

# FOOD SECURITY : WHAT THE GOVERNMENT SAYS AND WHAT WE WANT

Right to Food campaign

# The Debate Centers Around



- How many kgs of cereals

AND

- For how many people who are marked as BPL

The Congress has promised more than this already  
and food security goes way beyond this.



# We want legal guarantees

State should be made responsible and  
accountable to ensure that no man,  
woman or child starves or is  
malnourished.

# Promise in the Congress manifesto



“The Indian National Congress pledges to enact a Right to Food law that guarantees access to **sufficient food for all people** especially the most vulnerable.”

- Every family living below the poverty line will be entitled to 25 kgs at Rs 3 per kg for all BPL families.

# Congress promises

- Community kitchens for the homeless and migrants
- Ensure Social Security to all persons who are at risk including single women households, disabled and elderly, urban homeless, released bonded workers, primitive tribal groups and members of most backward dalit communities
- Direct income support to farmers in ecologically vulnerable areas
- Ensure that farming becomes profitable
- MSP and procurement at the door step of farmers
- Universalisation of ICDS with full coverage of all children under six for food, nutrition and health

A FOOD SECURITY LAW  
MUST COVER ALL THIS....

....And A Little Bit More

# We believe



- Basic services such as food, education, health, work and social security must be universally available for all.
- ALL residents of the country must be covered
- While arguing for universal services, further affirmative action is required for those who are socially excluded.

# Present Govt View : Only A Limited Number Of People Must Benefit

- BPL is being determined by EGoM based on poverty figures put forward by the Planning Commission. This stands at present based on Tendulkar Committee report at 37.2%
- NFSA will thus provide only 37.2% of the population with cheap food

# Tendulkar means further exclusion



- The average calorie consumption at the Tendulkar Committee poverty line is 1776 calories per person per day for urban areas and 1999 for rural areas.
- This is much below the ICMR (Indian Council of Medical Research) norms for the average person in India (i.e. 2400 Kcal in rural areas and 2100 calories in urban areas).
- This line is therefore bound to lead to the exclusion of many who are hungry if it is used to set 'caps' for food schemes.

# Problem with BPL Figures

- Caps set by the Planning Commission are not a reflection of the ground reality.
- They force state governments to cut down on the number of people on the BPL list, leaving room for manipulation and corruption of all sorts when making the BPL list
- Most often state governments have had to go beyond the BPL list from their own resources
- Huge exclusion and inclusion errors exist
- Proper identification through BPL of the poor is proving an impossibility.



# Our Demand

A Universal Public Distribution System

FOOD SECURITY MUST BE  
NUTRITIONAL SECURITY

# Food Security Must Ensure Nutritional Security And Health

- ICMR norms for moderately active male (2700 calories required )
  - ▣ Food grains- 14 kgs per month or 50 kgs per family
  - ▣ Oils 800 grams per month or 2.8 kgs per family
  - ▣ Pulses 1.5 kgs per head per month or 5.25 kgs per month
- Inclusion of millets is essential because these are nutritious, healthy, cheap and often culturally preferred

# Limited Food Security




- NFSA offers only 25 kgs of grain at cheap rates
- It is giving food grain security , not nutritional security.
- It is taking away existing Supreme Court entitlements of 35 kgs per family per month

# Food Security in a Vacuum



- NFSA provides food security without considering production aspects – as if food procurement and food distribution can be divorced from production
- In actuality, production, procurement and distribution have to be considered together



## Use An Expanded PDS To Revive Agriculture

There is a severe agricultural crisis in the country. Procurement for an expanded PDS will give a boost to production and can become an important instrument for the revitalization of the agricultural economy.

# Expanded PDS Along With New Procurement Policy :

- Procurement from *all mandis*, so that *all areas* benefit from govt. procurement (not just major procurement from Punjab, Haryana, AP and partially UP, as is now the case)
- Procurement at MSP of *millet, pulses and oilseeds* etc to boost these crops which are now facing neglect due to low and uncertain prices and due to low investment.
- These crops are easily grown in dry-land areas and are not water/input intensive.
- Procurement should be at *fair MSP* prices.

# Expanded PDS Along With New Procurement Policy :

- ❑ MSP of millets and pulses are now very low. During the recent inflation in pulses, farmers sold dal at Rs25-35 /kg. MSP of moong was Rs27.6, of tuar was Rs23/kg. Retail prices ranged from Rs 65 to Rs 120.
- ❑ Consumers suffered high prices, while farmers did not benefit at all from them. Even in millets, the differential between farm gate and retail prices has been upto 30-50%.

# Local Distribution Of Local Procurement

Distribution of grain procured from beyond the district /zone should be resorted to only if there is a shortfall in local procurement. This will allow :

- ▣ Procurement, and therefore support to farmers, from all areas .
- ▣ Locally preferred grain to be distributed
- ▣ Drastically cut down storage and transportation costs
- ▣ Help curb corruption by allowing easier tracking of grain movements

However, since many areas suffer from deficits, it is important to ensure that the original intention of the PDS ie : movement of food from surplus to deficit areas will be ensured by Central govt agencies.

Village level grain banks to be established to encourage local procurement, storage and distribution to ensure food security

# Policies to increase food production, consumption, nutrition

Immediate ban on export of food until malnutrition is ended in the country.

Protect farmers from “dumping” of unfairly subsidized imports.

First call on all natural resources, including land and water, must be for food. No forcible diversion of land, water and forest resources away from food production.

Stop corporatisation of agriculture and control of food by agribusiness corporations.

Immediate moratorium on genetically modified (GM) seeds, GM food imports, and use of GM food in government food schemes.

All speculation and futures trading in food items should be banned.

Government must eliminate the entry of corporate interests (including contract farming) and private contractors in food production, the food market, regulatory bodies and nutrition-related schemes.

Governments must not enter into any partnerships with the private sector where there is a conflict of interests.

Government must ensure access to safe drinking water and sanitation for all.

# Expanded PDS : Quantity of Cereals Required (in million tonnes)

Entitlement per month / household (in kgs)	<b>50 kgs</b>	<b>35 kgs</b>	<b>25 kgs</b>
Universal Public Distribution System (20 crore families)	<b>120</b>	84	60
Universal (assuming 70% offtake)	84	58.8	42
Universal (assuming 80% offtake)	96	67.2	48
Arjun Sen Gupta Committee (15.4 crore families)	92.4	64.7	46.2
Saxena Committee (10 crore families)	60	42	30
Tendulkar Committee (7.4 crore families)	44.4	31.1	22.2

# Expanded PDS : Quantity Of Foodgrains Available

<b>Production (million tonnes)</b>	<b>Total Cereals*</b>	<b>Total Pulses</b>	<b>Total foodgrains**</b>	<b>Total cereals (minus 12.5% for seed, feed, wastage)</b>
2005-06	195.21	13.39	208.6	170.8
2006-07	203.08	14.2	217.28	177.7
2007-08	216.02	14.76	230.78	189.0
2008-09	219.22	14.66	233.88	191.8

# Expanded PDS : Half of Current Cereal Production Required

- Total cereal availability (minus 12.5% for seed, feed and wastage) ranged from 170.8 million tonnes to 191.8 million tonnes over 2005-6 to 2008-9.
- Total requirement for universal coverage at 50kgs per family with 100% offtake is 120 mill tonnes, However, a more realistic requirement estimate, is 84million tonnes at 70%, 96 million tonnes at 80% and 92 million tonnes if the offtake is at the Arjun Sengupta Committee's poverty estimate.
- *This is therefore around half of the current cereal production in the country.*

# Universal PDS : Pulses Required

Requirement of pulses is 20 crores households X 5.25 kgs per household per month X 12 months = 1.26 crore metric tonnes or 12.6 million metric tonnes

Currently the pulse production of 4 years ranges from 13.39-14.76 million tonnes is sufficient to cover the projected PDS requirement of around 10.08 million tonnes (at 80% offtake with universal coverage).

This would require 68-72% of our total production

# Universal PDS : Pulses Required



Pulse production in the country is in serious crisis.

Production is stagnating due to lack investment. If pulses are not provided in the PDS , their consumption will seriously decline, leading to increased malnutrition.

If pulses are given a fair and stable procurement price, cultivation is likely to increase.

The quantum of pulses distributed through the PDS may also be gradually increased upto 1.5 kgs per adult per month, over a period of 5 years.

# Availability of Edible Oils (in lakh tons)

Oil Year (Nov.- Oct.)	Production of Oilseeds	Net availability of edible oils from all domestic sources	Consumption of Edible Oils( <b>from domestic and import sources</b> )
2000-2001	184.40	54.99	96.76
2001-2002	206.63	61.46	104.68
2002-2003	148.39	46.64	90.29
2003-2004	251.86	71.40	124.30
2004-2005	243.54	72.47	117.89
2005-2006	279.79	83.16	126.04
2006-2007	242.89	73.70	115.87
2007-2008	297.55	86.54	142.62
2008-2009	281.57	85.98	183.00

# Universal PDS : Edible Oil Required

- Requirement of edible oils is 20 crores households X 2.8 kgs per household per month X 12 months = 67.2 lakhs metric tonnes or 0.67 million metric tonnes
- The requirement of oil will be around 53.76 lakh metric tonnes (at 80% offtake) . The average availability over past 4 years from domestic production is around 82 lakh tonnes. The current availability(2009-10) including imports is 183 lakh tonnes (estimated).
- We require 65% of our domestic production

# Universal PDS: Increased Production of Food Crops in the Medium Term

- If there is increased Procurement , and at fair prices, and therefore farmers have an assured market, production of food crops is likely to increase.
- Currently only 25.8% of of the net production of food grains are procured. Only 18.9% of the net available food grains are distributed through the PDS( 2008 provisional figures provided in ESI 2009-10).

# Funds Required

	For 50 kgs/ family/month	For 35 kgs/ family/month	For 25 kgs/ family/month
Economic weighted average of wheat and rice cost per kg (in Rs.)	16	16	16
Proposed per kg price in NFSA (in kgs)	3	3	3
Net subsidy per kg (in kgs)	13	13	13
Number of kgs per month (in kgs)	50	35	25
Subsidy per month per family (in rs.)	650	455	325
Annual subsidy per family (in rs.)	7800	5460	3900
For universal PDS for 20 crore families (rupees crores)	<b>1,56,000</b>	<b>1,09,200</b>	<b>78,000</b>
Assuming 70% offtake	109200	76440	54600
Assuming 80% offtake	124800	87360	62400

# Universal PDS: Availability of funds

Compared to many wealthy nations including USA, Sweden etc. India has very a low tax GDP ratio (around 18% compared to 28% for USA and aound 45-50% for Scandanavian countries).

Even this very low rate is not realized. The tax foregone (waived) by the Central Govt on Corporate Income Tax, Personal Income Tax, Excise and Customs was **Rs.5,02,299 crores** in 2009-10 (79.54% of the aggregate tax collection), and it was **Rs.4,14,099 crores** (68.59% of aggregate tax collection) in 2008-9.(the budget documents caution that this might be an underestimation).

*This is about 11 times the current food subsidy bill.*

# Universal PDS: Availability of funds

Corporate income tax foregone is **Rs 79,554**, almost Rs 13,000 more than last year. Every year, the effective tax rate is a merely around 22% compared to the statutory tax rate of 33.99%. The largest companies, those with more than Rs 500 crores, get the most exemptions. Public sector companies pay much higher taxes than private sector companies.

In Excise duties, instead of the tariff rate of 16%, only 8% excise duties were levied.

In Customs duties foregone, the exemptions for diamonds, gold and jewellery was as high as Rs 39,769 crores !

*This is almost the same as the entire budget allocation for NREGA.*



# Children's Right to Food

Though it is a well recognised fact that child malnutrition and maternal mortality are at severe levels, the NFSA has made no provisions for the same.

Existing food schemes where legal entitlements have been given by the Supreme Court have been ignored

# For Children's Right to Food



Program of feeding in ICDS centres and schools from birth till Class X

Minimum nutrition norms specified in the Act

Cooked hot meal

Proper infrastructure- buildings, drinking water, toilets, equipment

Adequate staff

Health check ups in schools and ICDS centres

No use of contractors

# Universalise ICDS



**All children in the age group of 0-6 years** entitled to basic nutrition, health and pre-school education services including supplementary nutrition; immunization; health check-ups; referral services; growth monitoring and promotion; pre-school education; counselling of mothers for infant and young child feeding

**Support and counselling for Breastfeeding**

**No promotion of baby foods**

**Weekly Take-home rations**

**Identification and treatment of acute malnutrition**

# Rights of the Vulnerable and Socially Excluded



The Act must recognise the rights of the most vulnerable.

These include old people, physically challenged , people suffering from/living with HIV/AIDS , TB or other debilitating and stigmatized diseases, single women headed households, beggars, bonded labourers, primitive tribes, most marginalised groups, homeless, unprotected street and working children etc.

All such people to be provided Antodaya cards

# Antodaya Card Holders



All Antodaya card holders to get rations at half price;

Hot cooked meals for old and infirm

Double food quotas in ICDS and maternity benefits

Old age pensions of Rs 1300 p.m.

Supply of one quintal of food per month free of cost  
for six months (after distress is discovered)

Other special programs like community kitchens or  
residential schools for street children

# Other Special Categories



Migrants, urban homeless and slum dwellers to be categories for whom special measures to be taken up

Disaster struck to be given Antodaya cards and double entitlements immediately

Pensions of Rs.1 300 for elderly, single women and disabled

Maternity benefits of Rs 1,000 per month for six months, along with creches



## Food Coupons or Cash Instead of Food

The RTF Campaign rejects cash transfers because it knows that cash can never take the place of food grains.

# Food Coupons or Cash Instead of Food

- With food prices rising very rapidly, value of cash given will deplete fast before Government revises rates
- Cash can be spent by heads of households on drinking, gambling or other useless consumption without addressing food security
- The PDS has a procurement side and a distribution side. The procurement of food at minimum support prices means that farmers are encouraged to produce food. Replacing this with cash transfers means that the incentive to produce food is reduced and therefore the total food production in our country is adversely affected.



# Cards for Women

We want cards in the name of women and NFSA has already agreed to this



# Issues of Corruption and Leakages

Set up a good decentralised redressal mechanism with all offences made cognizable and non-bailable.

Let them be criminal offences with severe punishments, fines and penalties for the perpetrators and compensation for the victims.

Transparency measures and strong community vigilance to stop leakages



## Affirmative Action

At least 50% of jobs for cooks and helpers must be for Dalits, Adivasis and minority communities.

Priority must be given for the location of Anganwadis and ration shops in hamlets of Dalits, Adivasis and minority communities.

# Summary of Demands

- Remove APL BPL– subsidised food for all
- Nutritional security with per head monthly entitlements of 14 kgs of cereals, 1.5 kgs of pulses and 800 gms of oil
- Expand PDS procurement and use PDS to revitalise agriculture
- Make procurement and distribution local and decentralised
- Children's right to food to be ensured
- Special rights for vulnerable and excluded
- No cash transfers
- Food entitlement cards in the name of women
- Effective grievance redressal mechanisms, with punishments, penalties and compensation
- Affirmative action for Dalits, Adivasis and other socially discriminated groups