

Bangladesh Food Situation Report

FPMU

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Overview

The production target for fiscal year 2002/03 has been set at 28.08 million m.ton (*aus* 1.84 million m. ton, *aman* 11.46 million m. ton, *boro* 13.03 million m. ton and wheat 1.75 million m. ton), 8.36% higher than the actual production (25.91 million m. ton) of last year. The food budget for FY 2002/03 has the provision of 1.35 million m. ton of public foodgrain procurement (0.75 million m. ton internal procurement and 0.60 million m. ton external procurement including food aid). The budgeted distribution quantity of Public Food Distribution System (PFDS) is set at 1.33 million m. ton.

Production Outlook

As per final estimate of Bangladesh Bureau of Statistics (BBS), actual foodgrain production for FY 2001/02 was 25.91 million m. ton (*aus* 1.81 mmt, *aman* 10.73 mmt, *boro* 11.77 mmt and wheat 1.61 mmt). Actual foodgrain production for FY 2001/02 was about 8 percent lower than the operational target of 27.92 million m. ton (*aus* 1.84 mmt, *aman* 11.55 mmt, *boro* 12.69 mmt and wheat 1.85 mmt) of the Department of Agricultural Extension (DAE). The target was not achieved mainly due to natural calamities.

For the current fiscal year 2002/03, foodgrain production target is set at 28.08 million m. ton, about 0.16 million m. ton higher than the last year's target and 2.17 million m. ton higher than the actual production of 2001/02. Production target for rice is set at 26.33 million m. ton (*aus* 1.84 mmt, *aman* 11.46 mmt and *boro* 13.03 mmt). The production target of wheat is set at 1.75 million m. ton.

Excessive rainfall at the last part of the rainy season affected the seed bed as well as transplantation of *t.aman*, but the situation improved as the DAE took necessary steps to ensure timely supply of late variety seeds. The target set by DAE for cultivation of *aman* was 5.80 million (*t. aman* 5.05 million hectare, *b. aman* 0.75 million hectare) hectare, of which 5.88 million (*t. aman* 5.25 million hectare, *b. aman* 0.63 million hectare) hectare were achieved. The overall condition of *aman* crop till October, 2002 was found satisfactory. It is expected that the production target of *aman* would be achieved.

Figure-1

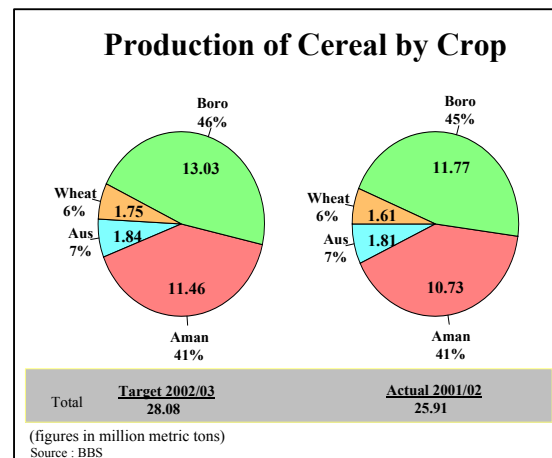
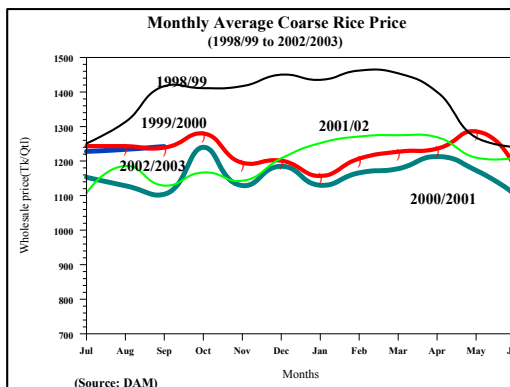


Figure 2



Government Action

The budget of public food distribution for FY 2002/03 is 1.33 million m. ton (rice 0.55 million m. ton, wheat 0.78 million m. ton), which is around 25% lower than the last year's original budget. Lion share of the budget (around 73%) is confined to the targeted programs as against 83% in last year. Government has procured 360 thousand m. ton of wheat and 629 thousand m. ton of *boro* rice against the targets of 400 thousand m. ton and 700 thousand m. ton respectively in the last procurement season. Having satisfactory level of stocks in the public godowns and with good prospect of *aman* crop in the field no commercial import was required by the government during the first quarter of the current fiscal year. The present level of Public Food Stock is about 1.13 million m. ton. To keep the stock at 1.0 million m. ton appropriate measures are underway. The market price was stable during the 1st quarter of FY 2002/03 (figure-2).

Dhaka, Bangladesh, November 2002

Food Aid and Commercial Imports

In FY 2002/03, against the budgeted quantity of 400 thousand metric ton, the actual arrival of food aid during July to October'02 was about 100 thousand metric ton. It is expected that another 50 thousand metric ton of wheat would arrive in Bangladesh by next two months. As a part of usual budget preparation practices, food budget for FY 2002/03 has a provision for importing 200 thousand metric ton of foodgrain using government's own resource. In the past three fiscal years the government did not import any foodgrain commercially as the level of public stock was satisfactory.

Foodgrain imports by the private sector were comparatively higher during the first quarter of the fiscal year. During July'02 to October'02 private sector has imported about 627 thousand metric ton of foodgrain (rice 277 thousand metric ton and wheat 350 thousand metric ton). During the same period of previous year, imports by the private sector were 278 thousand metric ton (rice 7 thousand metric ton and wheat 271 thousand metric ton). It is expected that with the arrival of new *aman* paddy in the market, private sector rice import would be substantially discouraged due to expected lower domestic price compared to import parity price of rice.

Table 1: Imports of Foodgrain

(000' MTs)

| Category of Imports | 2001/02 | 2002/03 | | | | | | | | | | | | Total |
|---------------------|-------------|-----------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|-------------|
| | | Actual | | | | Projection | | | | | | | | |
| | | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | |
| Rice | | | | | | | | | | | | | | |
| Govt. Com. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Food Aid | 8 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 6 | 8 |
| Private | 118 | 29 | 95 | 51 | 103 | 25 | 25 | 25 | 40 | 27 | 30 | 15 | 35 | 500 |
| Wheat | | | | | | | | | | | | | | |
| Govt. Com. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Food Aid | 500 | 0 | 0 | 75 | 25 | 25 | 25 | 60 | 60 | 50 | 31 | 50 | 0 | 400 |
| Private | 1171 | 64 | 114 | 95 | 78 | 70 | 70 | 40 | 50 | 50 | 50 | 54 | 65 | 800 |
| Total | 1797 | 93 | 209 | 221 | 207 | 120 | 120 | 125 | 150 | 127 | 111 | 119 | 106 | 1707 |

International Prices

Annual average price of Thai parboiled rice (5% broken) in FY 2001/02 was US\$ 198 per metric ton (FOB Bangkok), 5% higher than the annual average price of FY 2000/01 (US \$187 per metric ton). In 2001/02 intra-year price variation was not significant (ranging from US\$ 214 per metric ton in September'01 to US\$ 188 per metric ton in April'02). For the last ten months price changes were minimal and remained stable at around US \$193 per metric ton. In October' 02 price of, 5% broken parboiled rice was US\$ 193 per metric ton for which equivalent C.I.F price at Chittagong port stands at around Tk. 12.50 per kilogram which was about 8% lower than that of October'01.

During the last fiscal year international wheat prices remained stable around US \$125 ranging from US\$ 122 to US\$127 per metric ton for US wheat (FOB Gulf HRW#2). FOB price of Hard Red Winter #2 wheat at US Gulf port started increasing at a rate of about 10% every month since June'02 and reached around US\$ 182 per metric ton in October'02 reflecting the stretched world wheat market situation in the face of substantial production shortfall in North America and Australia.

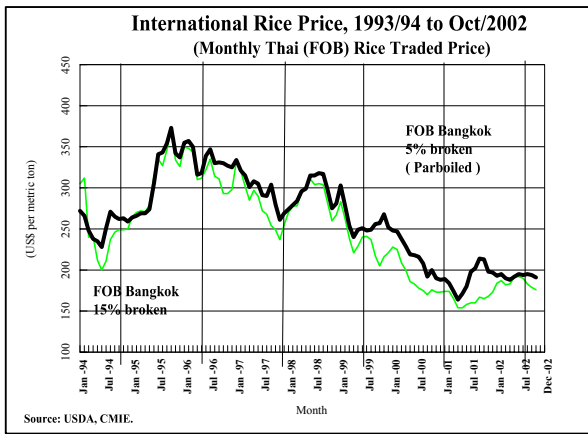


Figure -3

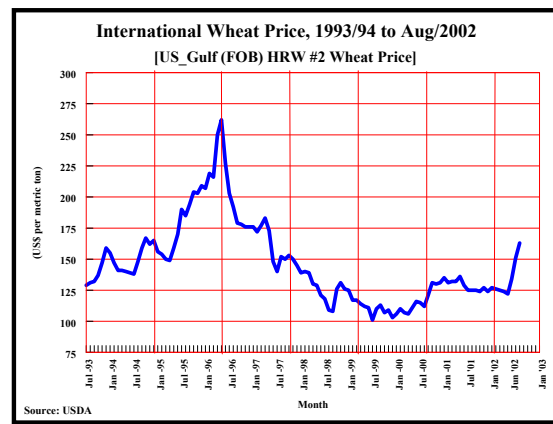


Figure-4

Domestic Prices

In the intensive production areas the weekly average wholesale paddy price (Rangpur) was Tk 7.35/kg in July 2002/03, which was almost 39% higher than that of the previous year. The paddy price came down slightly at the end of July/02 and again reached to Tk. 7.77/kg at the last week of August/02. This rising trend continued upto October. Such rise in paddy price in the intensive production zone was also found in FY 1995/96. It is expected that the price of paddy will come down to a reasonable level with the harvest of ensuing aman crop.

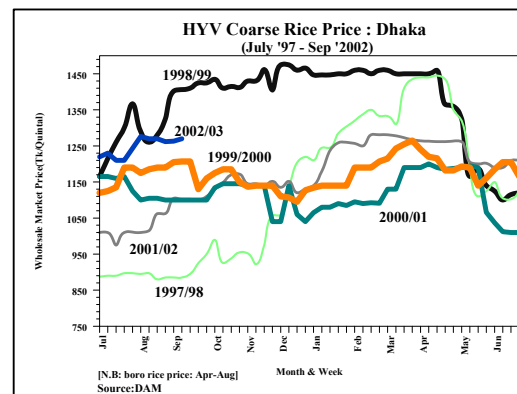


Figure -5

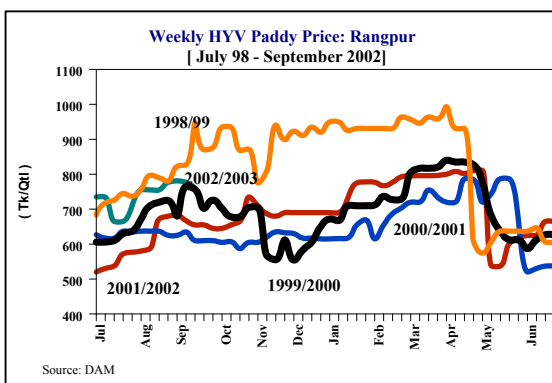


Figure-6

In the beginning of FY 2002/03, national average coarse rice price was Tk. 12.20/kg, about 21% higher than the last year's initial price. Coarse rice price reached to Tk. 12.76/kg at the 1st week of August/02 and then started to decrease slowly. During the 1st quarter of the current fiscal year, supply of rice in the market was considerably augmented by huge import by the private sector, which helped the market price to be stable at a slightly higher level.

Unlike paddy and rice price the wheat price in the Dhaka market was initially lower at the starting of the current FY. The price of wheat in Dhaka in the 1st week of July/2002 was Tk. 9.25/kg, about 5% lower than the corresponding period of last year. The wheat price in the Dhaka market started to decline gradually from 2nd week of August/02 and came down to Tk. 9.10/kg in the 4th week of August'02 and remained almost stable thereafter. The supply of wheat stock in the market increased remarkably by private sector imports.

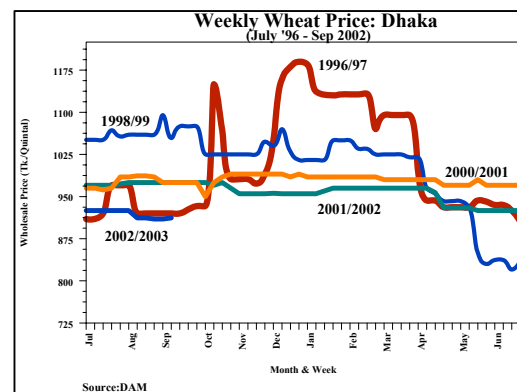


Figure-7

Figure 8

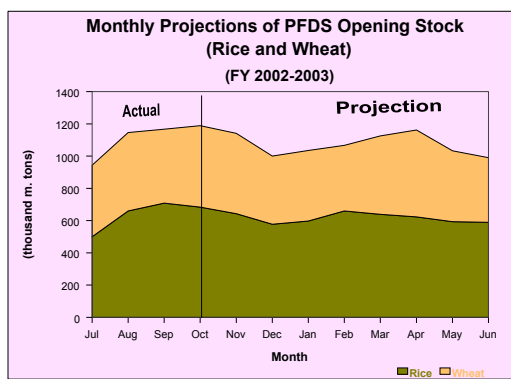
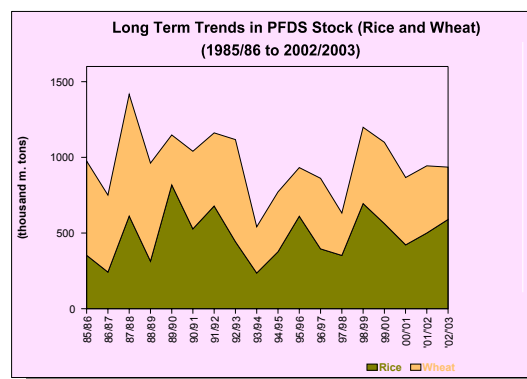


Figure 9



Public Food Operations

Table 2: Monthly Public Foodgrain Operation, 2002-2003

(July 2002 – October 2002 Actual and November 2002 – Jun 2003 Projection Figures)

(000 MTs)

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | Total |
|--------------------------|-------------|-------------|-------------|-------------|------------|-------------|-------------|-------------|-------------|-------------|------------|------------|------------|
| Rice | | | | | | | | | | | | | |
| Opening Stock | 500 | 659 | 706 | 679 | 636 | 569 | 588 | 649 | 626 | 609 | 578 | 572 | |
| Accumulation | | | | | | | | | | | | | |
| Procurement | 172 | 65 | 0 | 0 | 0 | 30 | 100 | 20 | 0 | 0 | 68 | 95 | 550 |
| Food Aid | 0 | 0 | 1 | 1 | 0 | 2 | 0 | 0 | 0 | 0 | 0 | 0 | 4 |
| Govt. Com. Imp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 50 | 50 | 0 | 0 | 100 |
| Distribution | | | | | | | | | | | | | |
| Priced | 11 | 11 | 11 | 12 | 60 | 11 | 11 | 12 | 12 | 12 | 11 | 12 | 185 |
| Non-Priced | 2 | 6 | 14 | 30 | 6 | 1 | 26 | 29 | 54 | 68 | 61 | 63 | 360 |
| Closing Stock (a) | 659 | 706 | 679 | 636 | 569 | 588 | 649 | 626 | 609 | 578 | 572 | 590 | |
| Wheat | | | | | | | | | | | | | |
| Opening Stock | 444 | 485 | 457 | 502 | 494 | 418 | 432 | 400 | 478 | 530 | 430 | 390 | |
| Accumulation | | | | | | | | | | | | | |
| Procurement | 66 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 10 | 22 | 47 | 55 | 200 |
| Food Aid | 0 | 0 | 75 | 25 | 0 | 40 | 32 | 104 | 96 | 0 | 24 | 0 | 396 |
| Govt. Com. Imp. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 50 | 50 | 0 | 0 | 0 | 100 |
| Distribution | | | | | | | | | | | | | |
| Priced | 10 | 12 | 11 | 14 | 61 | 11 | 11 | 10 | 10 | 10 | 9 | 10 | 180 |
| Non-Priced | 14 | 16 | 17 | 18 | 14 | 14 | 52 | 65 | 93 | 111 | 101 | 88 | 603 |
| Closing Stock (b) | 485 | 457 | 502 | 494 | 418 | 432 | 400 | 478 | 530 | 430 | 390 | 346 | |
| Total Stock (a+b) | 1144 | 1162 | 1181 | 1130 | 987 | 1020 | 1049 | 1104 | 1139 | 1008 | 962 | 936 | |

Food Security and Nutritional status

General

Nutritional status is mainly determined by the amount and quality of food consumed and by health status. These two main factors are, in turn influenced by household food security, intra-household food distribution, care practices (including feeding practices and food hygiene), environmental factors (especially sanitation and water) and health services. House hold security might be ensured by adequate availability of food and accessibility to the required amount of food. The variety and better quality of the diet are important aspect of food security.

A wide variety of food consumed means a diet richer in essential nutrients. Inadequate intake of carbohydrate and fat result in less energy while insufficient protein consumption hampers growth and development. Micronutrient malnutrition can result from diets deficient in vitamins and minerals. Illness can depress the appetite and thus reduce the absorption of nutrients. Educational status and nutrition are closely linked because of its positive effect on nutrition (the education of women has been responsible for more than 40% of the reduction in malnutrition over the past 25 years). (IFPRI 1999).

The assessment and analysis of nutrition calls for among others, the data regarding chronic energy deficiency, Protein energy malnutrition of under 5 children, maternal malnutrition, low birth weight, vitamin A deficiency, Iron and folic acid deficiency, Iodine deficiency (IDD) etc.

Current Nutrition Scenario

According to child nutrition Survey 2000 (using z-Score) the prevalence of severe wasting, severe stunting and severe underweight are 1.1%, 19.0% and 12.6% respectively whilst the prevalence of moderate wasting, moderate stunting and moderate underweight are 10.6%, 29.8% and 38.5% respectively. Twelve per cent of the boys and 11.4% of the girls were wasted. Stunting was 48.5% in the boys and 49.1% in the girls. Prevalence of underweight was 51.4% in boys and 50.9% in the girls.

Among children aged 12 months to 59 months, mid upper arm circumference (MUAC) was less than 12.5 cm in 6.5%. In rural areas the figure was greater than in urban areas. According to Gomez classification of malnutrition 2.4% of all children are severely malnourished (WAM < 60%), 34.7% are moderately malnourished (*WAM=60-74%) and 50.7% are mildly malnourished (WAM=75 to 89%).

Though improvement has been achieved with regard to the problem of night blindness among children (0.62%), more than 2.7% pregnant women, 2.4% lactating and 1.7% non-pregnant/non-lactating women is night blind(HKI, 1999). About 52.7% of children between 6-59 months are anemic. Anemia among pregnant and non-pregnant women of reproductive age is also common. Approximately 50% of pregnant women and 45% of non-pregnant women suffer from anemia (HKI,1999). Proportion of population suffering from IDD is 43% (ICC,IDD Report 2000).

According to National Surveillance Project (NSP), a distinctive seasonal pattern is observed in nutritional status. Wasting in children was highest during April to September. In contrast wasting was higher in non-pregnant mothers between October to May and highest in December-January. This may be related to the higher work load in December- January which is also the time of greater food availability as it is also the time of harvest. The monsoons are time for less work, which is when less wasting is observed in women. Wasting in mothers ranged from 35% to 41% (HKI 2001).

According to HIES 2000 national per capita calorie intake is 2240 kcal and national per capita food intake is cereal 476 gm, pulse 15.77 gm, meat 8.8 gm, fish 38.45 gm, egg 5.27 gm, edible oil 12.82 gm, sugar 6.85 gm, milk and milk products 29.71 gm and vegetables 140 gm indicating inadequate intake. Average per capita daily intake of major food items has reduced from 913.8 grams in 1995-96 to 893.1 grams in 2000. In rural area average food intake was 878.1 grams in 1991-92, 910.5 gram in 1995-96 and 898.7 grams in 2000. In urban area food intake reduced over the years. It was 938.40 grams in 1991-92, 930.80 grams in 1995-96 and 870.7 grams in 2000.

The Nutrition situation in Bangladesh is at unsatisfactory level in the world context and development of the country is largely dependent on the overall nutritional status of the population, and as such the emphasis on nutrition development is an appropriate immediate strategy for better future generation of Bangladesh. Appropriate action should be taken immediately accordingly to the guidelines of the National Food and Nutrition Policy (MOHFW,1997) and National Plan of Action for Nutrition (MOHFW and BNNC,1997)

*WAM=weight for age median

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