



## International Seminar on Approaches and Methodologies for Private Food Grain Stock Measurement New Delhi, 9-11 November 2016

# Recent Initiations on Establishment of Data Base on Marketing Infrastructure and Stocking Capacity

**Technical Session:** 

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### Welcome to the presentation

Department of Agricultural Marketing(DAM) Bangladesh

A Paper compiled and presented By

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#### Recent Initiations on Establishment of Data Base

On

Marketing Infrastructure and Stocking

Capacity

- Food is one of the most important basic demand
- Difficult to ensure food security for all in a country like Bangladesh
- Necessary to build secured stock position for ensuring food security as well maintaining stable distribution and price situation

- **>** Bangladesh -
  - Passed Secured Food Act-2013.
  - Established Secured Food Authority
- Five Silos and 647 Food Godown with capacity of 20.4 lac ton
- Government stock was 15.87 lac ton in October 2015 and 9.39 lac ton in June 2016

Category of Mill	Number	Capacity(m. ton)
Auto Rice Mill	763	3.21
Semi-Auto Rice	2172	2.15
Mill		
Husking Mill	17602	8.19

- In the frame work Agricultural Marketing
  Information System (AMIS) of Bangladesh
  Department of Agricultural Marketing
  (DAM) is a agency, who
  - -Collects
  - Analyze
  - -Disseminate prevailing wholesale and retail price of agriculture produces.

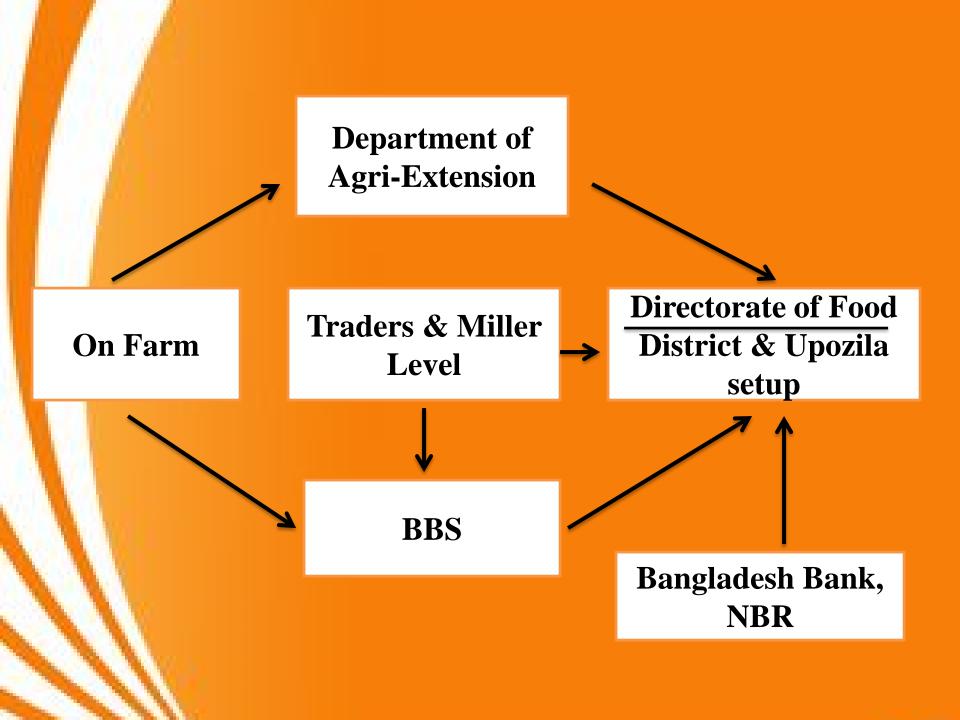
- -Send it to various related govt. departments.
- To collect information DAM has a set of approach and methodology.
- DAM is not officially designated other than

  Potato stock measurement system.

## DAM has a wing named SOGORIP (credit against stored crops)

Division	Districts	Upozila	Number of Godown	Holding Capacity(m. Ton)
Rajshahi	13	35	65	14648
Khulna	4	11	16	4000
Dhaka	12	28	30	7500
Barishal	3	4	4	1000
Total	32	78	115	27148

Fiscal Year	No. of farmers	Crop Deposit (m. ton)	Credit Disbursement
2010-2011	9832	9560	1588.72
2011-2012	9523	10809	1716.91
2012-2013	6519	9268	1886.08
2013-2014	5424	6163	1403.07
2014-2015	5399	5805	639.27
2015-2016	6995	8506	1018.26
	43692	50111	8252.31





- Estimation of private stocks for formulating and implementing public policies on domestic foods
- Create buffer stock, security stock to meet emergencies or to intervene in the market to ensure socially optimal level of stock

- Private stocking of food grains activity takes place at two levels Households and Traders
- Households divided into two main groups-
  - Food grain producing households
    - Non-producing households

### Food Grain Producing vs. Non-Producing Households

- Need to maintain stocks to smoothen consumption
- > Nature and extent of Stock depends on:
- consumption needs and expected pattern of sales volume
- -Time of sale and related reasons

### Food Grain Producing vs. Non-Producing Households(Continued)

- Stock for non-producing households depends on present prices and perception of future prices
- Purpose is to avoid unreasonably high price

- ➤ Traders stock for temporal arbitrage
- Factors related to Stock Grain:
- the structure of food grain production
- -Consumption
- marketed surplus
- -pattern of marketing
- -structure and conduct of food grain market

#### Major food grain production in BD

- In 2014-15 Bangladesh has produced 360.58 lac ton of food grain and in 2015-16 it is 361.67 lac ton.
- Country has imported 52.64 in 2014-15 and 45.36 lac ton food grain in 2015-16 from international market for maintaining secure food grain stock.

- Bangladesh has a warehouse ordinance named 'The Warehouse Ordinance, 1959 (East Pakistan Ordinance No-LXVI of 1959)
- Objective is to regulate warehouse for storing, movement and monitor of agricultural produces specially food grain.

- Lack of practice because of shortage of DAM'S manpower.
- But at present department is being working on it. Process is being going on to amend the act 'Agricultural Market Produces Act' where they said ordinance would be incorporated in a amended form.

- MOF used to get information on the trader level stock of rice and wheat directly from the traders and millers, prior to the agricultural trade liberalization
- Provision was removed following trade liberalization in 1992, which created information gap of stock.

- Private stocking practices in the country have undergone a major change because of
- -Changes in the rice production technology and relative importance of different rice crop.
- -Changes in the rice processing technology and its functions.

- Aus was second while Boro was minor localized crop in some ports of the country.
- Typical on-farm storage period for Amon rice for own consumption was upto 8 months (from Nov-Dec. to July-Aug.)

- Since late 1960's significant change occurred as Boro rice becoming more important throughout the country causing storage time and pattern have changes.
- In early 1960's large involvement of private traders in rice imports.

- Knowledge about detailed statistics on private- farm and non farm stocks of rice were necessary for pooper management of public stocks.
- MOF conducted a series of RRA in 1993 and 1994 for assessment of private stocks to gathere reliable information.

