply.

Since so few borrowers are able to pay back loans on time, formal lenders are increasingly unwilling to extend credit to poor families. The reduction in household loans threatens to curb the flow of goods into some of the most food insecure areas, as purchasing power hits rock bottom.

All respondents said they will continue to reduce the size and frequency of meals as stocks of sorghum run out this month.

People in Taiz city, in the front line of the conflict, told Oxfam in February that there were no vegetables or infant formula milk available in the market, and reported that in some areas food prices have increased by 200 percent. Many said that they eat only one meal per day to leave enough food for their children. Some said they went without food for 36 hours during times of intense conflict.

With more than 2.4 million people forced from their homes, many are living with friends, relatives and strangers, placing extra strain on already meagre resources.

## A looming financial crisis could cut imports and further increase prices...

Following reports that the Central Bank of Yemen may soon stop providing credit lines for wheat, which guarantees that sellers will receive payments on time, businesses are concerned that they will lose a significant proportion of their income, making trading not economically viable.

Yemeni importers are also being forced to purchase foreign currency on the black market, threatening to push the price of food beyond the reach of the 14.4 million people who are already going hungry.

The financial crisis is already having an impact on the poorest families. Since the Central Bank of Yemen stopped guaranteeing favourable exchange rates on imports of sugar, Oxfam has noted increases in the price of sugar of up to eight percent.<sup>11</sup>

Yemen is reliant on imports for roughly 90 percent of its food, and a functional financial and banking system is critical to ensuring that food and fuel can be imported and remittances – an essential source of income for many Yemeni families – can be transferred.

The price of wheat could also rise dramatically if importers pull out of Yemen. Wheat flour was at its most expensive in June 2015, when it was 38 percent higher than before the crisis. Prices were generally more stable in February, but some areas, such as Hajjah, saw the price of wheat rise by 50 percent compared with January.<sup>12</sup>

The Chief Economist for the Central Bank of Yemen, Mansour Rageh, has said that 'both the Yemeni riyal and government operations now face imminent, critical threats to their continuity'.

Rageh explains that the Central Bank of Yemen has maintained the value of the national currency, the riyal, and kept down the basic price of food imports in order to 'limit suffering and the possibility of famine among the population'. However, he warns that 'on current trajectories, Yemen's central bank will exhaust its foreign currency holdings in the near term and lose its primary means of maintaining the domestic currency. This will have disastrous implications for the value of the riyal, public finances and country's economy generally, as well as the physical well being of the vast majority of Yemenis'.<sup>13</sup>

## ... while essential goods are held at sea...

Delays and disruptions at ports are not only as a result of active combat. A year-long de facto blockade has had a huge and long-term impact on the economy and the humanitarian situation. A major importer of wheat said that its January shipments were held at sea for more than a month at the cost of \$15,000 per day.

For example, import restrictions have created a dire shortage of vegetable seeds, and as the planting season approaches and stocks run low, the lack of agricultural supplies could have a devastating impact on food production over the coming year.

The new UN Verification and Inspection Mechanism is a welcome move to try to reduce restrictions and facilitate the import of commercial and humanitarian goods. The mechanism took seven months to be agreed, and now needs to be implemented urgently to allow the swift passage of essential supplies.

Although the de facto blockade has eased this year and permissions for ships to anchor in Yemeni ports are being granted and more food is getting into the country, fuel imports remain insufficient – and food that does get in is not reaching all of those in need.

Many commercial companies have stopped shipping to Yemen because of high insurance premiums, fears for the safety of their staff and concerns about safe passage for their ships.

Damaged roads and destroyed bridges hamper the transport of imported goods to markets across the country. Fuel and food prices remain above pre-crisis levels, and essential commodities are priced out of the reach of vulnerable Yemenis. With depleted savings and overstretched safety nets, the collapsing economy has shrunk the purchasing power of the average citizen.

Five ports are now functioning and allowing food into the country; however, three ports, Ras Isa, Balhaf and Ash Shihr, remain closed due to insecurity. Aden, the major entry point for goods and humanitarian supplies to the south, is now a battlefield and a highly contested area – with armed groups vying to take control of the port.

Yemen's largest port, Al Hudaydah, which handles 60 percent of all imports, has been operating on reduced capacity since five of its cranes used to offload containers were damaged in an airstrike in August 2015. The port is also congested due to damaged infrastructure and continued fuel shortages.

## ... and Yemen's food production plummets...

Over the past year, Yemen's food production has been depleted by conflict. The country used to grow only 10 percent of the wheat it consumes, but that figure has almost halved as people have been forced to flee their land to seek safety elsewhere, while high fuel prices are making it difficult for farmers to irrigate their crops.

The Ministry of Agriculture and Irrigation estimated that the overall cereal harvest in 2015 was 30 percent lower than that of the previous year, due to the challenges in accessing farmland and the shortage of rain.<sup>14</sup>

Air strikes have destroyed poultry farms, and fishing boats have been damaged or destroyed. The Food and Agriculture Organization of the United Nations (FAO) says that 65 percent of fishermen and 650,000 casual workers have stopped working due to the conflict. As a result, the amount of fish available in Sana'a and other governorates has drastically reduced – not only because there are fewer boats at sea but also as a result of the security risks of transporting fish and providing refrigeration in the midst of an ongoing fuel crisis.

A rapid business survey conducted by the UN across the country in August and September 2015 found that 64 percent of businesses had no stocks in their storerooms, and those with an inventory had less than two months' worth of supplies left.<sup>15</sup>

Twenty percent of food businesses said powdered milk, wheat and rice were not available, adding that sourcing food was made more difficult by average price increases of 44 percent since war broke out.

## ... humanitarian agencies are struggling to reach everyone in need...

Once into the ports or on to the trucks, getting food to remote and difficult-to-reach areas is still a challenge. High fuel prices (the average price of fuel is more than 55 percent higher than it was one year ago), insecurity and harassment by all parties in the conflict are making food delivery a daily battle.

For example, humanitarian agencies are finding it extremely difficult to reach the border areas of Sa'ada and Hajjah due to ongoing air strikes and artillery barrages. Access to Aden and the south of the country is also hugely challenging – even if permission to travel is granted, widespread violence due to an increasing security vacuum often prevents food delivery or aid work.

While some medical supplies and food have been allowed to enter Taiz city over the past two months, these one-off deliveries have not provided enough to meet the needs of the conflict-affected population, and humanitarian agencies and traders are struggling to move goods and supplies into the city. However, some aid agencies are finding other ways to provide assistance – for example, Oxfam is working through a local organisation to supply water to more than 55,000 people in Taiz.

The UN has also highlighted the proliferation of checkpoints across the country, delaying essential supplies, sometimes for weeks or months at a time. Harassment and intimidation of humanitarian staff is also commonplace.

Despite the challenges, humanitarian agencies are still managing to reach people with aid. For example, since July 2015 Oxfam has reached more than 730,000 people with water, food vouchers and cash transfers, including cash for work. Overall, the humanitarian community managed to reach close to nine million people with some form of humanitarian assistance last year.

Oxfam is working in areas affected by extremely high levels of hunger, such as Hajjah, Hodeidah and Taiz, yet the agency is struggling to secure enough funding to scale up its food response – further hampering its ability to reach people in urgent need of help.

## ...and people risk danger when buying food...

In February, when Oxfam asked residents of Taiz city if they had any safety concerns when buying food, their list was long: sniper fire, shelling, sudden clashes, harassment at checkpoints, physical and verbal abuse, insults and humiliation.

Traders in Taiz said that higher prices in active combat areas sometimes mean people are forced to travel long distances outside of the city to purchase commodities at a lower price. Many travel along treacherous mountain paths in order to avoid checkpoints. They return with the food 'on their backs, exposing themselves to the risk of being shot by snipers', one trader told Oxfam.

## ... but buying food is difficult when there are no jobs...

Oxfam's food survey found that casual farm labourers are getting paid half the amount they used to for the same number of hours. People also said that the high cost of fuel means that transportation is too expensive for many to travel to work.

As the United Nations Development Programme (UNDP) points out, 'given that agricultural and fishery activities constitute 22 percent of GDP and form the livelihoods of an estimated 54 percent of the population, the impact of their systemic failure is massive'.<sup>16</sup>

In this nation of unemployed people with fewer and fewer safety nets available to them, people are increasingly unable to afford to buy food.

Add to this the suspension last year of government social protection programmes such as the Social Welfare Fund, which has left 1.5 million of the poorest people without the \$14–28 they used to receive each month, and the outlook for the coming year is even more bleak.

## ... and traders are struggling to make a living.

When the UNDP spoke to business owners six months ago, 75 percent of food traders said they were unable to purchase new stock because goods were not available or they did not have the capital to restock.

Oxfam interviews with 30 traders in Hajjah governorate in February showed a reduction in stock over the past three months, mainly due to a drop in demand. Most said there has also been an increase in debt, with customers unable to repay their credit. A trader in Al Raboaa Abbs said customers are requesting dramatically smaller quantities of food – where someone used to buy a 20kg bag of rice, they now buy one kilo. Half of the traders said they have had to find new suppliers because their original wholesaler did not have the stock they needed.

The crisis is forcing many shops to close, and the banking crisis will only make the uncertainty of business all the more stark, especially for small businesses and traders. When asked about their greatest concern for their business, seven traders said the supply of goods, while another seven were most worried about the future viability of their business. One man explained he is too frightened to buy large quantities of goods due to a possible sales slump or a further deterioration in the crisis.

In Aden, some businesses have closed and some of the main suppliers have stopped operating. The remaining shops are running with limited stocks. Taiz traders told Oxfam that their customer numbers have decreased by 80 percent – as many as 222,000 people have been displaced to areas outside the city. They say they will be forced to close their shops and leave for more accessible areas if the situation does not improve in March.

## Oxfam recommends...

1. All parties to the conflict should agree to an immediate ceasefire and urgently resume peace talks, ensuring that all sections of society, including women, are involved.
2. Governments, such as the UK and US, must stop fuelling the conflict by supplying arms to parties to the conflict. They must cancel pending sales of arms likely to be used in Yemen and act as peace brokers, not arms brokers.
3. International governments must step up and fully fund the humanitarian response so that millions of men and women can access food, water and protection.
4. All land, sea and air routes to Yemen must remain open to allow the regular and consistent flow of commercial supplies of food, fuel and medicines into the country at the levels necessary for economic recovery and to meet the needs of the population.
5. All parties must uphold their legal obligations to protect civilians, and facilitate humanitarian access to all those in need across all areas of Yemen. They must avoid attacking civilian infrastructure including hospitals, schools, markets, humanitarian assets and water infrastructure, and stop impeding the access of humanitarian agencies.
6. A credible independent international monitoring mechanism should be established to investigate human rights violations and hold all sides to account.
7. The international community must provide urgent relief and support to the Central Bank of Yemen, as well as to Yemen's private banks and importers, to stave off financial collapse. All parties to the conflict, in conjunction with the international community, should support the Yemeni financial system in order to stabilize markets for food.

**Tawfiq, 35**, sought safety in Hoban after his daughter was killed in the conflict.

'We left our house together with hundreds of families at the beginning of the war; all the buildings around us were destroyed. I wanted to keep my family safe but the rockets and missiles were falling down like rain and I could not save my daughter who was only 12 years old. I couldn't bury my baby and I still don't know if she will stay under the ruins of that house forever. I always dreamed she would become a successful teacher who could spread messages of tolerance and peace.'

'When we left, we had to walk for days in search of a safer area. We slept in the streets for many days, until we reached the village of Qubah in Hoban where people were friendly. Oxfam provided us with drinking water as we had to use salted water from wells for the laundry and the cooking. I used to rely on my motorbike as a source of income, but it was damaged by the airstrikes. Now I go out every day to look for a job that can help me feed my children, but most of the time I come back with nothing – not even milk for my little baby.'

**Um Ali, 39**, fled from Taiz to Hoban after her house was completely destroyed.

'My husband, our eight children and I still live in a tent. Hunger is terribly painful. Most nights I wake up thinking about the food I do not have – we can't even afford to buy a bag of wheat. Sometimes I can only find dry bread, which I break into small pieces and dip in water to feed my children. It is very difficult to see my kids hungry and there's nothing that I can do about it. My husband looks for a job every day, but his efforts are always in vain. I am a mother and I do not want to see my children suffering. I wish I could go back to our house and our previous life. I wish my kids could go back to school and eat bread, vegetables and chicken.'

**Ammar Abdulbaset, 21**, was forced to flee his home because of the conflict. Unable to find employment, he began transporting food from the city to sell in the village.

'I have been displaced by the conflict and I'm now living with my elder brother in the village. Since the beginning of conflict, I can't find a job and the situation is getting worse. I'm an extra burden on my brother.'

To make some money, Ammar started going to the district market in the early morning to buy bread, cake, cookies and vegetables, using a donkey to transport the goods back to the remote village.

'I was bored and frustrated for a period, but then I insisted on doing anything to help myself and others. I walk for three hours every day from the village to the market and bring goods to sell to villagers. I use a donkey to carry the goods because the way to the village is very rugged. I sell bread at market price and make some money. I would have to sell bread at higher prices if I rented a car.'

**Jawad, 20**, worked in a market to support himself after his parents died in a car accident when he was still at school.

'I worked in the market and used to carry bags and goods on my back. They give me 50 riyals per bag and I used to carry about 20 bags and get 1,000 riyals (\$4.66) most days. About a year ago, I finished work and was exhausted. I went home to take a rest and then a shell hit the house. I remember nothing but the smell of gunpowder and then I fell into a coma. I was told that I stayed in the intensive care unit in a hospital in Taiz for two months. When I woke up, I wasn't able to speak or hear. I received treatment in the hospital and after that went home. Arriving at the house, I was astonished to see the extent of damage.'

Jawad left with a group of neighbours for a safer area in Al-Hawban, outside Taiz city. He is now unemployed, and depends on his neighbours for food.

**Saddam Aref, 24**, is the eldest of his siblings. His father died three years ago, and Saddam had to quit school and become a taxi driver in Taiz city to support his mother and five siblings. They managed to be self-sufficient and the children used to go to school.

When the conflict escalated, Saddam and his family fled to a nearby village. 'We had to take four cars to reach the village because all the roads were closed. The situation is getting worse. I haven't eaten fruit for almost a year. We eat only one meal a day or two at best. We eat *Aseed* [a mixture of boiled water and flour] but I sometimes stop eating while I'm still hungry so my younger siblings get enough.'

Saddam was shot in his leg and now walks with crutches and stays at home.

'Once I recover, I will return to Taiz city to look for work even if the war continues, because the situation is getting more unbearable and my physical and psychological condition worsens day by day.'

## NOTES

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- 1 <http://reliefweb.int/report/yemen/yemen-external-situation-report-33-march-8-2016>
- 2 [https://www.humanitarianresponse.info/en/system/files/documents/files/usg\\_stephen\\_obrien\\_statement\\_to\\_securitycouncil\\_on\\_yemen\\_cad\\_16feb2016.pdf](https://www.humanitarianresponse.info/en/system/files/documents/files/usg_stephen_obrien_statement_to_securitycouncil_on_yemen_cad_16feb2016.pdf)
- 3 [controlarms.org/en/wp-content/uploads/sites/2/2016/02/ATT-Monitor-Case-Study-2-Saudi-Arabia-FINAL.pdf](http://controlarms.org/en/wp-content/uploads/sites/2/2016/02/ATT-Monitor-Case-Study-2-Saudi-Arabia-FINAL.pdf)
- 4 [reliefweb.int/sites/reliefweb.int/files/resources/Yemen\\_IPC\\_Indicative\\_Acute\\_Analysis\\_June\\_2015I.pdf](http://reliefweb.int/sites/reliefweb.int/files/resources/Yemen_IPC_Indicative_Acute_Analysis_June_2015I.pdf)
- 5 Comprehensive Food Security Survey (CFSS), World Food Programme, 2014.
- 6 Ibid.
- 7 Standardized Monitoring and Assessment of Relief and Transitions (SMART) nutrition survey by UNICEF and the Ministry of Health and Public Hygiene.
- 8 [reliefweb.int/sites/reliefweb.int/files/resources/Yemen\\_IPC\\_Indicative\\_Acute\\_Analysis\\_June\\_2015I.pdf](http://reliefweb.int/sites/reliefweb.int/files/resources/Yemen_IPC_Indicative_Acute_Analysis_June_2015I.pdf)
- 9 The 10 governorates are Aden, AIDhale'e, Lahj, Taiz, Abyan, Sa'ada, Hajjah, Hodeida, Al Bayda and Shabwa.
- 10 Amran, Dhamar, Sana'a, Sana'a city, Ibb, Mareb, Rayma, Al Mahweet, Al Jawf are all classified as IPC level 3.
- 11 Latest market monitoring shows: the average price of sugar showed some fluctuation in February 2016 compared with January 2016. Compared with January 2016 prices, the average price of sugar increased by 3 percent in Sana'a city, 4 percent in Hudaidah, 2 percent in Hajja, 8 percent in laheg and 1 percent in Dhamar. Among other factors, the price fluctuation could be attributed to the exchange-rate fluctuation of Yemeni riyal against the US dollar.
- 12 The average price of wheat flour increased from 7 percent in Hadramout to 50 percent in Hajjah in February while it remained stable in Dhamar – Food Security Technical Secretariat (FSTS) Monthly Market Monitoring Bulletin.
- 13 <http://sanaacenter.org/publications/item/30-ensuring-yemen%E2%80%99s-state-structures-survive-the-conflict.html>
- 14 Yemen Food Security Information System (FSIS) Development Programme, January 2016
- 15 [http://www.ye.undp.org/content/yemen/en/home/library/crisis\\_prevention\\_and\\_recovery/undp-smeps-rapid-business-survey.html](http://www.ye.undp.org/content/yemen/en/home/library/crisis_prevention_and_recovery/undp-smeps-rapid-business-survey.html)
- 16 HNO, 2016 update.

## Oxfam [www.oxfam.org](http://www.oxfam.org)

Oxfam is an international confederation of 20 organizations networked together in more than 90 countries: Oxfam America ([www.oxfamamerica.org](http://www.oxfamamerica.org)), Oxfam Australia ([www.oxfam.org.au](http://www.oxfam.org.au)), Oxfam-in-Belgium ([www.oxfamsol.be](http://www.oxfamsol.be)), Oxfam Canada ([www.oxfam.ca](http://www.oxfam.ca)), Oxfam France ([www.oxfamfrance.org](http://www.oxfamfrance.org)), Oxfam Germany ([www.oxfam.de](http://www.oxfam.de)), Oxfam GB ([www.oxfam.org.uk](http://www.oxfam.org.uk)), Oxfam Hong Kong ([www.oxfam.org.hk](http://www.oxfam.org.hk)), Oxfam India ([www.oxfamindia.org](http://www.oxfamindia.org)), Oxfam Intermón (Spain) ([www.intermonoxfam.org](http://www.intermonoxfam.org)), Oxfam Ireland ([www.oxfamireland.org](http://www.oxfamireland.org)), Oxfam Italy ([www.oxfamitalia.org](http://www.oxfamitalia.org)), Oxfam Japan ([www.oxfam.jp](http://www.oxfam.jp)), Oxfam Mexico ([www.oxfamexico.org](http://www.oxfamexico.org)), Oxfam New Zealand ([www.oxfam.org.nz](http://www.oxfam.org.nz)), Oxfam Novib (Netherlands) ([www.oxfamnovib.nl](http://www.oxfamnovib.nl)), Oxfam Québec ([www.oxfam.qc.ca](http://www.oxfam.qc.ca)). Observers: Oxfam Brasil ([www.oxfam.org.br](http://www.oxfam.org.br)), Oxfam South Africa, IBIS (Denmark) ([www.ibis-global.org](http://www.ibis-global.org))