

# Price Monitoring and Analysis Country Brief

**Kenya**

September-December 2010

## Key Messages

- Maize prices have declined from peak levels in 2009 but are still much above average and highly volatile.
- The number of refugees in Kenya is expected to increase substantially due to insecurity and civil conflict in neighbour countries.
- Although the number of people requiring food assistance has declined, a large part of the population is faced with food insecurity and different agencies estimate high levels of hunger and undernourishment.
- The Government with the help of donors has kept in place measures to support producers, consumers and the most vulnerable segments of the population.

## Background

Total population is estimated to be 39.8 million, with a population growth rate of 2% per annum. Rural population amounts at 78% while the agricultural value added to GDP is 22%. Latest data suggest that the proportion of undernourishment is 31%.

Economic Indicators	View Data
Total Population (millions) - 2009 (WB)	39.802
Population growth rate - 2009 (WB)	2%
GNI per capita, \$ PPP - 2009 (WB)	1570
Population below 1\$ PPP per day - 2005 (MDGI)	19%
Rural population - 2009 (WB)	78%
Agriculture, value added (% of GDP) - 2009 (WB)	22%

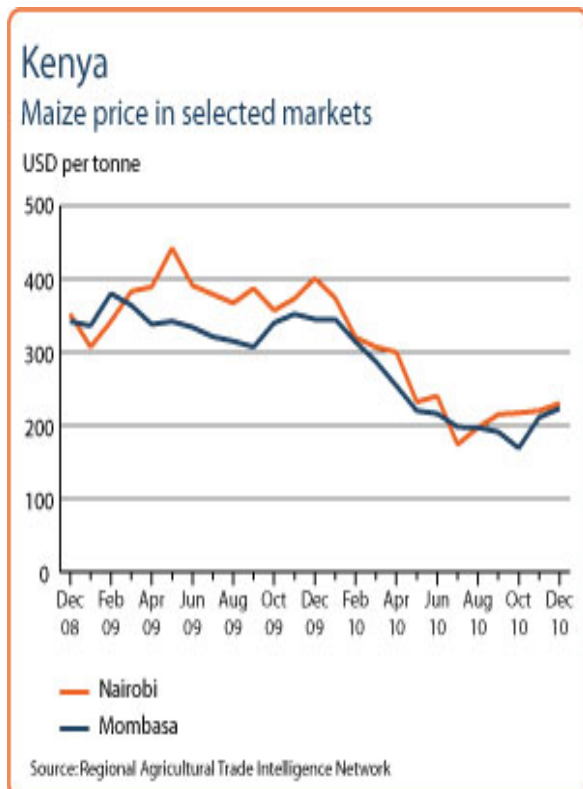
Food Consumption	
Undernourished Population - 2005/2007 (FAO)	31%
Cereal share in total dietary energy consumption - 2007 (FAO)	49%
Meat share in total dietary energy consumption	n.a.

Health Indicators	
Pop. with sustainable access to improved sanitation - 2008 (WHO)	31%
Life expectancy at birth (years) both sexes - 2008 (WHO)	54
Pop. with access to improved drinking water sources - 2008 (WHO)	59%
Prevalence of HIV among adults aged >= 15 years - 2009 (WHO)	6.3%

## Prices

**Cereals:** maize prices, after lowering during July and August, showed an increasing trend in recent months. In Nairobi maize was sold at 215 USD/T in Sept., steadily rose to 220 USD/T in Nov. and then declined to 217 in Dec. 2010. During the reporting period maize prices increased in Mombasa where it was traded at 169 USD/T in Oct., but then reached 220 USD/T in Dec.. Compared to the international price of US maize No2 Yellow, which was quoted 252 USD/T in Dec., maize prices in Nairobi were 13% lower.

**Livestock:** thanks to substantial increases in livestock prices, terms of trade are enhanced for pastoralists as cereal prices, though still above average levels, have declined.



Source: [GIEWS Country Briefs](#)

## Food Security Situation Assessment

The number of people depending on food aid declined from 3.8 million in the first months of 2010 to 1.2 million; however UN OCHA estimated that conflict and drought will leave at least 1.6 million people in Kenya in crisis in 2011. The United Nations estimates that Kenya has 3.5 million severely food insecure poor people with 15.4 million people experiencing chronic food shortages. According to FEWSNET, there have been improvements in household food security thanks to 2010 long rains, but there is a significant risk of deterioration in food security conditions because of poor short rains due to La Nina phenomenon in eastern and northeastern regions, and in lower levels in western areas. GIEWS estimates severe localized food insecurity. FAO Hunger map estimates high prevalence undernourishment while IFPRI reports a serious hunger problem.

### CURRENT EMERGENCY ASSESSMENT

			<a href="#">FAO/GIEWS CPFS 2010</a>
Exceptional shortfall in aggregate food production supplies	Widespread lack of access	Severe localized food insecurity	

Pastoral food security is increasingly precarious and may rapidly deteriorate if necessary interventions are not instituted urgently. The worst-affected districts are Marsabit, Isiolo, Mandera, and Wajir districts. ...[more](#) [FEWSNET](#)

### SCALE OF HUNGER (% of Undernourishment)

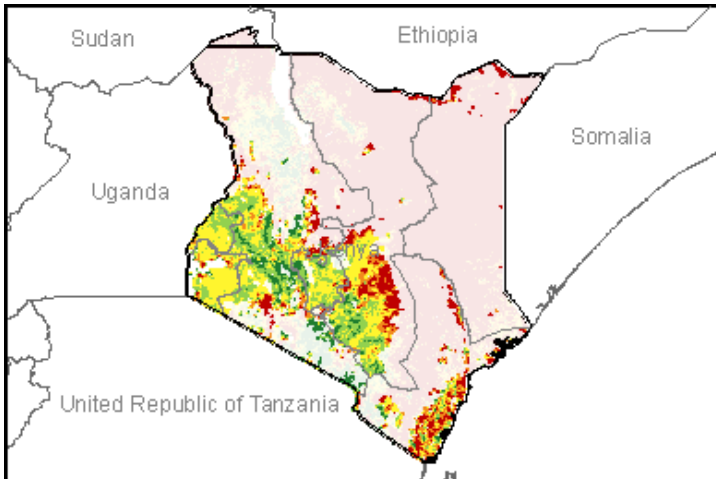
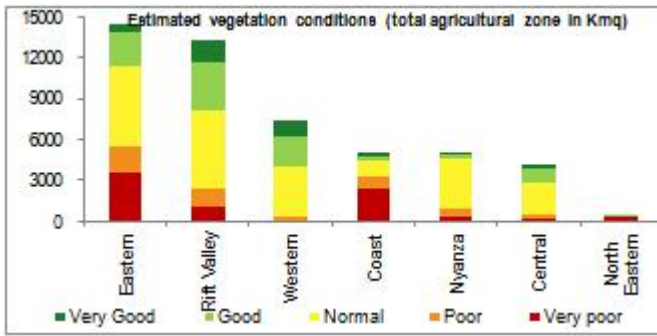
					<a href="#">FAO Hunger Map</a>
Very high (>= 35%)	High (25-34%)	Moderately high (15-24%)	Moderately low (5-14%)	Very low (< 5% under.)	

FAO Hunger Map classifies all countries of the world into five based on % of population undernourished.

					<a href="#">IFPRI/2010 GHI</a>
Extremely alarming	Alarming	Serious	Moderate	Low	

## Vegetation Condition

At this stage of the short rainy season, poor to very poor conditions are observed in the south of the Eastern province, punctually in the Rift Valley province and in the Coast province whereas normal to very good conditions are observed elsewhere. The general indicator of vegetation condition provided below is the relative difference between the NDVI for December 2010 and the average of the last 10 years, calculated on the agricultural zones derived from the Africover dataset (FAO)



Source: JRC MARS – FoodSec

### Crop phase in the reference period

<b>Sowing</b>	No crops are sowed during the reference period
<b>Growing</b>	Barley, Maize, Millet, Sorghum & Beans (Short Rains)
<b>Harvesting</b>	Barley (long Rains)

## Natural Disasters, Drought and Conflicts

In October, Kenya hosted 412,493 refugees, mostly in the Dadaab camp on the Somali border. However the refugees' population in Kenya is expected to increase significantly in 2011 largely because of the situation in Somalia and in Sudan, as the referendum tensions could turn violent and displace a lot of people.

Refugees and IDPs	2007	2008	2009
Total in the country	371495	1180088	882339
Total outside the country	9277	762617	417052

Source: UNHCR Statistical Online Population Database, United Nations High Commissioner for Refugees (UNHCR), Data extracted on 01/12/2010.

Disaster Type (last year)	Date	Location	Alert
Earthquake	2010-06-13	Nyanza	1/3
Flood	2010-05-08	Western-Rift Valley	1/3
Flood	2010-03-07	Western	1/3

Source: Global Disaster Alert and Coordination System - 3 = 1000 or more people killed or 800000 or more people displaced. 2 = 100 or more people killed or 80000 or more displaced.

## Food Balance Sheet

The 2010 long rain season maize crop is preliminary estimated at 2.75 mln tonnes, well above the five year average and some 30% above the previous harvest. Total cereal production is forecast at 3.5 mln tonnes, some 21% more than the 2009 output but only 3% above the five year average. Import requirements for 2010/11 marketing year (Oct/Sept) are estimated at 1.88 mln T, much below previous year imports of 2.52 mlnT, but slightly above the average (1.81 mlnT).

Kenya Cereal production				
	2005-2009 average	2009	2010 forecast	change 2010/2009
	000 tonnes		percent	
Maize	2782	2443	3000	23
Wheat	327	219	225	3
Sorghum	115	95	130	37
Others	180	155	159	3
<b>Total</b>	<b>3404</b>	<b>2912</b>	<b>3514</b>	<b>21</b>

Note: percentage change calculated from unrounded data.  
Source: FAO/GIEWS Country Cereal Balance Sheets

Source: GIEWS Country Briefs

## Government Policies

The National Cereals and Produce Board (NCPB) currently has 270,000MT of stock, against the statutory grain reserve requirement of 720,000MT. The Gvmt has distributed drought tolerant seeds in the southeastern and coastal lowlands in anticipation of La Niña. The Agricultural Input Programme (NAAIP) continues to support producers while the Hunger Safety Net Programme (HSNP) assists vulnerable people.

Consumer and market oriented measures	Build up grain reserve.
Producer oriented measures	Support to inputs for crop production.
Trade policy measures	n.a.
Safety net (increased or introduced)	Hunger Safety Net Programme.

Different sources

### Current events to watch (Click to see the full report)

[Mother-Baby Pack launched to help prevent HIV transmis...](#)  
[Children and Statelessness: A Q & A with Sebastian Kohn Secretary-General, in Lecture at Oxford, Says Rising I...](#)  
[UN humanitarian chief concludes visit to Kenya and Som...](#)  
[Somalia: Increasing humanitarian assistance to displac...](#)

For more information, contact: [Information-for-action@fao.org](mailto:Information-for-action@fao.org)  
 Website: [www.foodsec.org](http://www.foodsec.org)

Powered By the [GIEWS Workstation](#)

The Programme on Linkin Information and Decision Making to Improve Food Security is funded by the European Union and implemented by the Food and Agriculture Organization of the United Nations.

\* For a further analysis of prices in Kenya please see: [Annex](#)