

The food grain conundrum

M Abdul Latif Mondal

Food grains generally refer to rice, wheat, oat, rye, barley, corn and millet. But in the context of Bangladesh, food grains normally mean rice, which alone provides 93.69% of food grain intake. Next to rice, though not comparable with rice, comes wheat, which provides 2.57% of food grain intake. The remaining 3.74% come from other food grains mentioned above (ref. HIES-2005 of BBS).

Since rice and wheat are the sources of our food grain intake and provide about 75% of calories in Bangladesh diet, the discussion on food grain requirement and production is limited to rice and wheat.

The Daily Star (DS) of July 30 carried a report which said that Food and Disaster Management Minister Abdur Razzaque told the DS on July 29 that the government would import 3 lakh tonnes of rice and 2 lakh tonnes of wheat from India, adding that the rice and wheat would be imported through government-to-government agreement.

Besides, another 1 lakh tonnes of non-parboiled rice from Vietnam through government-to-government agreement and 1.5 lakh tonnes of rice through open tender would be procured. According to MOFDM sources, the government will import 5.5 lakh tonnes of rice and 6.5 lakh tonnes of wheat. This excludes the import of wheat in the private sector.

Importing rice and wheat, whether in public sector or in private sector, generally means that the country's total annual requirement of rice and wheat is more than the total annual production at domestic level.

To arrive at the total annual requirement of food grains, we need to know our per capita per day requirement. From general notion, per capita per day requirement depends upon (i) habitual diet i.e. actual consumption pattern, (ii) income level, and (iii) availability. Determining per capita daily require

ment is vital for our (a) production planning, (b) overall food management, and (c) food budgeting.

There is a difference between "intake" and "requirement" of food. While the former refers to the amount of food taken by a person per day on the basis of his food habit and income, the latter means

HIES-2005 shows 469.2 grams (rice 439.6 grams, wheat 12.1 grams and others 17.5 grams) per capita daily food grain intake. MOFDM sources say that, following a study on the issue and subsequent inter-ministerial meeting, per capita daily food grain requirement was upgraded to 489 grams from 453.6 grams about two years back. This appears to be reasonable.

According to BBS estimate, the population of Bangladesh stood at 144.5 million in 2008. Taking into account the annual population growth rate at 1.4%, the population of the country now stands at 150 million. At 489 gram per capita per day food grain requirement, the annual food grain requirement comes to 272 lakh tonnes.

According to MOFDM sources, in 2009-10, production of aus and aman stood at 17.09 lakh tonnes and 122 lakh tonnes respectively. According to the estimate of BBS, boro production stands tentatively at 174 lakh tonnes. So, rice production stands at 313.09 lakh tonnes. After deduction of 10% for seed, feed and wastage, the net amount of rice available for human consumption comes to 281.79 lakh tonnes. Wheat production was 10 lakh tonnes, and after deduction of 10%, the net amount comes to 9 lakh tonnes.

We have seen above that, at 489 gram per capita per day food grain requirement, total food grain requirement for 150 million people comes to 272 lakh tonnes. This leaves a net surplus of 18 lakh tonnes. Even if we exclude 9 lakh tonnes of wheat, the net surplus of rice stands at 9 lakh tonnes.

MOFDM sources have confirmed annual wheat requirement at about 35 lakh tonnes. Our annual production is 10 lakh tonnes or so. So, there is need for importing around 25 lakh tonnes or so.

But, why are we going to import rice? The government explanation is that it is to augment unsatisfactory food grain stock of less than 6 lakh tonnes in order to help implement targeted food distribution programmes and intervene in the market through open market operations to stabilise the prices of rice.

The food department could have easily purchased paddy almost equivalent to this amount of rice in the first month or so of the boro harvesting season, when the millers did not enter into the market. This would have ensured fair price to the small and

marginal farmers who sell a substantial portion of their produce at the beginning of harvest to pay back their loans. It only needed a change in the procurement policy, which provided for procurement of only 1.5 lakh tonnes of paddy from the farmers. Available information suggests that the food department is not interested in purchasing even this small quantity of paddy directly from the farmers.

The registered cooperative societies in rural areas, which are financed by the government agencies for producing paddy, may be brought under obligation to sell their produce to the food department or to the

designated NGOs at the government administered price. The designated NGOs may establish rice mills for supplying rice to the government under terms and conditions stipulated in the contracts. This will be a big blow to the millers' monopoly in supplying rice to the government.

For the first time in many years, the government faced problems in meeting the procurement target of 12 lakh tonnes of boro rice. This was basically a management failure.

M Abdul Latif Mondal is a former Secretary, Government of Bangladesh.