



COVID-19

Agricultural market failures and implications on food security



Food security at stake

The study aims to shed light on the agricultural market failures through disrupted supply chains and the possible consequences of COVID-19 on national food security.

METHODOLOGY



Key Informant Interviews (KIs) and secondary price data analysis.



Respondents

Farmers, producers, wholesalers, retailers, and input sellers interviewed for insight into market failures.

Key products for price volatility analysis



Rice (coarse Aman and coarse Boro), imported red lentil, potato, onion, vegetables (pumpkin, bottle gourd, cucumber, green chilli, ladies finger), poultry, dairy.



Districts covered:
(Two from each division)

KEY FINDINGS

Phase by phase



Price of agro products increased during onset of pandemic (March and early April):



Panic buying, stock piling by wholesalers, large quantity procurement by local government organisations, NGOs, and private individuals for relief contributed to the rise in demand and increased price of rice and lentils.



April lockdown— Low purchasing power and initial confusions:

Decreased demand for agricultural products, reduced transportation cost, high stock— faltering price of non-relief items and forced selling at losses resulted in price decline.

Breakdown by sector

Agricultural product



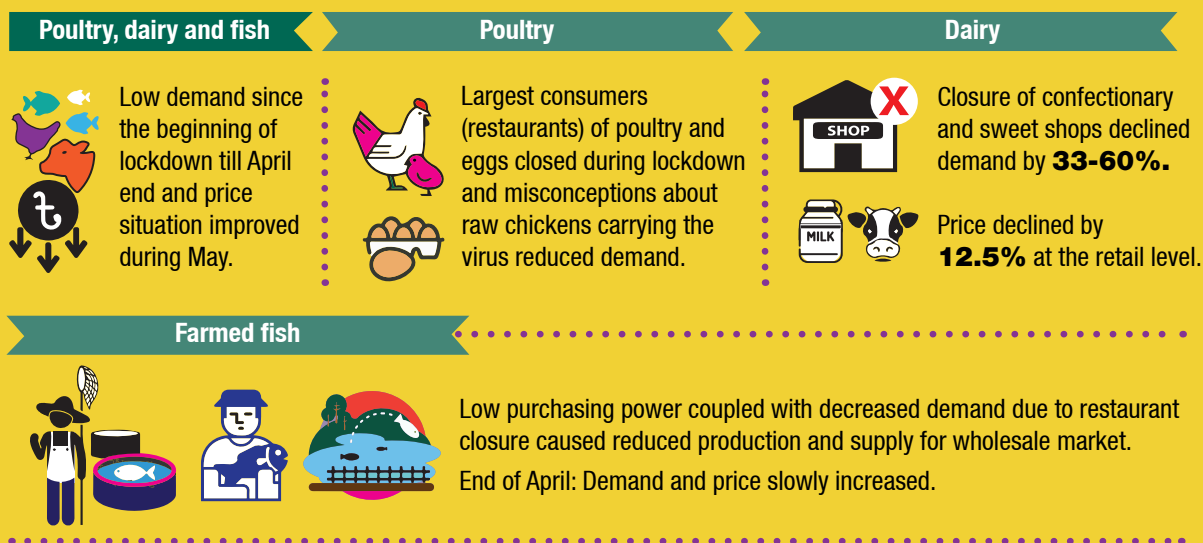
- Coarse rice and lentils in March— Price increased by **30%**



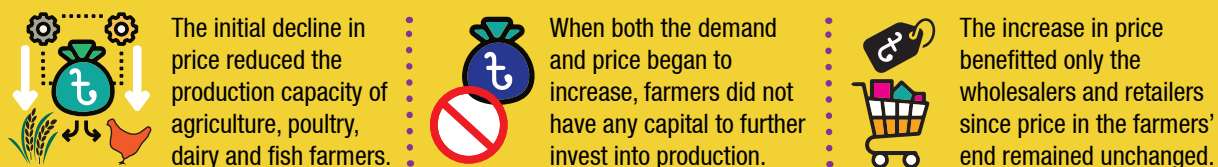
- Faltering price of non-relief items during April.
- Price recovered in May during Ramadan.
- Wholesalers and retailers had to sell at a loss due to low purchasing power.

KEY FINDINGS

Breakdown by sector



Agro Producers – the net losers



MAJOR RECOMMENDATIONS

