

Central America and Caribbean

Key Message Update

Atypically high prices contribute to early onset of the annual lean season

April - May 2022



June - September 2022






IPC v3.0 Acute Food Insecurity Phase

Presence countries:

-  1: Minimal
-  2: Stressed
-  3: Crisis
-  4: Emergency
-  5: Famine

Remote monitoring countries:

-  1: Minimal
-  2: Stressed
-  3+: Crisis or higher

! *Would likely be at least one phase worse without current or programmed humanitarian assistance*

FEWS NET classification is IPC-compatible. IPC-compatible analysis follows key IPC protocols but does not necessarily reflect the consensus of national food security partners.

FEWS NET Remote Monitoring countries use a colored outline to represent the highest IPC classification in areas of concern.

April 2022

Key Messages:

In Central America, poor households are experiencing an early start of the annual lean season due to agricultural losses in 2021 and atypically high prices as they rely more and more on food purchase to meet minimum food needs. As a result, most poor, rural households across the region will remain in Stressed (IPC Phase 2) conditions through June. Households in parts of the Honduran and Guatemalan Dry Corridor, areas affected by Eta and Iota, and eastern Honduras are expected to remain in Crisis (IPC Phase 3) through September 2022. As the lean season progresses, low income, atypical debt, and high food, transportation, and agricultural input costs will cause more households to resort to unsustainable coping strategies and increase the number of households experiencing Crisis (IPC Phase 3) outcomes.

Although markets are well supplied with local and imported staple foods, prices of grains, fuel, bread, and oils are continuing their upward trend driven by inflation as well as by international pressures related to the conflict in Ukraine. In March, several of the governments in the region announced economic measures to contain the effect of this inflation on poor households' purchasing power, including subsidies for electricity, propane gas, and fuel; the freezing of prices for passenger fees and electricity; and the establishment of maximum prices for certain products. Despite these measures, the prices of many consumer products are expected to remain above last year.

The forecast for the beginning of the *primera* season indicates above-average rainfall for much of the region, facilitating a normal start to the *primera* rainy season. In some areas, land preparation and planting activities for *primera* have already begun. However, high fertilizer prices, which, in February were more than 100 percent higher than last year in some cases, could reduce fertilizer use and/or cropped area, which would result in lower production and labor demand.

In Haiti, high commodity prices are also disrupting livelihoods and poor and very poor households are adopting negative coping strategies to maintain their level of food consumption. Crisis (IPC Phase 3) outcomes are likely in poor neighborhoods of Port-au-Prince, in areas suffering from the residual impacts of the August 2021 earthquake, as well as in areas worst affected by climate and price shocks and are thus more dependent on the market. Meanwhile, Stressed (IPC Phase 2) outcomes are widespread elsewhere.

Since January, average rainfall has allowed for the normal development of spring crops. However, a lack of access to agricultural inputs has limited farmers' useful agricultural areas and production potential. Thus, the positive rainfall developments are expected to have limited positive impacts on food security outcomes, particularly in areas affected by recent shocks such as the North-West, where the floods of March caused damage to the agricultural sector. As in Central America, markets

in Haiti are well supplied, but prices are continuing to rise, exacerbated by the depreciation of the HTG. This, together, with the anticipation of an adjustment in fuel prices and the oncoming lean season, continues to deteriorate food access for poor households.

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<https://fews.net/central-america-and-caribbean/key-message-update/april-2022>

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