

# Review and Early Results

Integrated Food Policy Research Program



# Integrated Food Policy Research Program, Bangladesh

## Proceedings on the Review and Early Results Workshop Centre for Integrated Rural Development for Asia and the Pacific (CIRDAP)

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This report has been prepared as an output for the Bangladesh Integrated Food Policy Research Program (IFPRP) and has not been reviewed by IFPRI's Publication Review Committee. Any views expressed herein are those of the authors and do not necessarily reflect the policies or views of IFPRI or its JV partners.

## About the Organizers

### International Food Policy Research Institute (IFPRI)

IFPRI was established in 1975 to identify and analyze alternative strategies and policies for meeting the food needs of the developing world, with particular emphasis on low-income countries and on the poorer groups in those countries. Under the Integrated Food Policy Research Program, IFPRI will be responsible for leading the research component of the Modern Food Storage Facilities Project (MFSP) of the Ministry of Food, Bangladesh. For more information on IFPRI, please visit: [www.ifpri.org](http://www.ifpri.org)

### Ministry of Food, Government of Bangladesh

The Ministry of Food emerged as an autonomous ministry in 2012 with a vision to ensure dependable and sustained food security for all at all times. Under the Integrated Food Policy Research Program, the Ministry of Food will be responsible for providing high-level policy recommendations. The Ministry will also facilitate the project team's efforts in strengthening the capacity of the Ministry's Food Policy Monitoring Unit. For more information, please visit: <http://www.mofood.gov.bd/>

### Bangladesh Institute of Development Studies (BIDS)

The Bangladesh Institute of Development Studies (BIDS) is an autonomous public multi-disciplinary organization which conducts policy oriented research on development issues facing Bangladesh and other developing countries. Its mission is to facilitate learning in development solutions by conducting credible research, fostering policy dialogue, disseminating policy options, and developing coalitions to promote informed policy making. The Institute also conducts training on research methodologies and carries out evaluations of development interventions. Under the Integrated Food Policy Research Program, BIDS will facilitate and undertake research activities and foster overall institutional collaboration. For more information on BIDS, please visit: <http://bids.org.bd/index.php>

### University of Illinois at Urbana-Champaign, USA

The University of Illinois at Urbana-Champaign (UoI-UC) is charged by the state of Illinois, USA, to enhance the lives of citizens in Illinois, across the nation, and around the world through its leadership in learning, discovery, engagement and economic development. Under the Integrated Food Policy Research Program, UoI-UC will be responsible for the technical research and capacity building components of the project. For more information on the University of Illinois at Urbana-Champaign, please visit: <http://illinois.edu/index.html>

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## Acronyms

BIDS	Bangladesh Institute of Development Studies
CIRDAP	Centre for Integrated Rural Development in Asia and the Pacific
IFPRP	Integrated Food Policy Research Program
DG-Food	Directorate General of Food
FPMU	Food Planning and Monitoring Unit
GOB	Government of Bangladesh
IFPRI	International Food Policy Research Institute
JV	Joint Venture
KG	Kilogram
MOF	Ministry of Food
MFSP	Modern Food Storage Facilities Project
PRSSP	Policy Research and Strategy Support Program
SDG	Sustainable Development Goals
ICT	Information and Communication Technologies
LSD	Local Supply Depot
CSD	Central Storage Depot

## Foreword

Since the founding of the nation, Bangladesh has ventured a difficult path, one much harder than its neighbours, to shape its food and agricultural policies. Haunted by the memories of famine and political instability linked to food prices, the country had placed great emphasis on increasing rice production. By the late 1980s, the policies began to pay off: The Green Revolution started taking root, rice prices began falling in real terms, and the Bangladesh was enjoying overall economic growth. However, with years of sustained growth, food policy context is rapidly changing in the country. It is now recognized that the food policy focus needs to be broadened, with both infrastructure and institutions related to food policy needing an upgrade. This is the context in which the Bangladesh Integrated Food Policy Research Program was conceptualized, as an important part of the Modern Food Storage Facilities Project (MFSP). This project is expected to conduct quality research, build analytical capacity, and get the institutions ready for performing cutting edge policy making in the 21st century.

One key aspect of the project design involves hosting outreach events, on mutually agreed timeframes, to disseminate project outputs to food ministry officials and other stakeholders in the country. This workshop was one of the first such events. It was organized with an objective of sharing progress updates and present results of some early research with the stakeholders. The event also presented an opportunity to brief the honourable secretary of food, Mr Kaikobad Hossain, who assumed his position after the project was officially launched on December 6, 2016. The JV leadership presented a progress update and the international advisor to the MSFP, Professor Z. Karim, made a presentation reflecting on the strategic priorities. Taken together, these two presentations have shed lights on the several key areas, requiring further discussion and coordination in terms of methods, data/method sharing, as well as other strategic issues.

An important part of the event was the presentation on the second session of the preliminary results of a study titled, *Private Rice Stocks in Bangladesh: Levels and Determinants*, co-led by Drs Paul Dorosh and Kindie Getnet. The session was chaired by Mr Naser Farid, Director General of the Food Planning and Monitoring Unit (FPMU). Following the presentation, there was lively discussion on data, methods, and the study's utility. We hope that the authors have benefited from the discussion and will factor in the comments while revising the draft report. Both PMU and IFPRI think it was a useful report and look forward to the receiving the final version. It also our hope that study recommendations of this study, as well as all future studies, will be translated into policy actions.

As in the launching event, several colleagues from the PMU and IFPRI-Dhaka staff have contributed to making the workshop a success. We are thankful to Dr Zahurul Karim, international advisor to MFSP, and Syed Rafiqul Alam, procurement specialist MFSP, and Mr Tofazzal Hossain, national consultant at IFPRI, for their supports in planning and coordination. Our special thanks to Khandker Aminul Islam, Razin Kabir, Nazrul Islam, and Samita Kaiser for their supports with logistics and communications; and to Prodip Bashu and Sebastin Bairagee for their administrative supports. We hope that the momentum will continue and, with growing participation from the key stakeholders, the output of this program will contribute to improving food policy in the country.

**Shahidur Rashid**  
IFPRI-BIDS-Illinois Lead

**Md. Gazi Ur Rahman**  
Project Director, MFSP

## 1. Notes on the Preparation of the Event

### 1.1 Background

Holding a review and early results workshop event was proposed by the project office during a meeting in late February of 2017. The two primary objectives of the workshop event were to (a) disseminate information about the progress of IFPRP's activities and (b) receive feedback and inquiries regarding said activities. Another objective of the workshop was to give a space for members of every attending institution (both government and private) to communicate and share information with one another. The Center for Integrated Rural Development for the Asia and Pacific (CIRDAP) was identified as an ideal venue for the event.

Through coordination with the project management team and IFPRI-Dhaka, list of over 150 participants was prepared. The participants included policy makers, members of both DG-Food and MoF, and development partners, as well as national and international research organizations. The team also worked on ensuring high level participation, with the securing of Secretary Mr. Md. Kaikobad Hossain of MoF as chief guest; Director General of DG-Food Mr. Md. Baadrul Hossain; Projector Director of MFSP, Mr. Md. Gazi Ur Rahman; Director General of FPMU, Mr. Naser Farid, as well as senior leadership team members from IFPRI, and BIDS. A half-day long program, held at The Centre on Integrated Rural Development for Asia and the Pacific (CIRDAP), was designed that included both technical and non-technical presentations, with the morning session focusing on overviews and remarks, and the noon session focusing on the issues and progress of IFPRP's activities, as well as a technical and analytical discussion.

The next section presents the synopsis of the opening session, which was followed by the technical session. There were 3 technical presentations, produced by: Dr. Paul Dorosh and Dr. Kindie Getnet on private sector rice stock; Dr. Getnet on the progress of IFPRP to date, and Professor Zahurul Karim on strategic issues in implementing IFPRP.

## 2. Opening Session

### 2.1 Remarks

**Dr. Akhter Ahmed (Country Representative, IFPRI)** opened the inaugural session by welcoming the honourable chief guest, research partners, and all other dignitaries present at the event. Dr. Ahmed began by discussing the multi-faceted role the IFPRI-led research venture is undertaking. He mentioned that this program provides significant opportunities to explore research questions relating to optimal stock levels, grain procurement, and grain distribution as the nation's food policy continues to evolve. Further, Dr. Ahmed spoke about Bangladesh's agricultural development over the last few decades, and how this is largely driven by the Government's commitment to evidence-based research. Dr. Ahmed concluded by remarking how he looks forward to seeing the early results of the program, and by thanking the attendants for their participation in the event.

**Mr. Gazi Ur Rahman (Project Director, MFSP)** Spoke on the condition of warehouses in Bangladesh. He discussed how, before the implementation of IFPRP, there were no extensive studies on the rate of dilapidation of godowns in LSDs, CSDs and Silo's. Mr. Rahman posited that the rate of warehouse dilapidation may actually be greater than the rate of warehouse construction, thus leading to an overall net decrease in the nation grain storage capabilities. Mr. Rahman Digressed

and spoke on the importance of food fortification, specifically fortification of rice, with the current variety of which has little micronutrient value. Mr. Rahman also spoke on the need to optimize farm-gate prices of grain and concluded by emphasizing the importance of efficiently disseminating information derived from the project.

## 2.2 Speeches

**Dr. Paul A. Dorosh (Director of the Development Strategy & Governance Division (DSGD), IFPRI)** began his speech by thanking the honorable guest and the other participants for attending the workshop. Dr. Dorosh discussed the strong connection and history between IFPRI and the organization's research partners. He further elaborated on this by discussing how many of the individuals assisting with the project have at one point worked at IFPRI. Dr. Dorosh concluded by stating that IFPRI is looking forward to working with the MoF and other government bodies in achieving its project goals.

**Mr. Kaikobad Hossain (Secretary, MoF)** provided an overview on IFPRP and the Ministry of Food's work in the MFSP. Mr. Hossain elaborated on the development of the 8 silo complexes of capacity 535,000 metric tons (MT), which would bring the nation's overall food capacity capability to 2.6 million tons. Mr. Hossain discussed the efforts of Both IFPRI and the Ministry of Food in improving the food security situation in Bangladesh, as well as the efforts of both organizations in helping the nation reach its sustainable development goals. Mr. Hossain also emphasized the need to innovate the current traditional system to a digital standard, thus ensuring better monitoring and improved management of food stocks. Mr Hossain concluded by emphasizing the importance of the brainstorming between the JV-partners and government officials on these matters.

## 2.3 Chairman's Remark

**Mr. Md. Badrul Hasan (Director General, Directorate General of Food)** Spoke of how the The Integrated Food Policy Research Program has entered in to full implementation since its launch in December 2016. Mr. Hassan spoke on how there still a lack of information regarding food grain requirement and local production needs in Bangladesh, emphasizing how this aspect is of paramount importance. He also spoke about how further research dissertations from the project should be "more functional than ornamental" such that they can be easily shared with the project officials. Nonetheless, Mr. Badrul Hassan Believes that IFPRP will can accomplish these tasks. Mr. Hassan concluded the opening session by thanking the Honorable Secretary Mr. Kaikobad Hossain For his attendance, as well as thanking all the speakers for sharing their insights and the organizers of the workshop for creating the forum for discussion.

## 3. Technical Session

The objective of the technical session was to bring together experts to discuss the progress and challenges of the Integrated Food Policy Research Program. Two topics were covered in this session. The first was on the implementation and progress of IFPRP and the other was on the estimations of food grain stock in Bangladesh. The session began with a presentation by Professor Zahurul Karim, international consultant from the MFSP. His presentation provided an overview of the strategic issues in implementing IFPRP. The second presentation was by Dr. Kindie Getnet, research fellow at IFPRI, who provided a brief overview of the multiples areas where IFPRP has made progress. The third presentation was by Dr. Paul Dorosh, Director of the Development Strategy and Governance



Division at IFPRI, and Dr. Kindie Getnet. Their presentation concerned the estimated levels and determinants of private food grain stock in Bangladesh. This session was concluded with closing remarks from Mr. Naser Farid, Director General of the FPMU.

#### 4. Take Away Messages

The Integrated Food Policy Research Program is designed to meet the food policy needs of a growing Bangladesh. The program will contribute to this by informing the food value chain, public food stock management, disaster response, and price stabilization efforts using evidence-based research results from state-of-the-art analytical methods. The program's cross-cutting research activities will focus on a full spectrum of food policy considerations – storage and transport, market and policy analysis, as well as capacity building and outreach. The main message we can take away from this session is that IFPRP has made significant progress towards meeting its objectives; from completing an array of inception reports, to beginning its first field survey, IFPRP is well on the way to help the nation meet its food policy needs.

The Government of Bangladesh continues to have high expectations of IFPRP. The IFPRI-led consortium will continue to build synergies with key government institutions such as the Food Planning and Monitoring Unit (FPMU) and the Directorate General of Food, as well as with the private sector to better deliver on the envisaged research activities.

#### 5. Notes on Technical Session

**Professor Zahurul Karim (International Consultant, MFSP)** began by discussing how the JV's areas of research correspond with the National Food Policy in the latest five-year plan (FYP) for food security, which includes goals such as ensuring an adequate and stable supply of safe and nutritious foods, and enhancing the purchasing power of people for increased food accessibility. Prof. Karim pointed out that, for the JV's research to accomplish these goals, it must first resolve some key issues at hand. These issues include:

(1) Building greater rapport with key stakeholders; consultation and actions taken by the JV should be shared with officials from every level i.e. from central to district. Following this priority, quantitative and qualitative data collection tools should be shared amongst research partners, dg food and other institutions involved in the project. The last recommendation on this issue is that development should be undergone for a manual on training enumerators, as enumerators are hired for different project and they should know how to deal with different questions, different types of questionnaires and how to deal with field officers etc.

(2) The quality of data procured should be of high quality. This can be done through random supervisions of data collectors, which will expedite having the most accurate data as correcting data after collection would take longer. An outline of reports for each study should create with participation by each institution and should be given feedback by institution partners.

(3) With regards to issues while performing the study; The questionnaire should be easily understood by grain storage warehouse managers, and assessment of physical conditions of warehouses should be performed by professionals (i.e. engineers or specialists).

**Dr. Kindie Getnet (Research Fellow, IFPRI)** Provided an overview of the progress and early results made by IFPRP. Key accomplishments made by IFPRP include:

(1) **Administrative and Logistics:** Establishing the project team, including the hiring of both the research and support staff. An Office was also secured in the Banani area.

(2) **Outreach and Training:** The initial launching event was a success, and the University of Illinois has developed training courses for both local training and training abroad. And

(3) **Research:** Ten Inceptions Reports and one draft report have been submitted to the PMU.

Dr. Getnet expects several milestones to be reached by the July 2017. These achievements include at least five more draft reports produced (regarding storage costs; food safety; optimal transportation, and a review of DG-Food and the FPMU). Analysis of a recently launched surveys on PFDS loss; local training on food policy; a training course at the University of Illinois, and two more outreach events with results from the ongoing studies.

**Dr. Paul Dorosh (Division Director, DGSD, IFPRI) and Dr. Kindie Getnet (Research Fellow, IFPRI)** Posit that the effects of Public Foodgrain Distribution System (PFDS) interventions on market prices depends on numerous factors, such as the volume of procurement and distribution; overall supply in the market, farmers' response to prices, and consumer demand and trader behavior; the level of stocks held at the household level for future sales etc. Thus, the two researchers jointly present a study which examines determinants and levels of private stocks to better understand the effects of public sector market interventions.

To determine what affects the level of cereal stocked in a rural household, a linear panel IV regression was utilized, with average monthly cereal stock set as the dependant variable, and a component of household and farm characteristics; rural transformation indicators, and location dummies set as the explanatory variables.

The regression showed that average monthly cereal stocks is positively correlated with the number of non-agricultural enterprises; the quantity of the household's cereal production and the education of the household head, while it is negatively correlated with the quantity of fruit and vegetable production; the level of expenses toward food consumption items, and the household's proneness to flood.

Auxillary regression estimates are also performed to determine other factors that may determine average grain stock. A probit regression found that the more grain is stored by a household, the more food security that household may have. An additional fixed effects poisson regression also found that greater levels of stored grain is correlated to less food diversity within a household, perhaps because their food security depends more on their income rather than their grain stock.

Initial analysis suggests that grain storage by households in flood prone areas may be limited by the traditional nature of storage facilities (made of wood and mud materials). Such areas may be suitable for storage related interventions in the future. Also, the declining role of private grain storage perhaps suggests the increasing importance of commercial private stock and growing food value chains, with an increasing impact on household food security.

To summarize Dr. Dorosh and Dr. Getnet's findings: Total quantity of cereal production, grain storage capacity, financial savings and having a male household head are all associated with greater household foodgrain storage. Households located in flood prone areas and coastal areas are less likely to hold stocks. Econometric analysis also provides evidence that farmer stocks are responsive to expected future harvests, as well as recent past harvests.

To conclude their presentation, the two researchers informed us that farmer stocks generally account for less than half of all stocks within Bangladesh. Instead, private trader and rice miller stocks account for over half of all private sector stocks. Lastly, Public rice stocks account for only about 9% of total rice stocks in the country.

### **5.1 Chairman's Remark**

**Mr. Nasir Farid (Director General, FPMU)** Spoke of how there are high expectations for the project's success. How the project is to provide recommendations and solutions for existing and upcoming challenges. He also expects upcoming research reports to be unbiased, independent, and structured. Mr. Farid asked that the JV offers its solutions with the consultant and cooperation of the management, as he believes a collaborative approach with a consistent sharing of ideas between the research partners and the official will lead to the most optimal solutions being set forth. Mr. Farid ended by thanking the attendants for their participation and officially concluded the session.

# **INTEGRATED FOOD POLICY RESEARCH PROGRAM**

## **A world free of hunger and malnutrition**

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