

FAO & IFAD Submission to GoI's Empowered Group No.5

Facilitating supply chain and logistics management for availability of food for the COVID-19 Disease Disaster Management Strategy 1st April 2020

Objective: FOOD SECURITY WITH PUBLIC SAFETY

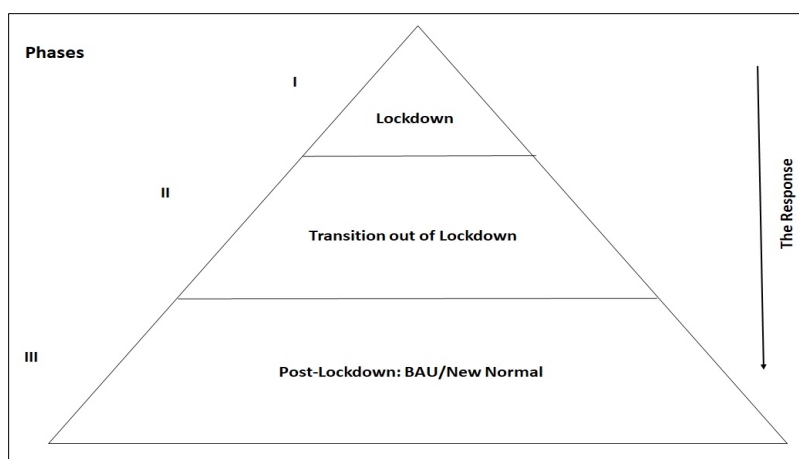
Any interventions dealing with the food supply chain (production, processing, and distribution) while being time-sensitive, also have to contend with two major constraints, which must be the basis for the organising principles for the logistics management:

1. Overcoming limits on **movement** (for processing, packaging, transporting and distributing food and of people/key actors in the supply chain from “Farm to Fork”)
2. Ensuring conditions of **interaction** (the pandemic requiring physical distancing and hygiene measures, so that food itself does not become a carrier/spreader of the disease)

Government of India has issued advisories to ensure farmers face minimum limitations in accessing inputs and services by exempting the following:

- i. Agencies engaged in procurement of Agri products including MSP operators
- ii. Mandis operated by APMC or as notified by the state government
- iii. Shops of fertilizers and pesticides
- iv. Farming operations by farmers and farm workers in the field
- v. CHCs in the field
- vi. Manufacturing and purchasing units of fertilizers, pesticides and seeds
- vii. Intra and interstate movement of harvesting and sowing related machines like combine / harvesters and other agriculture/horticulture implements
- viii. Veterinary services and fodder as well as entire supply-chain of milk collection and distribution including its packaging material

Despite these proactive measures, some challenges remain. It is suggested that responses to challenges in the food supply chain be organised with three (3) possible phases in mind:



Phase I: DURING LOCKDOWN

(Three Weeks, followed by a possible period of extended restrictions on movement)

In this phase this Empowered Group will have to coordinate and be in sync with Group No.11 (Strategic issues relating to Lockdown) as well, which is dealing with strategic issues dealing with the lockdown.

In the immediate, the priority is to address the sudden disruption of supply. This initial crisis response is based on the assumption that there is adequate grain in stock, while the problem is essentially of supply at a time of high demand (from shortage due to panic-buying and hoarding in urban areas to unmet demand in rural areas and the need for emergency food assistance).

At the outset, the supply of protective personal equipment (PPE) for those engaged in the food supply chain operations must be ensured. Mass distribution of masks, soaps and sanitisers to all involved - mandi handlers, transport drivers, street vendors, may be necessary. This requires placing a demand on **Group No.3 (Ensuring Availability of essential medical equipment—Production, Procurement, Import & Distribution)**.

1. Teleconference with the states to identify emerging challenges/ problems and identify immediate solutions.
2. Civil supplies need to reach as many people as possible.
 - a. PDS entitlements of 5 kg grain per person should be extended to the entire population for the next 3 months and nobody should be denied access to subsidised grain because of lack of identification - PH/AAY ration card/Aadhar.
 - b. Bottlenecks in delivery of grain to ration shops must be identified through close coordination between the Union Ministry of Civil Supplies and State-level Departments of Civil Supplies.
 - c. Ensure that fair price shops deliver the provisions in an orderly manner and their supply lines remain intact and offer home delivery services to avoid crowding.
 - d. The other key staples of pulses, fresh vegetables and fruits, milk, curd, eggs, fish and poultry also require special attention as their supply chain needs are different.
3. Continuation of government food and nutrition programmes (ICDS, MDMS, etc.) for delivery of food baskets (uncooked food items) collected by parents or distributed by Anganwadi workers, rather than having crowds in the schools/anganwadis.
4. Local consumption from local production must be supported, as
 - a. raw material for preparation of school meals, in particular, perishables, are usually procured locally. This is an important market for small producers of milk and poultry and growers of vegetables and fruits, etc. in villages.

- b. supply of food to relief camps for migrant workers is urgently needed and will help farmers who are suffering because of their inability to sell these perishable goods because of the lock-down.
 - c. Preparation and distribution of cooked food: Sanitize kitchens of existing restaurants/ hotels/ gurudwaras to cook food and supply to villages or urban centers (including hospitals, health workers and patients) for distribution through Gram Sarpanchs/ Ward members/councillors. This will ensure effective utilization of restaurant/ hotel/ gurudwara infrastructure without any cost for capital expenditure from government on this count. This arrangement will be handy particularly for daily wage earners, wherever they are by government agencies.
 - d. safe systems of home delivery by wage-dependent informal distributors, such as street-vendors (*rehris/thelas*), minimising physical contact will safeguard livelihoods and fresh food supply.
5. The FCI and other procuring agencies of the central and state governments need to
- a. be trained about safety measures and supplied safety gear
 - b. develop local level procurement agents on temporary basis and treat them as frontline health warriors
 - c. use local government and civil society infrastructures (such as schools, Panchayat Bhawans, marriage halls, etc.) for storage purposes after proper sanitization. These could also be made available for keeping produce of farmers on temporary basis in case of climatic aberrations.
 - d. stagger the sales in Mandis, by announcing a village-wise schedule for bringing the produce to the Mandis, along with providing support to farmers to cover the cost of local storage and safeguarding of grain during this period.
 - e. maintain safety and hygiene at storage places to minimise storage loss
6. Alternatives to Mandis should also be explored:
- a. Local warehouses which are currently empty (awaiting Rabi crops) could be identified at the level of cluster of villages.
 - b. These warehouses could act as local collection centres (separate for perishables and non-perishables).
 - c. A collection schedule could be prepared and farmers could be informed over mobile about schedule of collection
 - d. District administration could organise transport for farm to farm collection and transportation to the centre.
 - e. Everyday auction could be done online and farmers' accounts could be directly credited.
 - f. Warehouse managers, Collateral Managers, as well as other Mandi officers could be engaged in coordinating this. Specialised NGOs could also be involved. Allow free inter and intra state movement of harvesting machinery to immediately address the concern of labor shortage for Rabi harvesting, Zaid sowing and other farming activities in the states which are dependent on migrant laborers.

7. Production of farm equipment should be allowed in a restricted manner by following stringent measures and self-regulation by the manufacturers.
8. In the hill areas of the country including North East, kharif sowing is currently underway but state borders are sealed so seed supply is severely hampered, e.g. potato seeds come from Punjab or Himachal Pradesh to Uttarakhand and parts of North East. Immediate relaxation in guidelines for inter and intrastate movement of seeds would help farmers in hill areas. The window of opportunity is very small for this.
9. District Authorities may partner with companies/ institutions/ individuals that undertake custom hiring of machines (e.g. uberization), especially for use of bigger and more expensive machineries such as laser levelers, which could help in farm operations to deal with labor shortages.
10. Allow home delivery of farm inputs (seeds, fertilizers, pesticides, etc.), to prevent overcrowding, by issuing special permits to local NGOs/ SHGs etc. Decentralising the issuance of permits/ passes to BDOs/ SDMs/ DAOs as well as NRLM staff at local levels will help fast track the process.
11. Farmers' will require information on market operations, pricing, weather advisories and pest and disease management. Aside from targeted messages through radio/TV, promote IT based platforms for mobile advisories (vetted by Agricultural Universities) to farmers.
12. All States should be advised to set up anti-hoarding task forces as well as constitute a Central FOOD WATCH desk, with participation of civil society and linking state-level food food/agri focal points.

Phase II: TRANSITION OUT OF LOCKDOWN

(Anticipating a phased removal of restrictions on movement or relaxation days between subsequent lockdowns, if any)

In the phase immediately after the lockdown, anticipating that more of the actors in the food supply chain can slowly resume operations, public safety has to be of paramount importance. **DAY 22 (and beyond) after a 21-day lockdown is critical and cannot be a full return to 'normal life' as before the lockdown!**

April and May are the most critical months for the supply of seeds, irrigation, mechanization and application of crop protection products for timely sowing of Kharif crops. There can be serious shortages in the rest of the year if this crucial period is missed.

Provide a tentative roadmap for the period after the 21-day lockdown well in advance so that people are prepared and not caught unawares. This would ease the pressure on supply-chain considerably.

Issue a Standard Operating Procedure/Code of Practice for anyone with public food dealings. It is also necessary to bring back confidence and secure cooperation from all those involved in the supply chain in the opening up of the movement to enable provision of food supplies.

A wider set of people can in this phase become involved or assume roles and responsibilities as providers of both pre-cooked and fresh food and food packets. NGOs/CSOs, RWAs, religious organisations and Paramilitary Forces can be encouraged to participate.

1. Ensure continued supply of:
 - a. Plant protection and other agri-chemicals for rabi crops to ensure that crop losses do not increase because of any delays in harvesting/sale.
 - b. Seeds, fertilizers, pesticides, irrigation equipment, farm implements that are necessary for preparation of fields for sowing must be ensured as Zaid season has already started and Kharif season will start soon. Inputs for short-term crops that require 3 months or less before they can be harvested.
2. To facilitate Agri marketing:
 - a. All APMC regulations should be suspended for 3 months to allow free sales of farm produce from the farm gate.
 - b. Mandi fees should be waived off for this period.
 - c. Private companies, individuals, corporates, FPOs, SHGs, cooperatives, etc. should be allowed to buy directly from farmers at negotiated prices.
 - d. Direct trades should be allowed on e-NAM platform freely from anywhere in the country, removing the restriction of physically bringing produce to APMC.
3. Supply chains should be made operational by ensuring that the policy restrictions do not impede access to these inputs and maintaining seasonal labour flows (may be through special screening and permits).
 - a. Open green lanes/special food lanes at national and state toll booths, check posts and on highways where Agri inputs and seed/plantation delivery vehicles can pass unhindered, and are not subjected to roadblocks. The special agricultural lanes will allow smooth passage of all vehicles carrying essential food commodities and Agri inputs. Any restrictions on interstate movements of other commodities and people should not affect the movement of Agri inputs.
4. Warehouses for Agri inputs must be allowed to function unhindered to allow storage and movement.
5. Support kitchen gardening in urban and peri-urban areas and backyard farming and seed banks in rural areas for household and community food security
6. Special focus on the needs of vulnerable populations will be required.
7. Emergency food assistance, which was not possible during the lockdown period, can be scaled up in this phase.
8. Decentralise procurement and also encourage direct farm marketing to consumers.
9. Timings for weekly local markets in cities should be extended to avoid crowding. Food to be sold in pre-packaged form to minimise physical contact. Informal vendors should be advised to make packets before bringing produce to the market.
10. Retail distribution lines need to be seamlessly linked to wholesale supply lines.
11. Warehouses for Agri inputs must be allowed to function unhindered to allow storage and movement.
12. Ask the country's corporate leaders to help with funds, utilize or donate all their CSR funds for the COVID-19 relief. Ask all big religious centres to donate a fixed proportion of their charity amount for the COVID-19 relief.

Phase III: POST-LOCKDOWN

This is the phase when we start working to return to near normalcy. In this phase, more long-term measures will have to be initiated. It will entail restoration and reconstruction work to deal with long term impacts of the shock. It could mean either a return to “Business As Usual” scenario or be an opportunity to put in place a **new normal**, the latter being advisable. It is important to learn lessons from this experience and improve the supply chains for better preparedness in future. An example being enforcing strict protocols around the collection of milk to minimize person-to-person contact to ensure safety at collection, processing and distribution levels.

1. Post-pandemic evaluation and assessment of all aspects of the food supply chain to gauge the impacts will need to be initiated. Data is an integral part for the appropriate policy designs. In this view there need to collect high frequency micro level data on farmgate price, retail price, domestic and international trade, food insecurity, etc.
2. Dealing with suppressed demand and eroded purchasing power due to lay-offs and lowered incomes, by promoting employment and business opportunities. NREGA may need to be expanded substantially.
3. Clear communication and public messaging; campaigns through digital media to reassure consumers of both quantity and quality, including on poultry and livestock safety.
4. Organise compensation for those adversely affected, for example, fishers, poultry and maize farmers to encourage production.
5. Review trade and taxation policy options and their likely impacts, avoid generalized subsidies for food consumers, and reduce restrictions on use of stocks (In the 2008 food crisis, India removed a 36% import tariff on wheat flour.) India’s grain trade policy cannot be ‘beggar-thy-neighbour’, so export bans/restrictions will have to be carefully considered (ref. PM’s SAARC e-meeting).
6. Rationalise water use for agricultural production and balance needs for hygiene, particularly handwashing.
7. Preparedness for any recurrence - institute a National Food and Health Command in each state.
8. Mainstream Disaster Risk Management in agriculture and allied sectors.

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