

Price Monitoring and Analysis Country Brief

Sri Lanka

September-December 2010

Key Messages

- In Colombo, rice and wheat prices shot up between September and December 2010.
- The repatriation process of IDPs and refugees from outside the country is ongoing and will increase significantly in following months.
- Agencies agree that the food security situation in the country is serious and that conditions were particularly made worse by recent floods.
- The Government lifted price control on rice.

Background

The total population is 20.30 million, with a 0% annual growth rate. The proportion of people living in rural areas is 84%, however the agricultural value added to the GDP is 12%, while the undernourished population is estimated at 19%.

Economic Indicators	View Data
Total Population (millions) - 2009 (WB)	20.303
Population growth rate - 2009 (WB)	0%
GNI per capita, \$ PPP - 2009 (WB)	4720
Population below 1\$ PPP per day - 2002 (MDGI)	13%
Rural population - 2009 (WB)	84%
Agriculture, value added (% of GDP) - 2009 (WB)	12%

Food Consumption	
Undernourished Population - 2005/2007 (FAO)	19%
Cereal share in total dietary energy consumption - 2007 (FAO)	56%
Meat share in total dietary energy consumption	n.a.

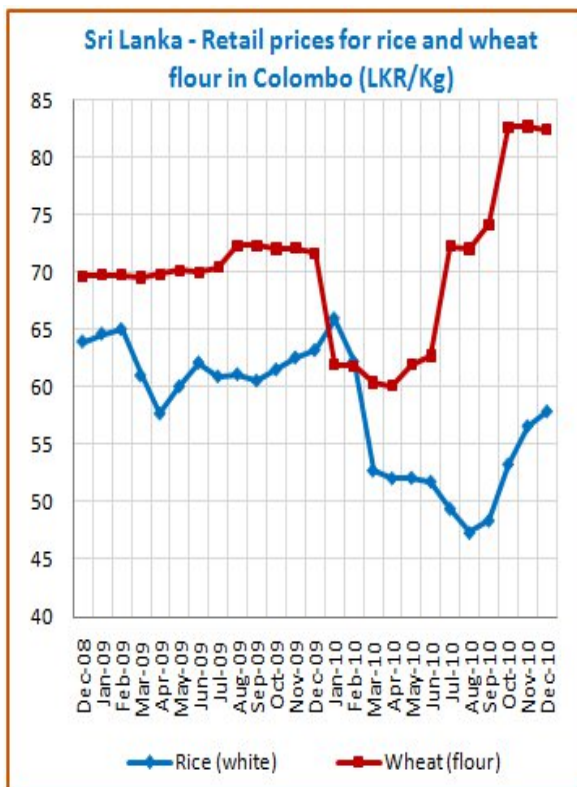
Health Indicators	
Pop. with sustainable access to improved sanitation - 2008 (WHO)	91%
Life expectancy at birth (years) both sexes - 2008 (WHO)	69
Pop. with access to improved drinking water sources - 2008 (WHO)	90%
Prevalence of HIV among adults aged >= 15 years - 2009 (WHO)	0.05%

Prices

Food prices have shown an increasing trend in recent months. In Colombo, rice (white) was sold at 48.45 Rupee/kg in September and then sharply rose by 20% during the following months, reaching 58.04 Rupee/Kg in December 2010. Also wheat (flour) prices in Colombo have increased since September when it was traded at 74.18 Rupee/Kg, peaking 82.37 Rupee/Kg in December. Rice prices (521.57 USD/T) were 22% higher compared to the international price of Rice Thai A1 Super (422.25 USD/T) in December.

Food Security Situation Assessment

Food security was extremely affected by the recent floods. Negative effects on people livelihoods were reported, particularly worrisome is the situation of people living in camps and returning home in the North. FAO hunger map reports moderately high undernourishment while IFPRI global hunger index describes the situation of hunger as serious.



Source: [GIEWS National basic food prices data and analysis tool](#)

CURRENT EMERGENCY ASSESSMENT

Exceptional shortfall in aggregate food production supplies	Widespread lack of access	Severe localized food insecurity	FAO/GIEWS CPFS 2010
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Sri Lanka is not covered by FEWSNET. [FEWSNET](#)

SCALE OF HUNGER (% of Undernourishment)

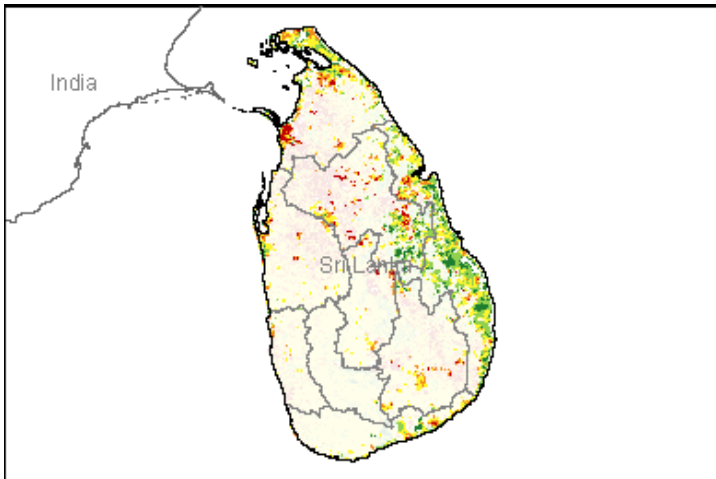
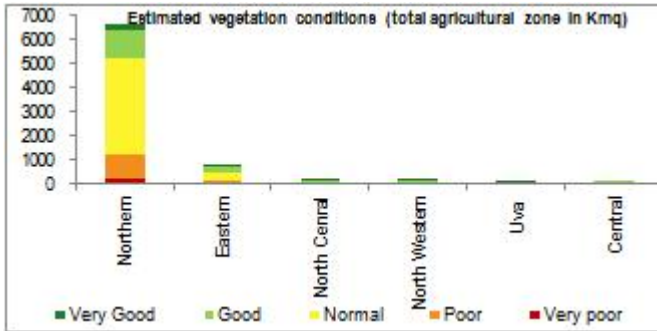
Very high (>= 35%)	High (25-34%)	Moderately high (15-24%)	Moderately low (5-14%)	Very low (< 5% under.)	FAO Hunger Map
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FAO Hunger Map classifies all countries of the world into five based on % of population undernourished.

Extremely alarming	Alarming	Serious	Moderate	Low	IFPRI/2010 GHI
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Vegetation Condition

At this stage of the crop season, normal conditions are observed for the major part of the country with poor to very poor conditions in the northern province. The general indicator of vegetation condition provided below is the relative difference between the NDVI for December 2010 and the average of the last 10 years, calculated on the agricultural zones derived from the GLOBCOVER 2005 database (ESA).



Source: [JRC MARS – FoodSec](#)

Crop phase in the reference period

- Sowing** Rice (Main Maha)
- Growing** Rice - Maize (Main Maha)
- Harvesting** No crops are harvested during the reference period

Natural Disasters, Drought and Conflicts

Heavy rains since mid-Nov 2010 caused floods and displacement in almost all districts of the country. According to OCHA, the number of people affected reached over one million. The repatriation process of Sri Lankan refugees is ongoing and voluntary return is expected to rise significantly in 2011.

Refugees and IDPs	2007	2008	2009
Total in the country	620547	528001	531578
Total outside the country	761099	672148	684276

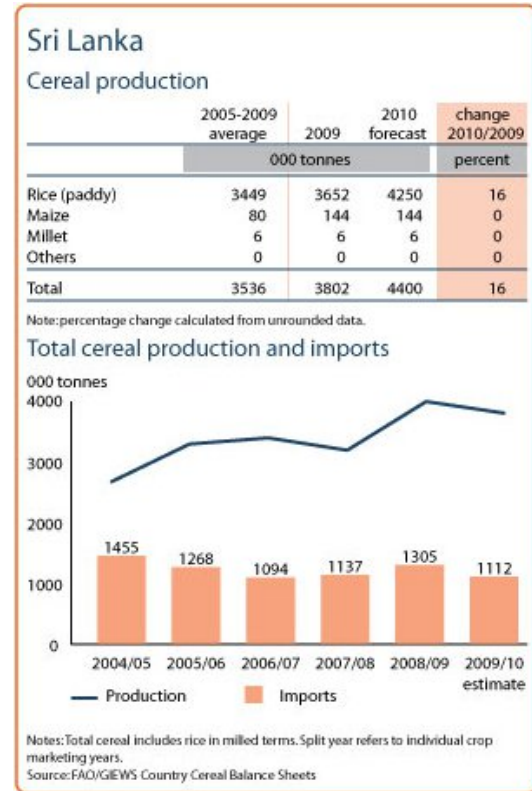
Source: [UNHCR Statistical Online Population Database](#), United Nations High Commissioner for Refugees (UNHCR), Data extracted on 01/12/2010.

Disaster Type (last year)	Date	Location	Alert
Flood	2010-11-11	Western Province	2/3
Flood	2009-12-14	Eastern Province	2/3
Flood	2010-05-08	Central and South	2/3

Source: [Global Disaster Alert and Coordination System](#) - 3 = 1000 or more people killed or 800000 or more people displaced. 2 = 100 or more people killed or 80000 or more displaced.

Food Balance Sheet

The 2010 total cereal production was forecast at 4.4 million tonnes, representing a 16% increase from 2009 production of 3.8 million tonnes and 26% from five years average production of 3.5 million tonnes. Imports for 2009/2010 were at 1.1 million tonnes compared to 1.3 million tonnes in 2008/2009. These estimates may have changed as a result of the Nov. floods.



Source: [GIEWS Country Briefs](#)

Government Policies

The Government lifted price control on rice; the price cap of LKR 70 (USD 0.63) per kilogram in market sales imposed in April 2008 has been removed.

Consumer and market oriented measures	n.a.
Producer oriented measures	Lifted price control on rice.
Trade policy measures	n.a.
Safety net (increased or introduced)	Food transfers.

Different sources

Current events to watch (Click to see the full report)

- [Islamic Relief helps 7,000 survivors of the Sri Lanka ...](#)
- [MERCY Malaysia Activates Local Flood Response and Assi...](#)
- [Sri Lanka: When all was swept away, a rapid reaction m...](#)
- [Italian Humanitarian flight to Sri Lanka](#)
- [Making the difference in Sri Lanka: rebuilding the liv...](#)

For more information, contact: Information-for-action@fao.org
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The Programme on Linkin Information and Decision Making to Improve Food Security is funded by the European Union and implemented by the Food and Agriculture Organization of the United Nations.