

Poverty & Food Security

Food Shortage May Spark Violence in Pakistan: Report

About 77 million people go hungry in Pakistan while 36 per cent of the population are afflicted by poverty, says a new report released on August 4. "From small farmers to the urban masses and Internally Displaced Persons (IDPs), millions of Pakistanis are affected by the scourge of food insecurity," warns the report by the Woodrow Wilson International Centre for Scholars, Washington. The report notes that while the global food crisis subsided in 2009, Pakistan continues to suffer from an acute food shortage.

The report — "**Hunger Pains: Pakistan's Food Insecurity**" — warns that the food shortage may lead to widespread violence if immediate steps are not taken to feed the hungry. Quoting figures provided by the UN Food and Agriculture Organisation, the report notes that in February 2010, the prices of wheat and rice — Pakistan's two chief staple crops — were 30 to 50 percent higher than before the global food crisis, and were on the increase. The study links several recent incidents of violence to the food crisis, including the 2009 bombing of a World Food Programme office in Islamabad. It also quotes WFP data from early 2010, showing that the prices of essential staples in Pakistan are nearly 40 percent higher than five-year cumulative averages.

The costs of sugar and cooking oil also escalated in the initial months of 2010. The report notes that in early 2010, Pakistan's food inflation registered at about 15 per cent — a far cry from the 30 percent-plus figures several years earlier, "but still of great concern to the country's economists, who noted that the Wholesale Price Index, a predictor of future price movements, stood at almost 20 percent". Such "soaring WPI-based inflation", they said, portends further spikes in retail prices of key commodities. "Weather, resource shortages, and conflict are exacerbating food insecurity in Pakistan," says Michael Kugelman, who edited the report along with Robert Hathaway, director of the centre's Asia programme. The study notes that farmers and government authorities blamed drought-like conditions for reduced crop yields in late 2009 and early 2010. In the Swabi district, one farmer said his maize crop was "slashed" by 50 percent. Rain-fed wheat-cropping areas have been hit particularly hard. Even the yields of irrigated areas are at risk. Meanwhile, Pakistan is burdened by devastating water shortages.

The country's per capita water availability ranks among Asia's lowest, and is lower than that of many African nations. At least 90 percent of Pakistan's dwindling water supplies are allocated to agriculture, yet inefficient irrigation and poor drainage have produced epidemics of water-logging and soil salinity across the countryside. As a result, "vast expanses" of farmland fail to produce successful harvests. Additionally, Pakistan is suffering through a chronic energy crisis with frequent electricity outages; these power failures undermine the effectiveness of energy-dependent agricultural technologies. Finally, Pakistani military operations against militancy displaced about three million people in 2009. Those uprooted from Swat were forced to depart in the middle of the harvest season. About 1.7 million of these internally displaced persons have started returning home, yet they continue to struggle to obtain food.

More than a million Pakistanis remain displaced — including 250,000 from Bajaur. "Little wonder that in February 2010, the FAO concluded that the country's IDP crisis was causing severe localised food insecurity," says Mr Kugelman. "Yet as of mid-April 2010, only about 20 per cent of the nearly \$540 million international appeal to assist Pakistan's IDPs had been fulfilled."

[Dawn — August 5, 2010]

FAO Warns of Looming Food Crisis

The Food and Agriculture Organization (FAO), a United Nations affiliate, has warned of food crisis in Pakistan in the coming years as thousands of tonnes of seeds, preserved for harvesting in Rabe Season, were washed away by the devastating floods, resulting in great hardships for the growers in the wheat cultivation areas. Talking to the BBC on August 17, the FAO spokesman in Pakistan, Ali Khan, said the standing crops on an area of 3.2 million hectares had been destroyed while the farmers, who always stocked seeds for next season, were at the gov't's mercy. The warning came, as the Rabe Season, lasting from September 15 to October 15, is not to far amid the devastation in the southern Punjab and Sindh.

According to the FAO, although the land would be better prepared because of the floods but the shortage of seeds and related items would be a big headache. The FAO says it has provided US\$16 million for the flood-affected farmers while the seeds for Rabe Season are also ready. Regarding the livestock, Ali Khan said approximately

200,000 animals had reportedly perished during the floods in Khyber-Pakhtunkhwa, Balochistan and Sindh but the remaining were in danger death because of lack of vaccination and fodder, the provision of which required an additional amount of US\$5.7 million at the earliest.

[The Nation – August 18, 2010]

Prices of Pulses and Grams Increase

Disruption in the supply of pulses and grams from Punjab due to the devastating floods in the country and increasing demand in Ramazan have jacked up their prices in the city. The supply of pulses and grams has almost come to a virtual halt from Punjab as a consequence of widespread destruction of roads network having a negative impact on the supply situation to Karachi, like elsewhere across the country. Moreover, the increasing demand of pulses and gram during Ramazan has put an enormous strain on the existing stocks of the commodities pushing their prices up in the wholesale and retail markets of the city. Wholesale rates of black gram, one of the most demanding item of Ramazan surged to Rs 65 per kilogramme (kg) level as it was available at Rs 55 per kg a few days before the advent of Ramazan.

The retail rates of gram also went up during the last 10 days to Rs 70 per kg level, which is far higher when compared to the previous price of Rs 60 per kg, reflecting an upward tendency in its rates since the commencement of the holy month. Fine quality white chick pea, which was sold in the wholesale markets before Ramazan at Rs 80 to Rs 85 per kg, after the upward revision in its rates by the traders, is now available at Rs 95 per kg while its rates rose to Rs 105 to Rs 110 per kg level in the retail markets, which is higher when compared with the old rates of Rs 95 to Rs 100 per kg. Price of dal channa, which is also regarded as a domestic product also surged sharply in the wholesale markets of the city, as currently it is available to consumers at Rs 70 per kg, which is far higher compared to old the rates of Rs 55 to Rs 60 per kg. Similarly, its retail rates also went up to Rs 80 per kg as against the previous price of Rs 70 per kg. Wholesale rates of moong pulse, which is also regarded as a local yield, also went up during the last 10 days as the commodity is currently sold at Rs 160 per as compared to the previous price of Rs 145 to Rs 148 per kg. Retail prices of moong pulse also surged to the level of Rs 170 per kg, which are far higher when compared with the old rates of Rs 155 to Rs 158 per kg. Karachi Wholesaler and Grocer Association (KWGA) Chairman Anees Majeed acknowledged the rampant increase in prices of some vital pulses and grams, which are local products and gave the reason of discontinuation of their supply from Punjab. "Devastation of roads network in Punjab and other provinces has played a major role in the disruption of supply of not only pulses but wheat and flour also, which has largely contributed towards their increased rates in the market," he added.

[Daily Times – August 20, 2010]

Sugar, Flour Sale in Ramazan Bazaars Below Estimates

The sale of sugar and flour on subsidised rates remained almost three times less than the projected estimates and reserved quota due to a meager subsidy and low quality of the products being provided, with citizens expressing their dissatisfaction over commodities being sold in 20 Sasta Ramazan Bazaars established by the City District Government Lahore. According to the available statistics, in the first 11 days of Ramazan, the city government has sold only 444,450 kilogrammes of sugar (8,889 sacks of 50 kg each) against an estimated 1,500,000 kilogrammes (30,000 sacks of 50 kg each) – showing a three times less sale, the primary reason for which has been claimed to the lack of public interest. Sugar was sold in Ramazan bazaars at a price of Rs 61 per kg against a market price of Rs 70 per kg. Another reason of the low sale figures of sugar was its low quality, with several claims coming forth that instead of cubic grains, this sugar had more of a powder look. Of a total 8,889 sacks of 50 kilogrammes each, 1,560 sacks in the form of one to two kilogrammes of sugar were sold in Iqbal Town, 835 in Aziz Bhatti Town, 953 in Ravi Town, 1,112 in Shalamar Town, 693 in Samanabad, 706 in Wahga Town, 710 in Data Ganj Bakhsh Town, 755 in Gulberg and 582 in Nishtar Colony in the first 11 days of Ramazan. For the provincial capital, a quota of 4,600 tonnes (92,000 sacks) had been reserved, however so far the sale is less than 9,000 sacks. On a daily basis, around 625 sacks are being sold and on Sundays, the number of sacks sold is less than 1,000. Sources in the city government told Daily Times that against a quota of 92,000 sacks of sugar for the whole month, the government had so far received a supply of 26,000 sacks, which they estimated would be enough for the whole month. So far 515,000 bags of flour weighing 10 kg each have been sold in 20 Ramazan bazaars against an estimated 1,260,000 bags, with 32,000 to 35,000 bags being sold against a daily quota of 90,000 bags on a daily basis. The price of 10-kg bags of flour in these special markets has been fixed at Rs 200 compared to a market price of Rs 215.

District Officer (Environment) Tariq Zaman, who has been made the in-charge of flour supply at Ramazan bazaars, told Daily Times the quality of the flour was adequate. He said the demand would increase in the last week of Ramazan as per the trend of previous years, adding that hoarders would try to purchase flour in the last week. "To discourage such an effort, on their part last year the government had stopped the sale of flour three days before

Eid,” he said, adding that last Sunday, 61,000 bags of flour were sold. However, he admitted that this Sunday the number of visitors was less compared to last week and there were chances of less sale of flour this week. He said about 35,000 bags were being sold in Shalamar Town Parking Ground Ramazan Bazaar, while in the Shadbagh and Gulshan Ravi bazaars, around 2,000 bags were being sold on a daily basis. “Around 1,200 to 1,500 bags are sold in all other Ramazan bazaars of the city,” he said. The Punjab government had announced a Rs 2 billion Ramazan Package in the provincial budget 2010-11 to give subsidy on various food items being provided in the Ramazan bazaars. However, keeping in view the high inflation rate during the last few months, these markets have failed to deliver. On the first day of Ramazan, citizens purchased 45,000 10-kg bags of flour for Rs 200 each and 40,950 packets of one-kg sugar for Rs 61 each. from these bazaars. On average, food items are available on a Rs 1-to-4 difference from market rates. However, a common complaint that has been noted in these bazaars is that even though the items being sold are priced lower than in markets, they are not worth it since they are of a very low quality. In most of these markets, banners of members of national and provincial assemblies, and other politicians have been displayed to get political mileage. These banners give the impression that MPs have done a marvelous job for the welfare of citizens. The various commodities being sold in the Ramazan bazaars were: basmati rice for Rs 65 against a market rate of Rs 70; gram flour for Rs 58 against a market price of Rs 65; dal masoor for Rs 110 against Rs 125; dal moong for Rs 98 against Rs 110; cooking oil for Rs 134 against Rs 138; Jam-e-shireen for Rs 110 against Rs 120; dry milk for Rs 430 against Rs 435; Lipton tea for Rs 490 against Rs 499; red chili for Rs 50 against Rs 55.

[Daily Times – August 23, 2010]

Utility Stores Prices-Up by Over 20pc

Saying that the floods are taking its toll on the farm sector, the Utility Stores Corporation (USC) has increased the prices of some essential food items by up to 21 per cent. As a result, the prices of many daily-use items have gone even higher compared to that before the announcement of the Ramazan package. Despite tall claims of providing a relief of Rs4 billion to the masses under the Ramazan package, the USC has issued the new ‘price variation’ to all its outlets to increase the prices of Utility brand oil/ghee, gram pulse (dal chana), gram flour (basin) white gram (kabuli chana), whereas the price of wheat flour has already been increased. Under the new price variation, the price of white gram has been increased by Rs17 to Rs95 per kilogramme, gram pulse (dal channa) will be sold at Rs65 from today (Thursday) with an increase of Rs9 per kg, and the price of gram flour has been increased by Rs10 to Rs66 per kilogramme. The Utility brand ghee/oil will be selling at Rs110 per litre/kg with an increase of Rs7. The wheat flour prices have already been increased by Rs20 to Rs380 for the 20 kilogramme sack and the USC officials said it would be Rs400 in coming days.

A spokesman for the USC told that the prices had been increased as suppliers stopped after the devastating floods in the country. “Even though dry items are purchased in March and April but most of the suppliers’ warehouses are in Mianwali and Layyah where a lot of storage has been damaged,” said the official. The USC has estimated that during Ramazan it will be selling 7,000 tons of gram pulse, 3,000 tons white gram and 3,000 tons gram flour. However, the market players said the impact of rains and floods should not be felt by the USC as it was the largest retail commodity operator in the country. Karachi Grocers Group chairman Anis Majeed said the Utility Stores were not like an ordinary shopkeeper who would buy from the wholesale market on a weekly basis. “Not only the USC has long-term contracts but its subsidies are also guaranteed by the government,” he said. After the current increase, the prices of gram pulse and white gram at the utility stores have come at par with their prices in open market. However, the gram flour is cheaper by Rs4 per kg at the USC compared to the open market. But consumers have expressed dissatisfaction over the quality of products at the USC. “The white gram is too small at the USC and basin is a bit rough, it is not soft as we see in the open market,” said Syeda Asmat Ali, a shopper an USC outlet. “It is mainly because they are getting ‘basin’ made from chick pea and not black gram that is why it is not that soft.” An official said the USC was expected to increase the prices of more items in coming days as floods had destroyed local crops of pulses and spices.

[Dawn – August 19, 2010]