

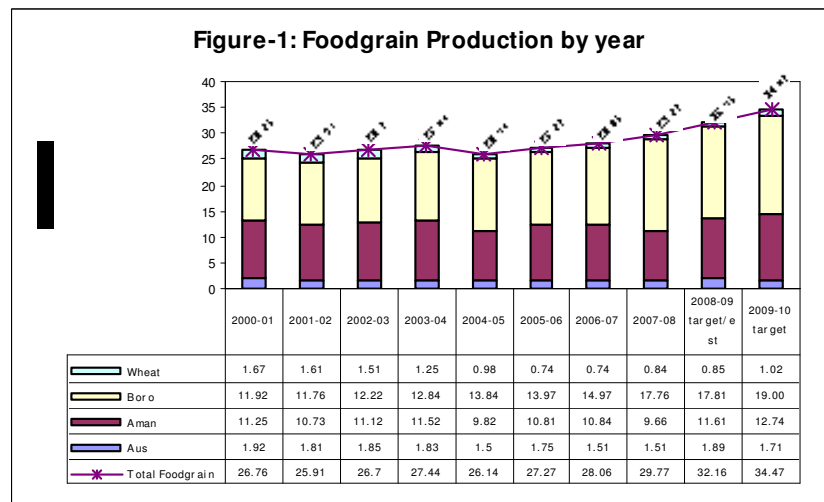
Food Scenario

1.0 Food Production

According to Bangladesh Bureau of Statistics (BBS) the actual food grain (rice and wheat) production in 2008-09 was 32.16 million MT (Aus 1.89 million MT, Aman 11.61 million MT, Boro 17.81 million MT and wheat 0.85 million MT) against the target of 34.33 million MT (Figure-1). The provisional target for 2009-10 is 34.47 million MT (Aus 1.71 million MT, Aman 12.74 million MT, Boro 19.00 million MT and wheat 1.02 million MT).

Aman harvesting is nearing completion and it is expected that the production of Aman is going to fulfill the target.

Meanwhile, as on 31 December, 2009 preparation of Boro seed bed has been made in 256 thousand hectares, which is 116 % of the target (220 thousands hectares) and about 95 % of the same period of the last year. Boro cultivation has also been started with the target of 4.8 million hectares. Meanwhile, Boro has been planted in 221 thousand hectares which is 5% of the target and 74% higher than actual achievement during the corresponding period of previous year.



Source: BBS and DAE (2009)

2.0 Procurement and Import of Food grains

2.1. Domestic Procurement of Food grain¹

In 2008-09, the procurement target was at 1.34 million MT (rice 1.30 million MT and wheat 35 thousand MT), while the achievement was 1.48 million MT (rice 1.45 million MT and wheat 34 thousand MT). In 2009-10, the Govt. has finalized the procurement budget as 1.6 million MT (rice 1.5 million MT and wheat 0.1 MT), an increase of 8.11% over last year.

The government set the target of Boro procurement (in terms of rice) for 2009 at 1.2 million MT including non-parboiled rice of 0.05 million MT. Total quantity of Boro rice procured

¹ Source: DG, Food (2009).

(up to 30 September 2009) is 0.096 million MT paddy and 1.13 million MT rice, the total being 1.20 million MT in terms of rice.

The government has set the target of Aman procurement (in terms of rice) for 2009-10 at 0.3 million MT. The procurement prices were set at Tk 14.00/kg for paddy and Tk 22.00/kg for rice. Aman procurement has started from 7 December/09 and will continue up to 28 February 2010. Up to 16 January 2010, Aman procurement is 0.033 thousand MT paddy and 2.118 thousand MT rice, the total being 2.141 thousand MT in terms of rice.

2.2 Public Import of Food Grains

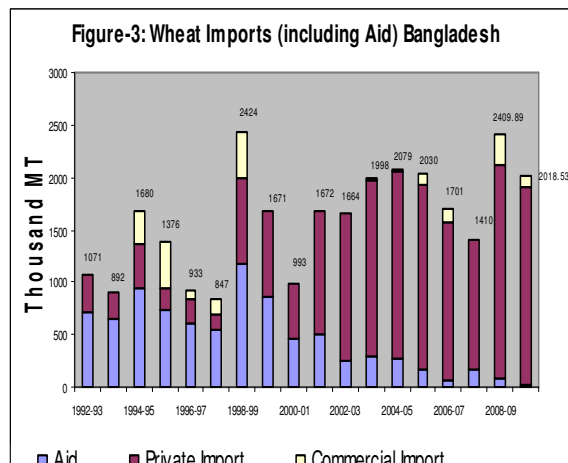
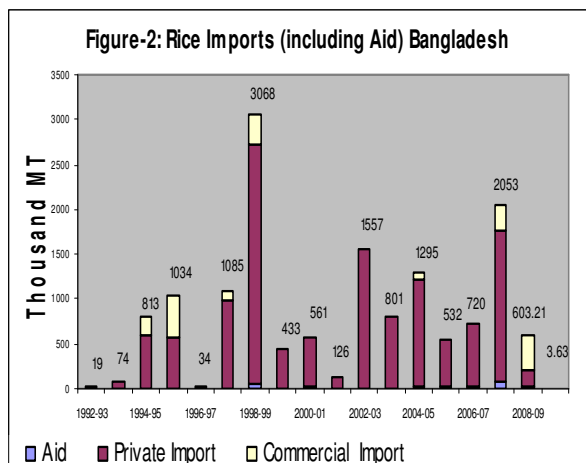
Public sector food grain import target for 2009-10 has been set at 1.20 million MT (commercial 1.05 million MT and aided import 0.15 million MT), of which rice and wheat are 0.33 million MT and 0.9 million MT respectively. As on 16 January 2010, the commercial import (wheat) has stood at 103.87 thousand MT. However, food grain received under food aid is only 32.5 thousand MT (rice 3.63 thousand MT and wheat 28.87 thousand MT) during the same period.

2.3 Private Import of Food Grains

Food grain imported by private sector in the year 2008-09 was 2.22 million MT (rice 0.187 million MT and wheat 2.03 million MT). The projected quantity of private import for 2009-10 is 2.5 million MT (rice 0.5 million MT and wheat 2.00 million MT). While there is no rice import in the private sector yet, the wheat import has stood at 1.89 million MT as on 16 January 2010.

2.4 Overall Food Grain Import

The total import (public and private) of food grain in 2008-09 was approx. 3.01 million MT (rice 0.60 million MT and wheat 2.41 million MT). However, overall food grain import target for 2009-10 has been set at 3.70 million MT (rice 0.83 million MT and wheat 2.87 million MT). During 1 July 2009 to 16 January 2010, total import of food grains has stood at 2.02 million MT (rice 0.003 million MT and wheat 2.018 million MT). Year wise import of food grain is given in Figure 2 and 3 and also in Annex-1.



3.0 Market price: National and International Price situation

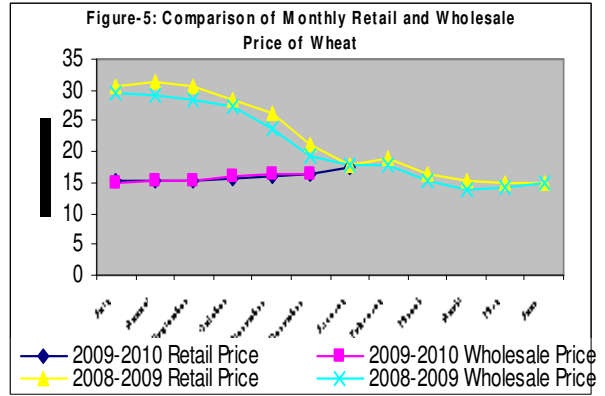
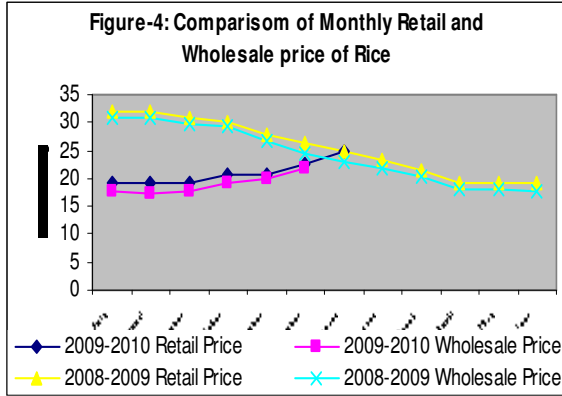
3.1 National Price Situation

The national average retail price of coarse rice has increased from 22.41 Tk/kg in December 2009 to 24.85 Tk/kg in first fortnight of January 2010. On the other hand, wheat price has also increased from 16.38 Tk/kg to 17.34 Tk/kg in the same period (Table-1).

Table-1: Comparison of Monthly Price of Rice and Wheat, 2008-09 and 2009-10.

Month	Retail Price		Wholesale Price		Retail Price		Wholesale Price	
	Rice	Wheat	Rice	Wheat	Rice	Wheat	Rice	Wheat
	2009-2010				2008-2009			
July/09	19.19	15.17	17.52	14.95	32.04	30.72	30.99	29.49
August/09	19.04	15.29	17.46	15.27	31.95	31.52	30.76	29.05
September/09	19.24	15.37	17.82	15.22	30.72	30.55	29.86	28.32
October/09	20.60	15.84	19.35	16.12	30.08	28.29	29.30	27.26
November/09	20.60	16.04	19.79	16.44	27.82	26.38	26.54	23.79
December/09	22.41	16.38	21.75	16.41	26.29	21.20	24.59	19.24
January/10	24.85	17.34	N/A	N/A	24.80	17.93	22.98	17.70
February/10					23.38	18.83	21.93	17.93
March/10					21.54	16.26	20.24	15.35
April/10					19.24	15.15	18.09	13.81
May/10					19.22	14.98	18.15	14.09
June/10					19.27	15.12	17.86	14.99

Source: DG, Food and DAM (2009). Retail Price since the 1st fortnight of January 2010 and Wholesale is not available.



The wholesale price of rice has increased from 19.79 Tk/kg in November 2009 to 21.75 Tk/kg in December and wheat price has slightly decreased from 16.44 Tk/kg to 16.41 Tk/kg in the same period. The percentage increase of rice price is 9.04 as compared to November/09 average (Fig.4 and 5).

3.2 International Price Situation:

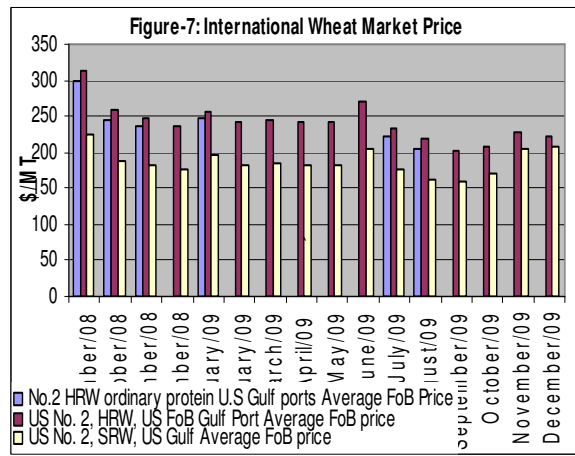
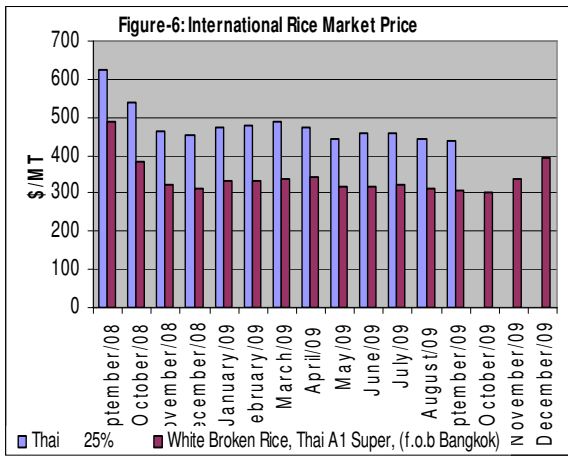


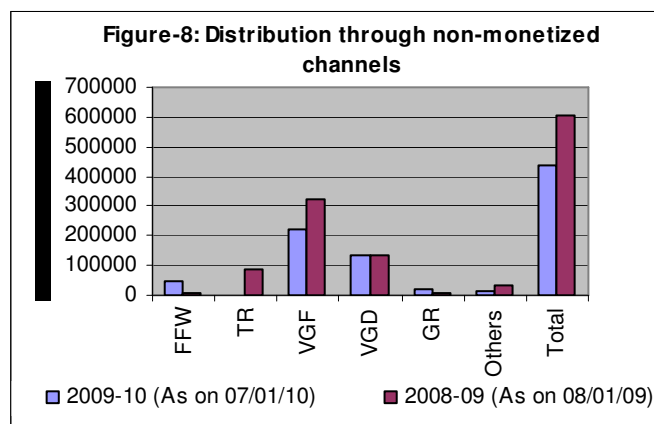
Figure 6 and 7 illustrate the trends of international price of rice and wheat. From figure 6, it is revealed that the price of white broken rice (Thai A1) has increased in December/09 by 15.34% from the previous month. In case of wheat, the price of HRW has decreased by 2.63% and SRW has increased by 1.47% as compared to November/09.

4.0 Public Food Distribution²

The actual distribution in 2008-09 was 2.16 million MT against the revised PFDS budget of 2.28 million metric tons. The distribution budget for 2009-10 has been set at 2.68 million MT (rice 1.80 million MT and wheat 0.87 million MT) an increase of 17.54% over last year's actual distribution.

Table-2: Distribution- non-monetized channels

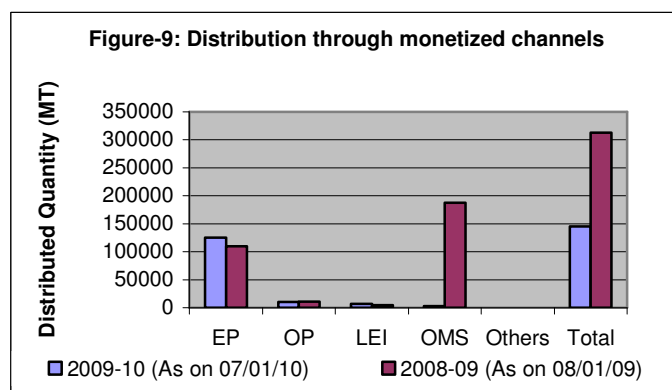
Name of the Programme	Distributed Quantity (MT)	
	2009-10 (As on 07/01/10)	2008-09 (As on 08/01/09)
Food For Work (FFW)	44755	9855
Test Relief	288	89019
VGF	222376	326238
VGD	134372	136893
GR	23050	6917
Others	14073	33881
Total	438914	602803



Source: DG, Food & DG, Relief and Rehabilitation (2009).

Table-3: Distribution- monetized channels

Name of the Programme	Distributed Quantity (MT)	
	2009-10 (As on 07/01/10)	2008-09 (As on 08/01/09)
EP	125430	109867
OP	10024	10562
LEI	6884	4770
OMS	3056	187524
Others	67	0
Total	145461	312813



Source: DG, Food & DG, Relief and Rehabilitation (2009)

Up to 07 January in this FY, a total of 0.58 million MT of food grains has been distributed through different monetized and non monetized channels as against 0.915 million tons distributed in the corresponding period of last year. Out of this, 0.145 million MT (0.096 million MT of rice and 0.050 million MT of wheat) were distributed through monetized channels and 0.44 million MT (0.324 million MT of rice and 0.115 million MT of wheat) were distributed through non-monetized channels. Channel-wise distributions under PFDS (between 2008-09 and 2009-10) are depicted in table-2 and 3 and figure 8 and 9.

² Source: DG, Food (2009)

Annex-1

(000 MT)

Foodgrain Imports, Bangladesh

FY	Rice				Wheat				Total Imports			
	Aid	Private Import	Commercial Import	Total	Aid	Private Import	Commercial Import	Total	Aid	Private Import	Commercial Import	Total
1992-93	19	0	0	19	716	355	0	1071	735	355	0	1090
1993-94	0	74	0	74	654	238	0	892	654	312	0	966
1994-95	0	584	229	813	935	430	315	1680	935	1014	544	2493
1995-96	1	560	473	1034	737	200	439	1376	738	760	912	2410
1996-97	10	15	9	34	608	222	103	933	618	237	112	967
1997-98	0	993	92	1085	549	142	156	847	549	1135	248	1932
1998-99	60	2660	348	3068	1175	820	429	2424	1235	3480	777	5492
1999-00	5	428	0	433	865	806	0	1671	870	1234	0	2104
2000-01	32	529	0	561	459	534	0	993	491	1063	0	1554
2001-02	8	118	0	126	501	1171	0	1672	509	1289	0	1798
2002-03	4	1553	0	1557	250	1414	0	1664	254	2967	0	3221
2003-04	4	797	0	801	285	1684	29	1998	289	2481	29	2799
2004-05	27	1196	72	1295	263	1786	30	2079	290	2982	102	3374
2005-06	34	498	0	532	160	1767	103	2030	194	2265	103	2562
2006-07	25	695	0	720	66	1514	121	1701	91	2209	121	2421
2007-08	80	1681	292	2053	175	1235	0	1410	255	2916	292	3463
2008-09	30.13	187.35	385.73	603.21	86.20	2029.51	294.18	2409.89	116.33	2216.86	679.91	3013.10
2009-10 As on 16 th January 2010	3.63	0	0	3.63	28.87	1885.79	103.87	2018.53	32.50	1885.79	103.87	2022.16

Source: DG, Food (2009).

Note: From 1992-93 private sector import is included in the total import. From 2000-01 USAID WVI Direct wheat distribution is included within import.

