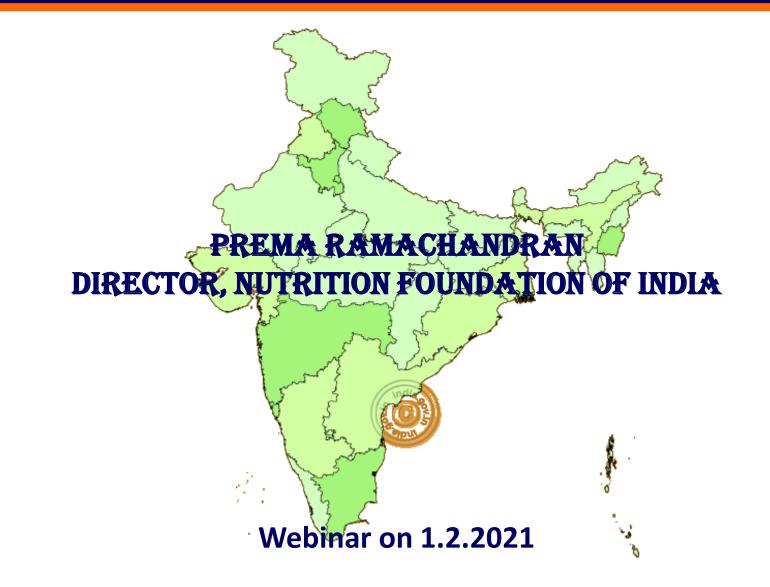
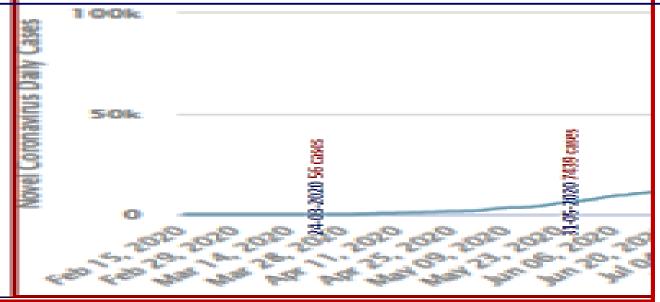
FOOD SECURITY IN INDLA DURING COVID19 EPIDEMIC IN 2020



LOCK DOWN AND ITS IMPACT: SAVING LIVES IS HIGH PRIORITY

COVID 19 NEW CASES IN INDIA (MOVING 7 DAY AVERAGES)

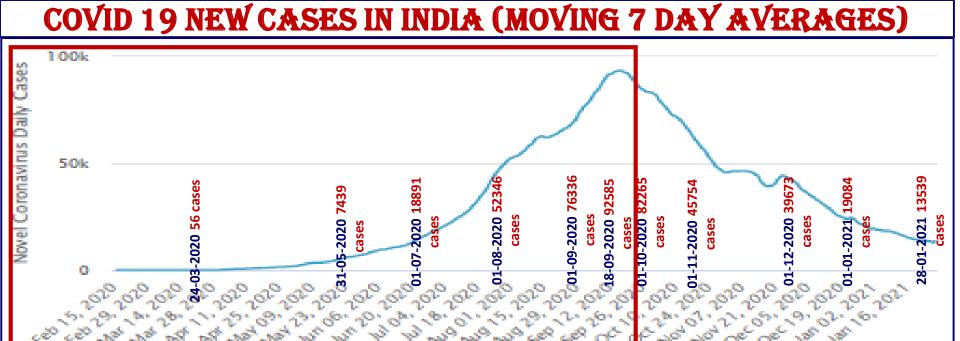


In January 2020 China reported that what began as a respiratory illness in Wuhan city had within three months spread to the entire Hubei province, across China and across continents

China, Italy and Spain reported that their hospitals were getting overwhelmed with person requiring admission for severe respiratory illness and that case fatality rates in admitted cases ranged between 16 to 20 %

India imposed strict Lock down to delay spread of the SARSCoV2 infection in the country on 25th March 2020 when daily new cases were 56 and total reported cases were <600.

This gave time for health services to reorganize, screen, admit and treat cases and minimize deaths.

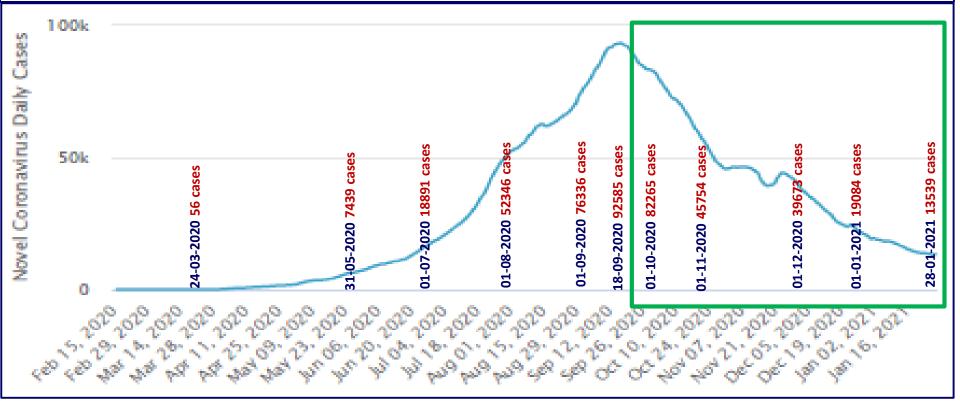


But lock down brought economic activities to a standstill and endangered food security of millions. So phased unlocking with precautions was initiated in June 2020 to restore economic activities.

Cardinal principles during unlocking were:

- Prevent further job loss in urban areas and increase support to rural employment through MNREGA.
- > Try to work from home. Enable children to learn from home
- > Leave home only for necessary activities. Avoid overcrowding, congregations
- Use masks, ensure physical distancing and hand washing to prevent infection Despite these precautions, there was steady rise in cases but India had relatively low case load and deaths/million population. Case fatality rates were low.

COVID 19 NEW CASES IN INDIA (MOVING 7 DAY AVERAGES)

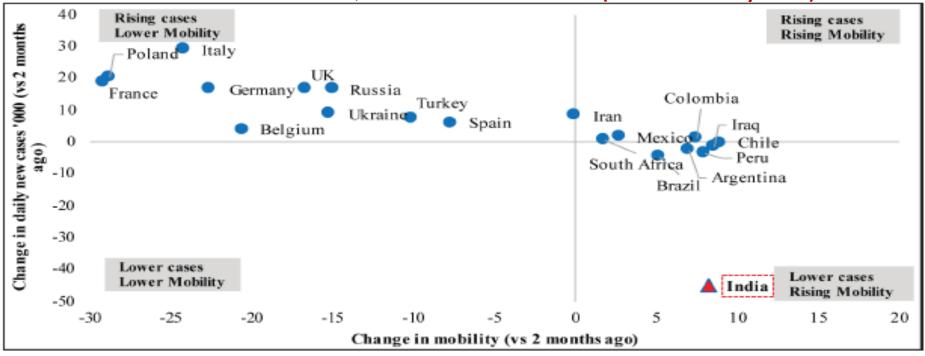


There had been a progressive fall in new cases since October 2020, despite the festival season related over crowding and non-compliance with precautions. Contrary to the trend in USA and Europe, fall in number of new cases continued even after the onset of winter - quite severe in the northern parts of the country.

Currently the reported number of new cases are similar to those reported in June 2020.

But some data from sero-surveillance suggest that the proportion of persons with antibodies due to prior infection may be as high as 60%.

PHASED UNLOCKING AND IMPROVEMENT IN MOBILITY BUT FALL IN NUMBER OF NEW CASES (Economic survey 2021)

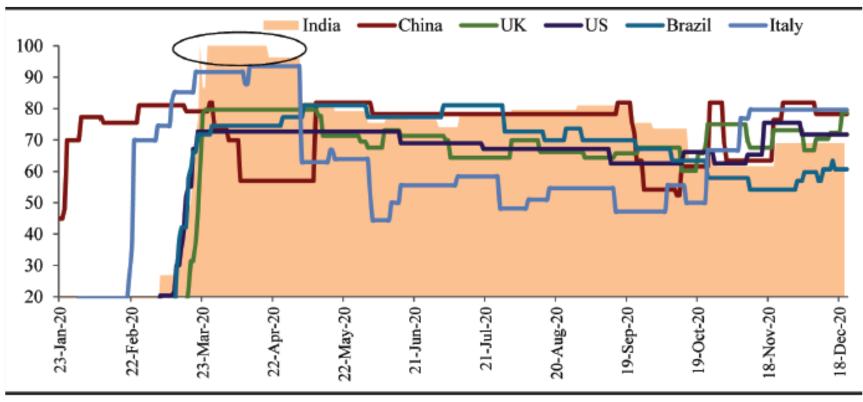


Source: Data accessed from https://www.Covid19india.org/ and MOHFW - Data as on 31st December

- Higher mobility after unlocking resulted in relatively higher number of cases in most countries
- In India unlocking was not followed by high number of cases.
- This might be partly because:
- Iock down continues for education, entertainment, activities related to meetings
- compliance with mask wearing and physical distancing is high especially in congested urban localities

LOCK DOWN AND ITS IMPACT ON FOOD SECURITY

STRINGENCY OF LOCK DOWN (Economic Survey India 2021)



Source: Oxford COVID-19 Government Response Tracker – data as on 31st December, 2020

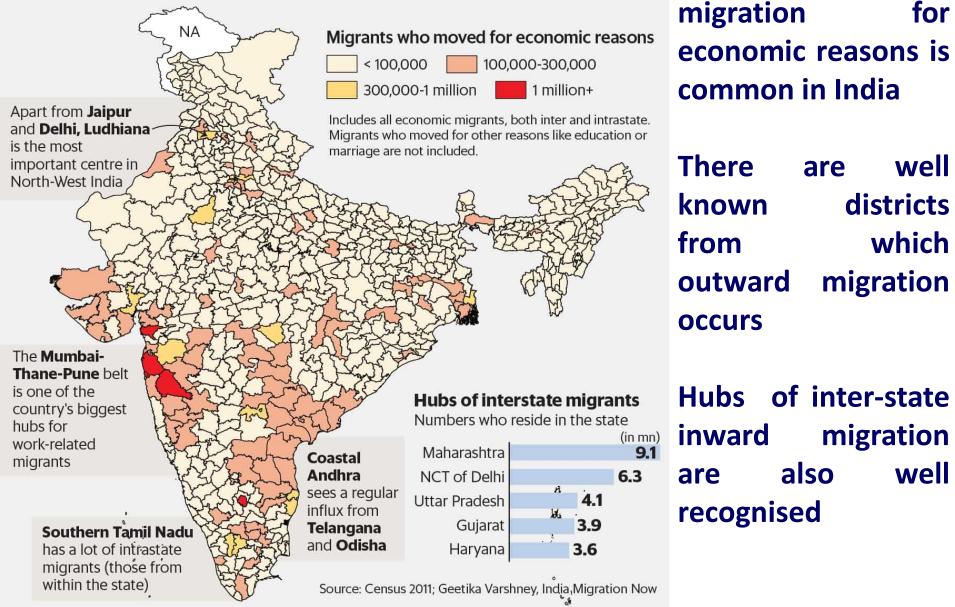
India imposed the most stringent (100%) lock down between March and May 2020 even when the moving average of new cases was 56 and the total case load was less than 600.

USA imposed a 70% lock down when there were over 1 lakh cases Lock down in India has been sustained at over 75% till October and over 70% till end of December.



THE MIGRANT HOTSPOTS

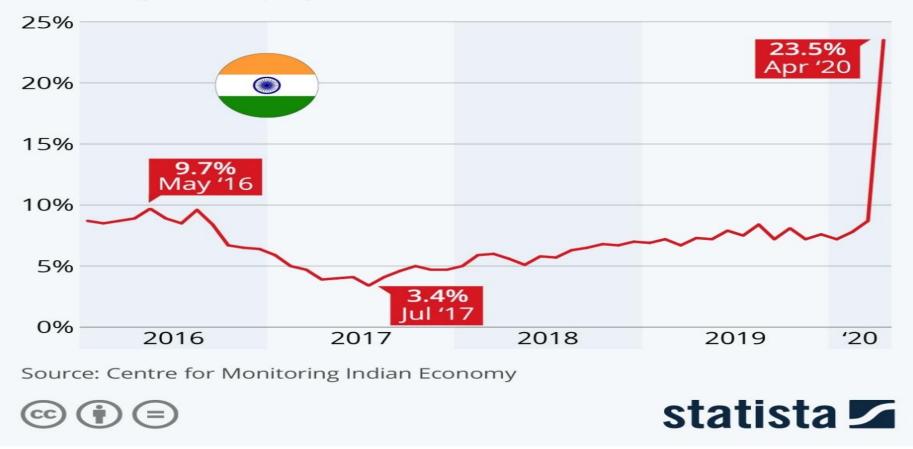
Some districts, like Thane or Mumbai suburban, house over a million economic migrants. Just 22 districts in the country account for a third of all migrant workers.



Inter-state

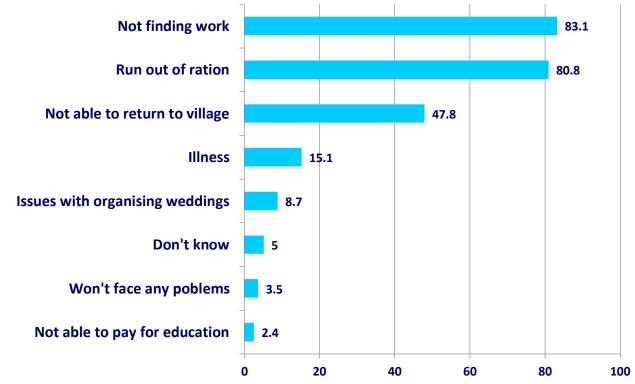
COVID-19 Makes Indian Unemployment Rate Jump Up

Average unemployment rate in India (2016-2020)



About 1/5th of the work force in informal sector were reported to have lost their jobs immediately after lock down.

Impact of lockdown on migrant population



Loss of employment had serious adverse effect on migrant labour population

Over 80% lost job and earnings and became food insecure.

Lock down came in the way when they wanted to return to village









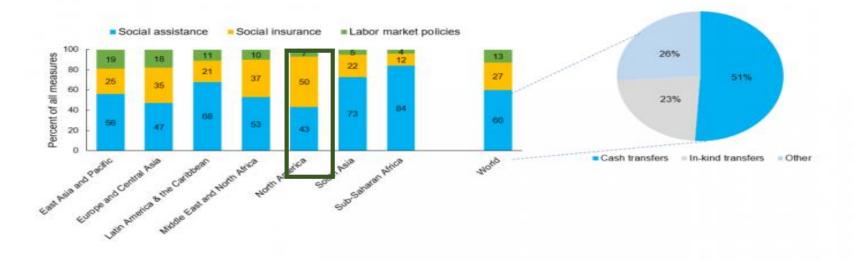


LOCK DOWN RELIEF MEASURES

Countries' responses to COVID-19

Cash transfers are at the core of government measures supporting households during the pandemic.

(Number of measures announced, planned and/or implemented, by region)



Source: Ugo Gentilini et al. (2020).

INTERNATIONAL MONETARY FUND

In India and South Asian countries, cash transfers were not high. over 3/4th received assistance mainly as food grains or cooked food to ward off food insecurity and hunger.

CASH TRANSFERS AND EMPLOYMENT PROGRAMMES (Economic survey)

Direct cash transfers were done to:

- > 42 crore individuals,
- > more than 20 crore Women Jan Dhan accounts,
- Cash support to building and construction workers,
- > additional emergency working capital funding of Rs 30,000 crore were provided to farmers through NABARD,
- Because of IT enabled services, the pace of cash transfer was swift

Employment programmes

- > Additional allocation were made under MGNREGA.
- Garib Kalyan Rojgar Abhiyaan (GKRA) was launched on 20th June, 2020 for a period of 125 days in 116 districts of 6 States to boost employment and livelihood opportunities for migrant workers who had returned to their villages and similarly affected citizens in rural areas due to COVID-19 pandemic.

PROVIDING FOOD DURING LOCK DOWN

FREE FOOD GRAIN AND FOOD DISTRIBUTION DURING COVID EPIDEMIC

- Food production in India had been increasing as projected. There were adequate stock of food grains also.
- India had enacted the National Food Security Act in 2013. This legislation provided highly subsidised food grains to 2/3rd of Indian population as a legal entitlement
- The availability of adequate food grains and the Food Security Act enabled the country to provide 35 kg cereals and 5 kg of the pulses free of cost to all ration card holder between 1.4.2020 and 30.11.2020.
- Some states are continuing the provision of free food grains
- In addition to this almost all cities in the country had organised the MDM kitchens to cook and provide two meals for all those who came to the food distribution centres
- These measures ensured that despite massive unemployment and reduction in wages, the poorer segments of the population were able to ward off hunger



The availability of adequate food grains and the national food security act enabled the country to provide 35 kg cereals and 5 kg of pulses free of cost to all ration card holder between 1.4.2020 and 30.11.2020. Some states are continuing the provision of free food grains



NGOs and citizen's groups cooked and served meals twice a day in many cities and towns. Hot cooked food was served twice a day in selected centres in major metros and cities.

Govt agencies used the MDM kitchens transport systems in these cities to cook food and transport it to the centres





When migrants reached their villages, they were initially kept in temporary shelters away from the village because of the fear that they might have been infected in the city.

After two weeks they were accepted into the village but were food insecure because they could not find any remunerative employment The community cooked and provided them with two meals



In villages both cooked food and rations were provided to the returned migrants

These measures prevented hunger in an estimated 60-70 million migrant families.

However remunerative employment was not available in villages.

When there was a revival of the urban employment, most of the migrants returned to the cities, but often got only temporary jobs at lower wages. Provision of free food grains till end of November 2020 helped them to ward off hunger.

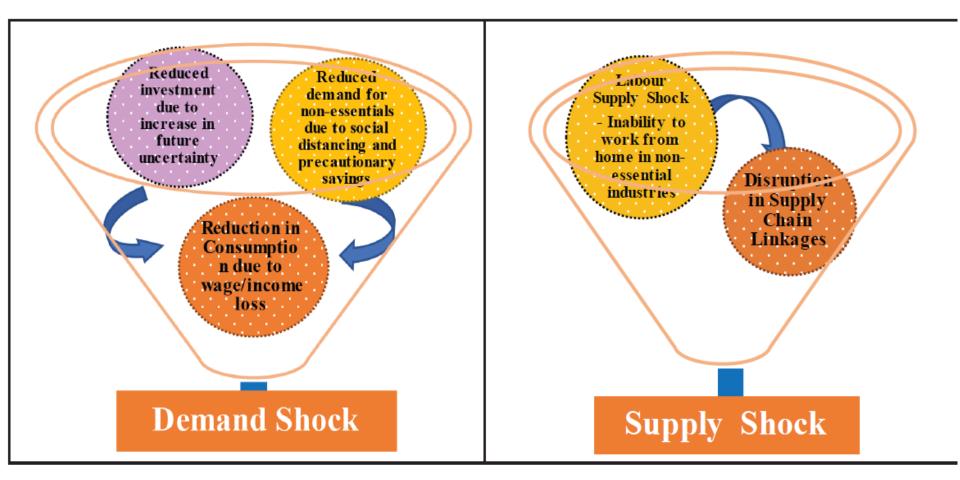


When train services were resumed the state and central govt provided assistance to migrants to buy train tickets and get home using special trains. Returning migrants were provided with food grains and food for the journey

LEARNING TO LIVE WITH SARS COV2 INFECTION ROAD TO ECONOMIC RECOVERY

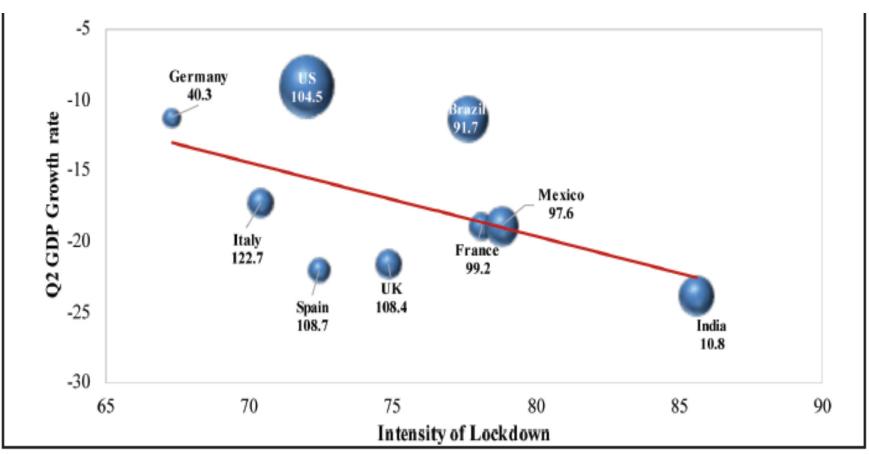


TWIN ECONOMIC SHOCKS CAUSED BY COVID 19 PANDEMIC (Economic survey 2021)



India faced severe demand and supply side economic shocks in the first and second quarter of 2020-21 Each aggravated the other

STRINGENCY OF LOCK DOWN AND GDP GROWTH (Economic survey India 2021)

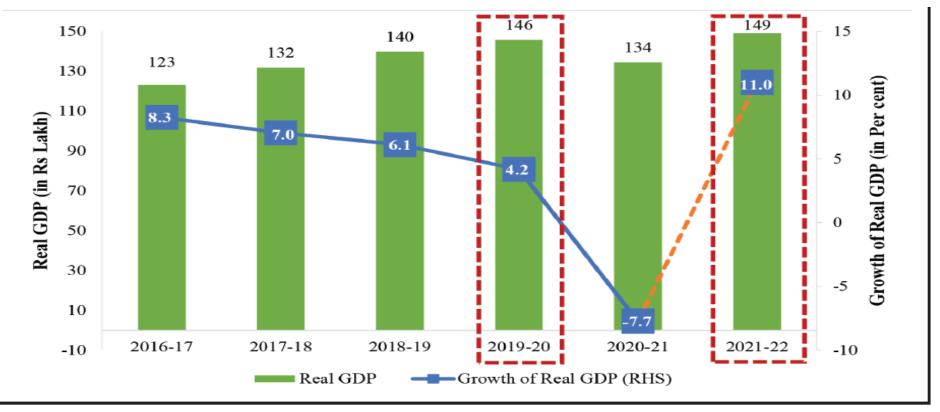


Source: Compiled from various sources

Note: Bubble size corresponds to number of deaths as on 31st December, 2020; number of deaths per lakh indicated with the bubble

Lock down took a major toll in terms of economy and employment loss. Unlocking in a phased manner reduced the unemployment to some extent but wages were low.

ECONOMY ON THE PATH TO RECOVERY (Economic survey 2021)

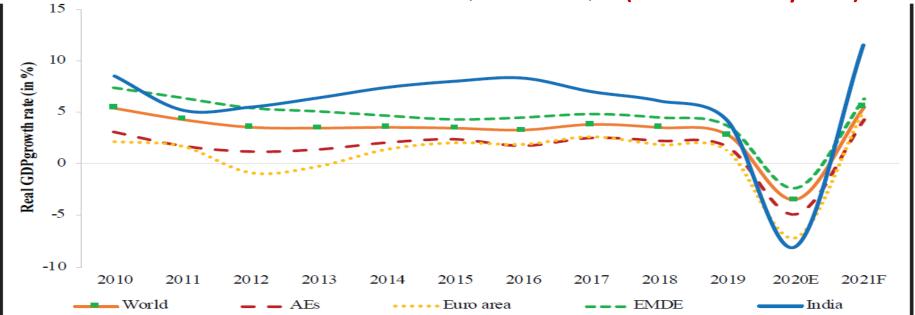


Source: NSO and Survey Calculations

Economic survey 2021:

- > assures us that the worst period is behind us.
- there are green shoots in all sectors of economic activity
- the country will have a V shaped economic recovery
- Worry: will recovery be equitable or be K shaped and widen inequities?

ECONOMY ON THE PATH TO RECOVERY (Economic survey 2021)



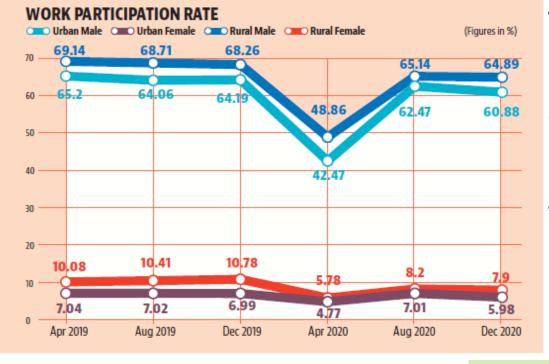
Source: IMF Note: E is Estimate, F is Forecast

As compared to other regions of the world, India implemented strictest lock down and experienced the deepest dip in GDP

Economic survey forecasts that with COVID 19 cases continuing to decrease, vaccine being made available, economic activities in India will bounce back

The country may experience a steeper increase in GDP as compared to other regions

ECONOMIC ACCESS TO FOOD: EMPLOYMENT AND WAGES

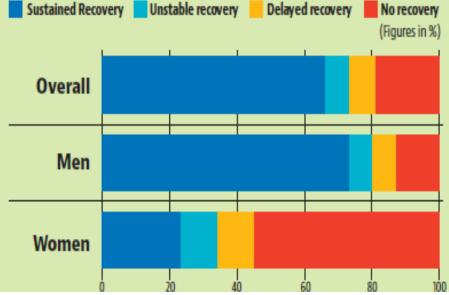


There was a steep reduction in employment as soon as lock down was imposed. With unlocking which began in June 2020, there was gradual improvement in employment rates over the next six months but even in Dec 2020, it was a 5% lower as compared to Dec 2019

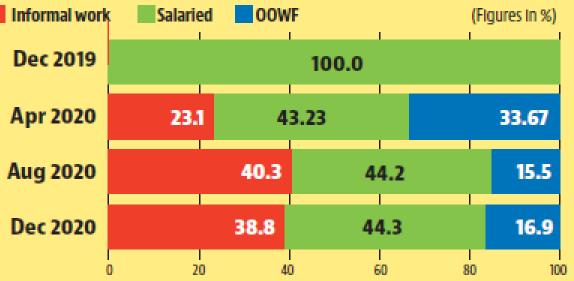
EMPLOYMENT RECOVERY POST-LOCKDOWN

Post lock down recovery was sustained in about 70% of men; sustained recovery rates in women was less than 25%

In 1/5th of men and over half of women there was no post lock down recovery



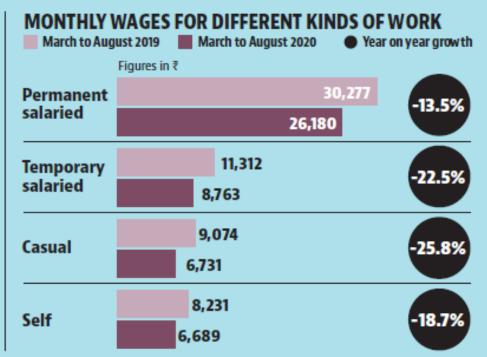
EMPLOYMENT TYPE OF WORKERS WHO HAD SALARIED JOBS IN DECEMBER 2019

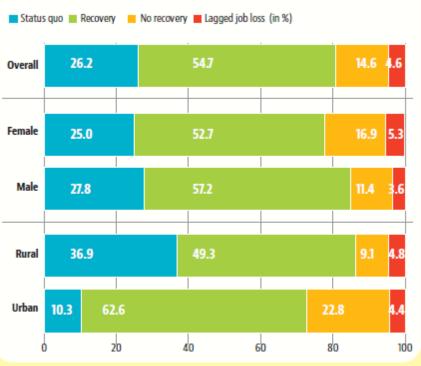


Among those who had salaried employment in Dec 2019 only about 45 % continued as salaried employees.

Over 40% have now only informal work and about 1/6th out of work force.

- There was a substantial reduction in monthly wages in all categories of workers
- Even wages of the permanent salaried persons showed a small decline.
- Temporary or causal workers salary dropped by a fourth
- Self employed also suffered a drop





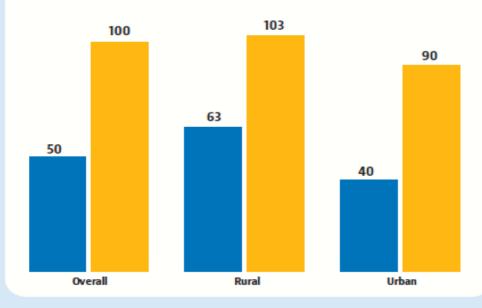
There was decline in the post lock down earning as compared to pre-lock down earning both in urban and rural areas

The reduction was more marked in urban areas.

In over one-third of rural and one tenth of urban population employment experience remained unaltered. Both recovery in employment and no recovery in employment were higher in urban as compared to rural areas

POST-LOCKDOWN EARNINGS AS A PERCENTAGE OF PRE-LOCKDOWN EARNINGS





EMPLOYMENT EXPERIENCES DURING THE PANDEMIC

Month	Unemployment Rate (%)		
	India	Urban	Rural
Dec 2020	9.06	8.84	9.15
Nov 2020	6.50	7.07	6.24
Oct 2020	7.02	7.18	6.95
Sep 2020	6.68	8.45	5.88
Aug 2020	8.35	9.83	7.65
Jul 2020	7.40	9.37	6.51
Jun 2020	10.18	11.68	9.49
May 2020	21.73	23.14	21.11
Apr 2020	23.52	24.95	22.89
Mar 2020	8.75	9.41	8.44
Feb 2020	7.76	8.65	7.34
Jan 2020	7.22	9.70	6.06

Statistical Profiles - Unemployment in India CMIE

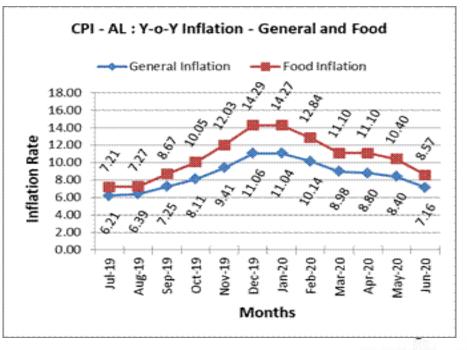
April & May (lock down months) witnessed steep increase in unemployment rates From June country initiated phased unlocking and this brought about reduction in unemployment rate

However even in Dec 2020 the unemployment rates were higher as compared to Jan 2020 both in urban and rural areas

MNREGA enrolments even in January 2021 is high

ECONOMIC ACCESS TO FOOD : FOOD INFLATION

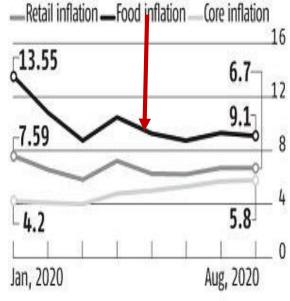
FOOD INFLATION - WHOLESALE AND RETAIL



Food inflation had been higher than the general inflation since 2019-20

This trend continued even in the early part of the COVID epidemic and during the lock down period

wholesale Both and retail food inflation continue to be high. This render economic food to more access difficult especially the persons among working informal in sector at low wages



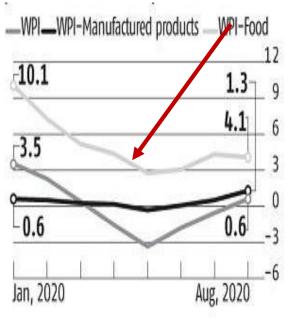
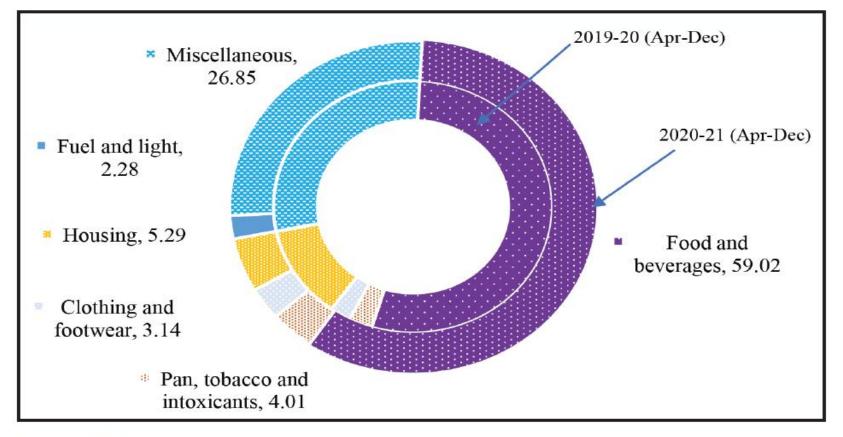


Figure 10: Contribution of groups to overall CPI-C inflation in 2019-20 (Apr-Dec) and 2020-21 (Apr-Dec) in per cent

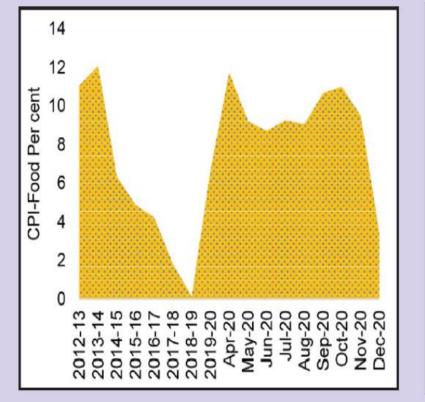


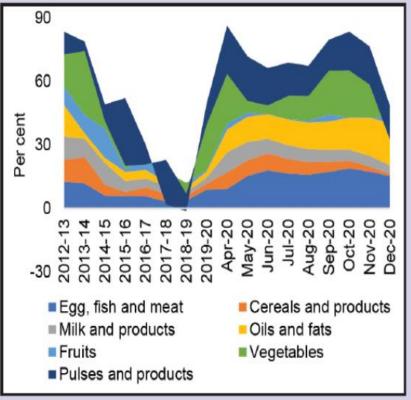
Source: NSO

Food and beverages contributed to over half of the consumer price index inflation

CPI- Food Inflation

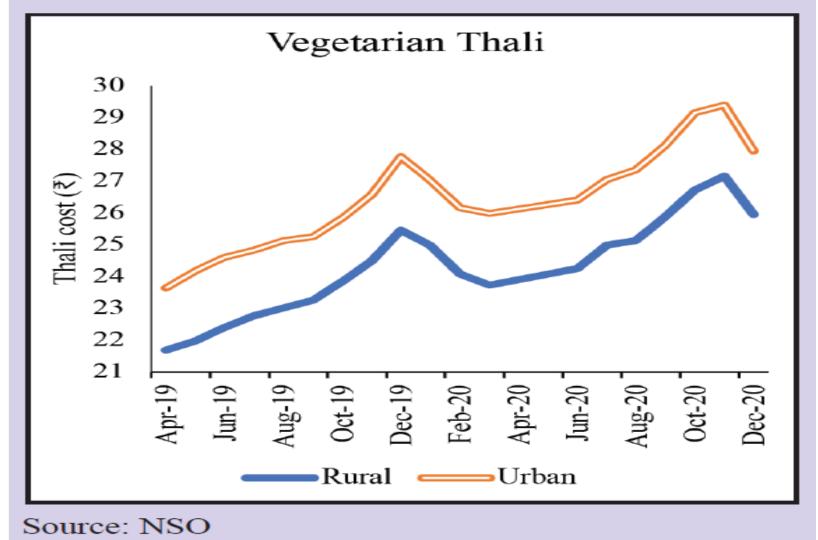
Components of CPI- Food Inflation





Food inflation rates had been high through out the year

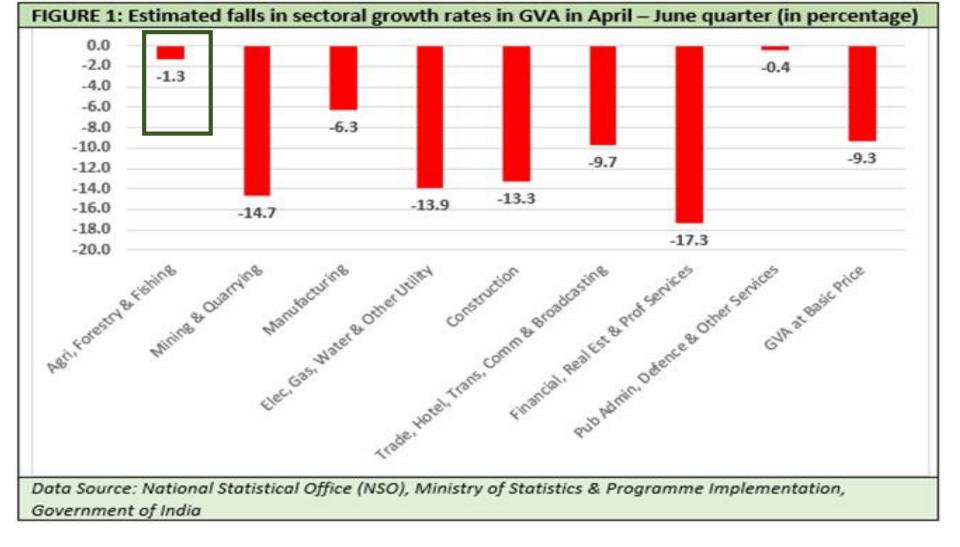
While inflation rates in cereals was low, food inflation rates were high for pulses, oil and fats, vegetables and animal food



Note: 1. Thali cost for the months of April. 2020 & Ma

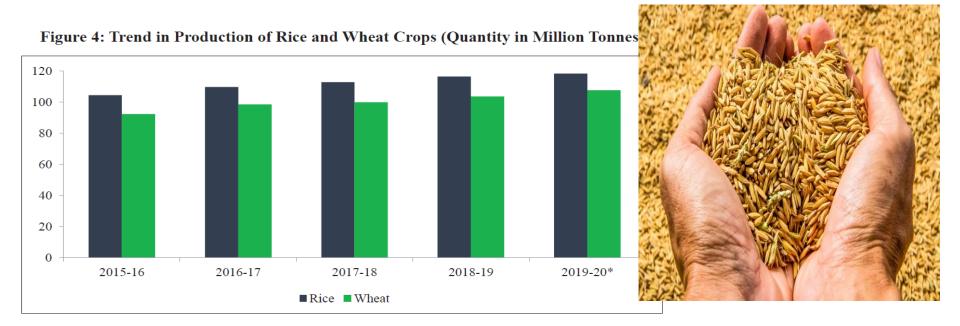
The high cost of food has a greater impact on food security because of the concomitant reduction in wages across many segments of the population

AVAILABILITY OF FOOD FOOD PRODUCTION



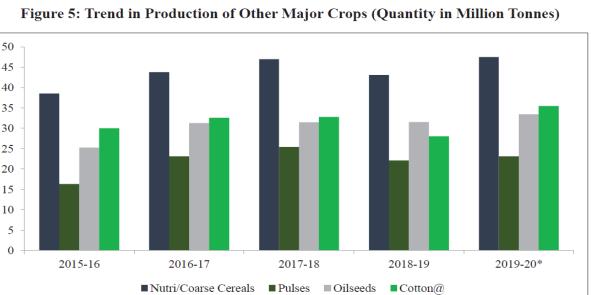
The fall in sectoral growth was lowest in Agriculture

Adequate production and transport of the food stuffs was major factor that enabled government to initiate steps to prevent steep increase in household food insecurity between April and December 2020



Production of food grains continued without any disruption. Production of some cereals and some pulse had reached record height





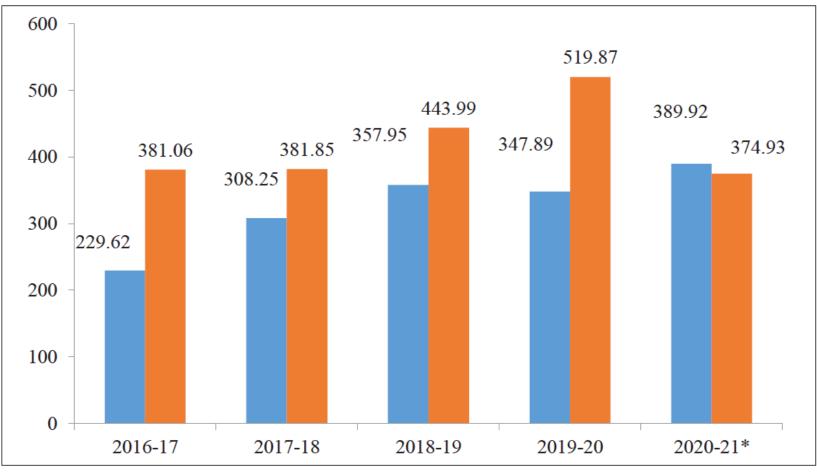
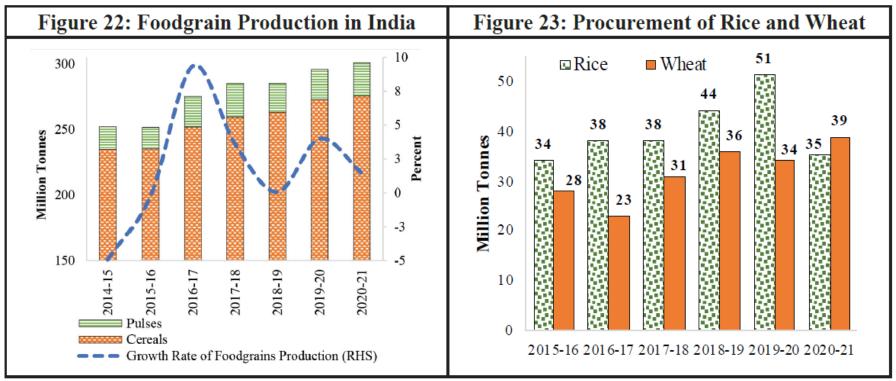


Figure 14: Procurements of Rice and Wheat over the Last Five Years (Lakh Tons)

Source: Based on Data from the Website of Food Corporation of India & DFPD. * As on 15.01.2021 for rice.

Procurement of food grains continued without any disruption. Country is able to export food grains to neighbors - Myanmar and China



Source: Ministry of Agriculture, Department of Food and Public Distribution

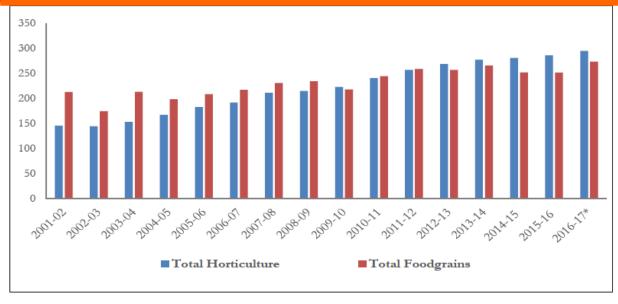
Note: Production figures for 2020-21 are estimates. Procurement of Rice is as on 15 January 2021.

Food grain production and procurement are continuing to grow.

However rural incomes have not shown a similar trend

- It is imperative that agriculture and allied activities are made remunerative so that the productivity continues to increase.
- This will ensure sustained food security at home.
- Export to neighboring countries needing food grains will help them to provide food security to their citizens

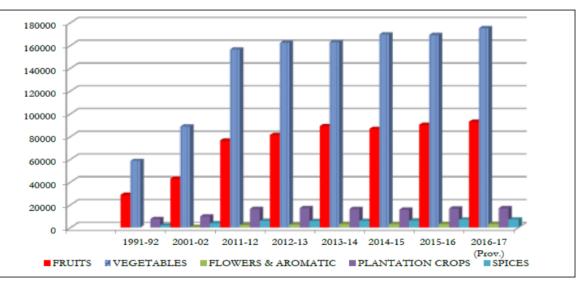
VEGETABLE AND FRUIT PRODUCTION



Since 2001 there has been the increase in an production of horticultural products of 2019-20 As total horticultural products exceed total food grain production

Source: Directorate of Economics & Statistics, Department of Agriculture, Cooperation & Farmers Welfare

The increase in horticultural products is mainly due to increase production of in vegetables and some the increase in production of fruits



Source: Department of Agriculture, Cooperation and Farmers Welfare.

VEGETABLE CONSUMPTION



Vegetable production was comparable to earlier years and relatively unaffected through out 2020.

But farmers faced problems in transporting and marketing them. So they were adversely affected economically

Majority of the consumers were unable to afford purchasing adequate amount of diverse vegetables; vegetable consumption suffered.

LEARNING TO LIVE AND COPE WITH SARS COV2 INFECTION

LEARNING TO LIVE AND COPE WITH SARS COV2 INFECTIONS

India is opening up the lockdown in a phased manner. Health sector coped with providing care to persons with SARS CoV2 infections. Cases and deaths have remained low

There has been a steady fall in confirmed cases and deaths. But vigilance is needed and health services have be prepared to cope with increase in number of COVID 19 infections

In coming months health services will have to gear up to halt and later reverse the trend of reduction in access to preventive and promotive care, care under MCH and disease control programmes and elective procedures and restore them to the pre- COVID 19 era level

This will prevent increase in morbidity and mortality due to illnesses other than COVID 19.

There is an urgent need to reinforce the health education message that these efforts require the cooperation of all the citizens in terms of universal adherence to physical distancing and wearing masks to reduce the risk of transmission of all respiratory infections, including COVID 19, in health care settings. With resumption of economic activity there has been some improvement in economic indices.

Focus should be on economic growth linked to employment and wage growth

Agriculture has been the sheet anchor which enabled the country to provide food for the needy for several months.

Remunerative prices for food stuffs, storage capacity to a prevent gluts and distress sale, technology for processing vegetables to prevent wastage, and adequate marketing faculties would enable agriculture to continue being productive.

There are fears that the resumed economic growth may not be similar across sectors and may widen disparities .

These fears should be allayed

