Bangladesh Food Situation Report

FPMU

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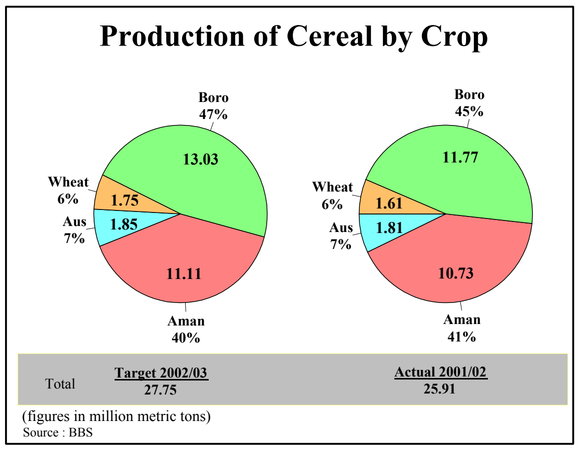
Overview

Aman production could not achieve the target due to uneven rainfall although the production was 3.63% higher than last year. The production prospect of ensuing *boro* seems to be good at this moment. Government could not procure much *aman* due to delayed start of procurement and prevailing higher market price. Wheat procurement also behind target because of higher market price and production short fall. However, it is expected that the ongoing *boro* procurement would be satisfactory. Government's policy actions encouraged private import, which played a vital role in stabilizing the market price.

Production Outlook

Figure-1

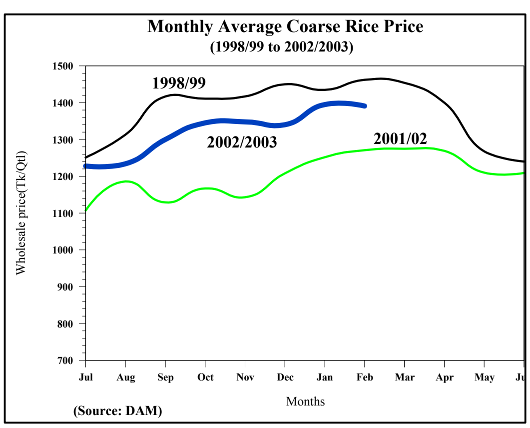


Foodgrain Production target for this year (2002-2003) has been set at 28.08 mmt (aus 1.84 mmt, *aman* 11.46 mmt, *boro* 13.03 mmt and wheat 1.75 mmt). Bangladesh Bureau of Statistics (BBS) has finalised production estimates of *aus* and *aman* at 1.85 mmt and 11.11 mmt respectively. *Aus* production was slightly more and *aman* production was around 0.34 million ton less than the target due to uneven rainfall in July and August'02. However production of this year's *aus* and *aman* were 2.38% and 3.63% respectively higher than last year's actual production.

As per the final report of Department of Agriculture Extension (DAE) *boro* was planted on 4.01 million hectares, which was 6.27% higher than the last year's actual achievement and 2.10% higher than this year's target. The production prospect of ensuing *boro* seems to be good at this moment.

The production target of wheat this year was set at 1.75 mmt while the target area of cultivation was 0.778 million hectares. The DAE has reported that only 0.665 million hectares came under wheat cultivation this year, which was 14.52% less than the target and 8.15% less than the last year's actual area. The expected production of wheat as per BBS, would be around 1.5 mmt. The total foodgrain production is expected to be around 27.0mmt compared to 26.0 mmt in the last year.

Figure 2



Government Action

The Government has gradually converted of foodgrain into cash in some safety-net programme. There has been a reduction of food aid in current year. The FY 2002/03 foodgrain distribution presently stands at 1.45 million metric tons. About 1.04 million metric tons have already been distributed till 31st March/03. Government wheat procurement started on 15th March with a target of 200 thousand metric tons at a price of Tk. 925/quintal. Already 62 thousand metric ton procured upto 30th April'03. *Boro* procurement target has been fixed at 154 thousand metric tons of paddy and 550 thousand metric tons of rice with the same price that of last year (paddy 840/quintal, rice 1325/quintal). *Boro* procurement started on 20th April'03.

Dhaka, Bangladesh, May 2003

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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 March '03 was about 183 thousand metric ton. It is expected that another 60 thousand metric ton of wheat would arrive by end of June, 2003. In the first three-quarters (upto 31st March 2003) of this fiscal year, the government did not import any foodgrain commercially. The food budget for FY 2002/03 has a provision of importing 200 thousand metric ton of foodgrain (rice-100 thousand mt. wheat 100 thousand mt.) using government's own resources. Foodgrain imports by the private sector were comparatively higher during the first three-quarters of the fiscal year. Between July '02 to March '03 the private sector has imported about 1954 thousand metric ton of foodgrain (rice 897 thousand metric ton and wheat 1057 thousand metric ton). During the same period of previous year, imports by the private sector were only 695 thousand metric ton (rice 26 thousand metric ton and wheat 669 thousand metric ton).

Table 1: ***Imports of Foodgrain***

(000' MTs)

Category of Imports	2001/02	2002/03												
		Actual									Projection			Total
	Total	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	50	50	**100**
Food Aid	**8**	0	0	1	1	0	0		0	2	0	0	0	**4**
Private	**118**	36	97	63	94	97	56	50	122	281	278	75	50	**1300**
Wheat														
Govt. Com.	**0**	0	0	0	0	0	0	0	0	0	0	50	50	**100**
Food Aid	**500**	0	0	75	25	0	32	49	0	0	0	17	41	**238**
Private	**1171**	106	157	123	129	73	111	110	138	112	115	108	120	**1400**
Total	**1797**	141	253	263	248	170	198	209	261	394	393	300	311	**3142**

International Prices

Average price of Thai parboiled rice (5% broken) in first-nine months (July ’02 – March ’03) of FY 2002/03 was US$ 195 per metric ton (FOB Bangkok), 5% higher than the average price during the same period in FY 2001/02 (US $185 per metric ton). In 2002/03 intra-year price variation was minimal (ranging from US$189 per metric ton in September'02 to US$ 198 per metric ton in February '03). During last three months of the calendar year 2003 international rice prices remained stable at around US $194 per metric ton. In the month of March '03, price of thai 5% broken parboiled rice was US$ 196 per metric ton for which equivalent C.I.F price at Chittagong port stands at around Tk. 12.50 per kilogram, about 3% lower than that of March, 2002 (Figure-3).

International wheat price started declining since November ’02 and reached US $145 (fob) by March ’03. This reduction was about 25% in five months period (from US$ 194.21 in October ’02 to US$ 145.66 per metric ton in March ’03). During the same period in earlier year (October ’01 to March ’02) international wheat price remained much more stable with average price around US $125 per metric ton (ranging from of US$ 123 to US$127 per metric ton) (Figure - 4).

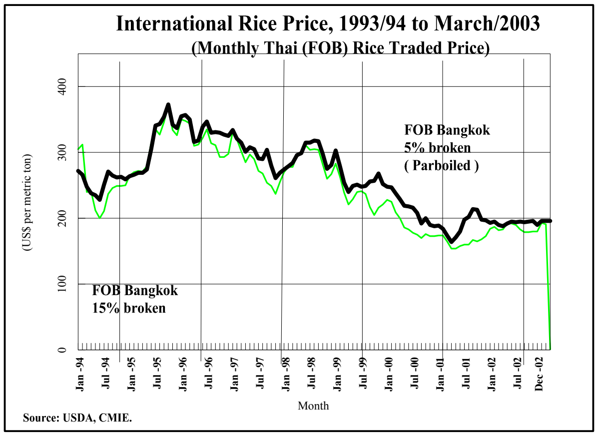


Figure -3

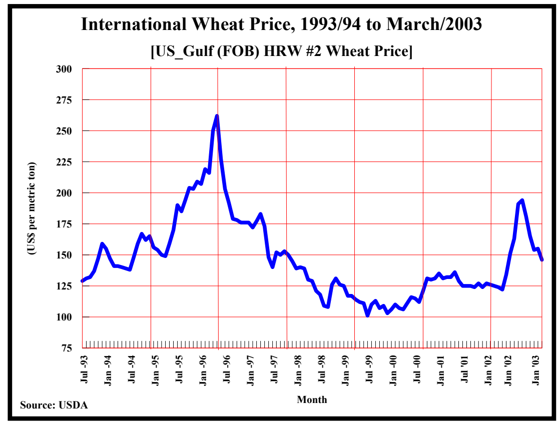


Figure-4

Domestic Prices

Paddy prices increased continuously from July to November/02 as a phenomenon of seasonality. The November price was Tk. 7.55/kg which came down slightly after aman harvest. However, paddy price increased sharply in the last week of January/03 and this increasing trend continued upto middle of March/03 when it stood at Tk. 8.82/kg. With the beginning of *boro* harvest the price showed a declining trend at end March/03, the price will continue to decline more in the coming weeks.

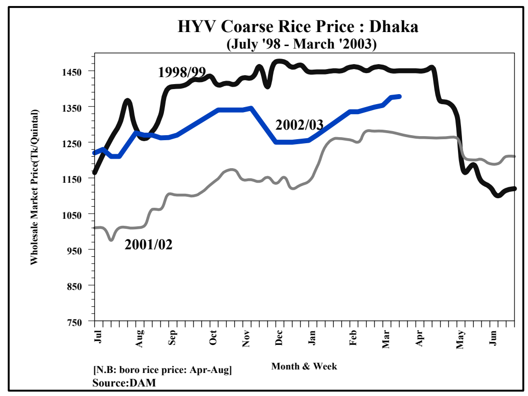


Figure -5

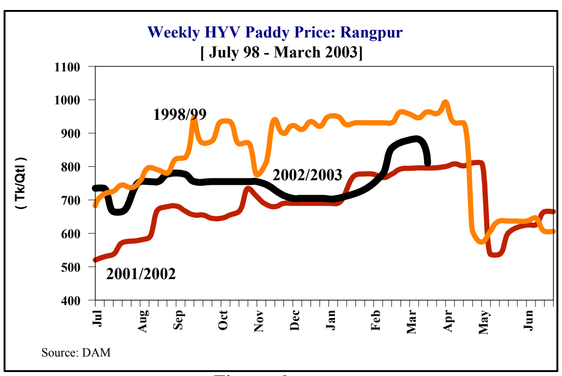


Figure-6

Average coarse rice price of Dhaka was Tk. 12.20/kg at the beginning of the 2002-2003. The coarse rice price reached to Tk. 13.50/kg at end week of November/02. Later on it started to decrease and became stabilized at a reasonable level having ample supply from Open Market Sales operated by the Government. Again in the 1st week of February/03 the price started to increase and continued up to the 3rd week of March/03. It is expected that coarse rice price will decline substantially in the coming months.

Unlike paddy and rice price the wheat price in the Dhaka market was lower at the starting of the current fiscal year. The price of Dhaka wheat in the first week of July/2002 was Tk. 9.25/kg which was about 5% lower than the previous year's corresponding price. The wheat price in the Dhaka market started to decline gradually from the second week of August/02 and came down to Tk.8.60/kg by the first week of February/03 with some fluctuation in the trend. In the last week of February the price increased slightly but with the supply of local harvested wheat it again came down to Tk.8.90/kg in the last week of March/03. As the supply of wheat in the open market is quite satisfactory, it is expected that the wheat price might remain at a stable in next few months.

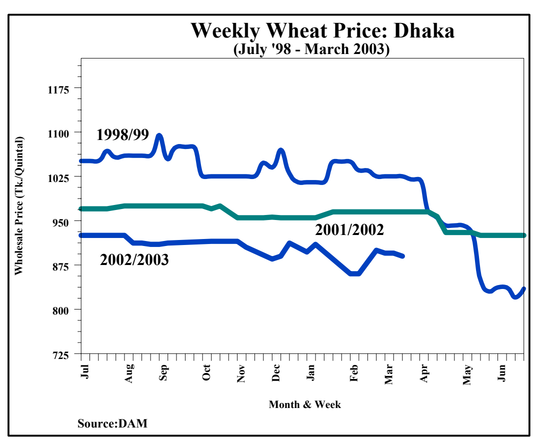


Figure-7

Figure 8

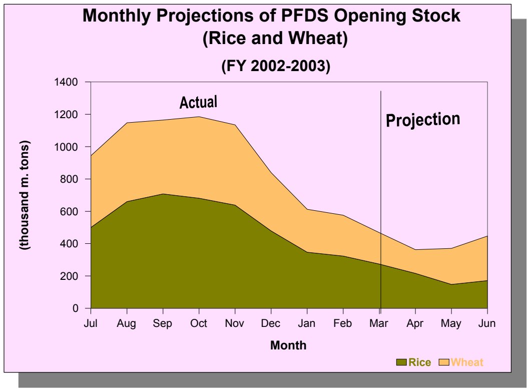
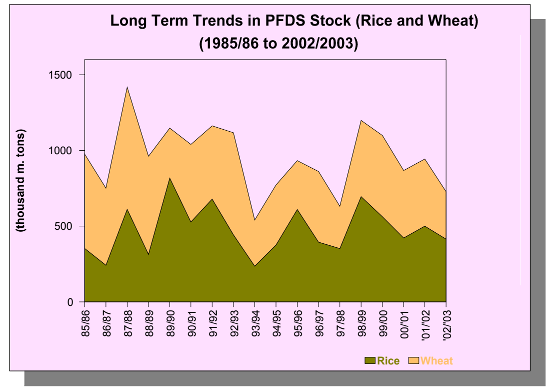


Figure 9



Public Food Operations

Table 2: Monthly Public Foodgrain Operation, 2002-2003

*(*July 2002 – March 2003 Actual and April 2003 – 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	681	638	479	347	323	274	216	148	*172*	
Accumulation													
Procurement	172	65	0	0	0	0	11	7	1	5	50	*325*	**636**
Food Aid	0	0	1	1	0	0	0	0	2	0	0	0	**4**
Govt. Com. Imp.	0	0	0	0	0	0	0	0	0	0	50	*50*	**100**
Distribution													
Priced	11	11	11	12	108	96	12	11	11	12	12	*12*	**318**
Non-Priced	2	6	15	30	25	35	22	44	50	59	63	*59*	**409**
Closing Stock (a)	659	706	681	638	479	347	323	274	216	148	172	*475*	
Wheat													
Opening Stock	444	487	457	504	497	360	265	253	194	147	223	*275*	
Accumulation													
Procurement	67	0	0	0	0	0	0	0	0	119	50	*30*	**266**
Food Aid	0	0	75	25	0	32	49	0	0	0	17	15	**212**
Govt. Com. Imp.	0	0	0	0	0	0	0	0	0	0	50	*50*	**100**
Distribution													
Priced	10	13	10	14	119	104	10	10	10	12	*12*	*12*	**334**
Non-Priced	14	16	17	17	18	22	51	47	36	30	*53*	*67*	**387**
Closing Stock (b)	487	457	504	497	360	265	253	194	147	223	*275*	*290*	
Total Stock (a+b)	**1146**	**1163**	**1185**	**1136**	**840**	**612**	**576**	**468**	**363**	**371**	**447**	***765***	

Food Security and Nutritional Status

Micronutrient Deficiencies

Vitamin A Deficiency

In 2001, the NSP recorded prevalence of 0.21% night blindness in children of 18-59 months age group reflecting the very successful Vitamin A supplementation program, which has maintained a high coverage of semi-annual capsule coverage for the last seven years. There has been a silent revolution with regard to vitamin A supplementation and high coverage of children 12-59 months. It will be important in the coming years to maintain the Vitamin A capsule supplementation program for children 12-59 months.

However, Vitamin A deficiency continues to be a public health problem for women. The National Vitamin A Deficiency Survey found that 2.7% of pregnant women, 2.4% of lactating women and 1.7% of non-pregnant and non-lactating women had night blindness. Sub-clinical Vitamin A deficiency was observed in nearly half of the women. The diet was also found to be grossly inadequate. Problems regarding vitamin A deficiency were also observed in school children and adolescent girls who are currently not addressed by the supplementation program. Although there is provision for supplementation of women immediately following delivery, the coverage of the program is less than 6% except in areas covered by BINP.

Present status of nightblindness :

Survey/ Study	Year	Nightblindness in %
Bangladesh National Blindness Study (IPHN/ HKI)	1982-83	3.76
National Blindness Prevention Program Evaluation (IPHN/ UNICEF)	1989	1.78
National Vitamin A Survey in rural Bangladesh (IPHN/ HKI)	1997	0.6
Non- pregnant & Non- lactating Women	1997	2.5
Pregnant & Lactating Women	1997	2.82

Iron deficiency Anaemia

The most common cause of anaemia is iron deficiency. Prevalence of anaemia in Bangladesh was found to be very high and 47% children (6-59 months) and 33% of non-pregnant mothers were found to be anaemic. Programs are present in paper for iron-foliate supplementation of pregnant women and recent guidelines have been developed for supplementation to children as well. However, the program implementation is poor and uneven.

Prevalence of Anaemia in Bangladesh

National Anaemia Survey, 2001 - NSP	Age Group	Prevalence (%)
Preschool Children	0-59 months	48
School Aged Children	6-11 years	34
Adolescent Girls	12 - 16 years	36
Pregnant Mothers		51
Non-pregnant Mothers		34

Iodine deficiency

The National Goiter Prevalence Survey conducted in 1992-93 found nearly 70% of the population deficient in iodine. Following the universal salt iodization program, a survey in 1999 found that 43% were deficient.

Other micronutrient deficiencies

Studies have revealed that the population is also deficient in calcium, zinc and other micronutrients. There is a growing attention towards zinc insufficiency and pilot programs may be undertaken in the near future.

This report is published by the Food Planning and Monitoring Unit, Ministry of Food. For detailed information/ data call FPMU Tel: 9550634/ 9557686, Fax: 9559328, E-mail: *fpmu@bttb.net.bd*