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The state of agriculture and the agri-food system in Myanmar

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International Food Policy Research Institute

December 12, 2023

FSC meeting

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OUTLINE TALK

1. Data
2. Situation mid-2023
3. Recent developments



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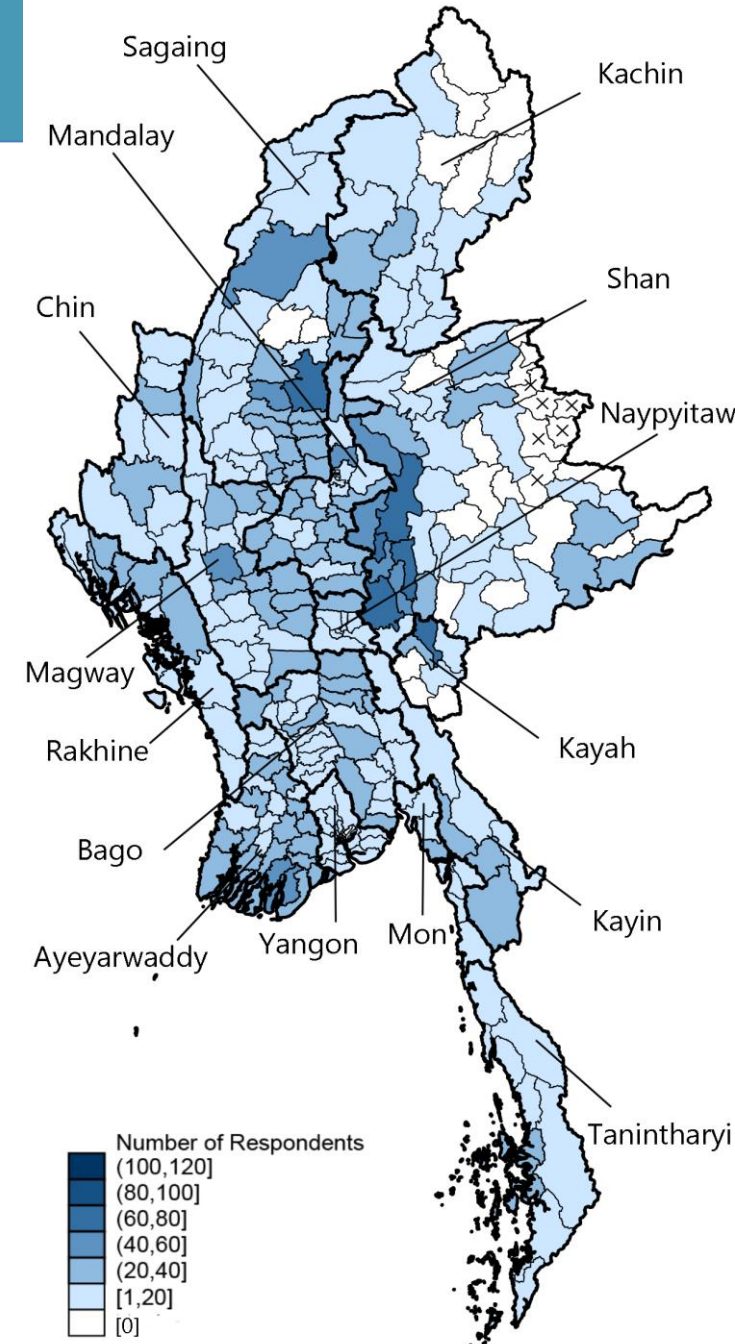
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DATA

- Myanmar Agricultural Performance Survey (MAPS):
 - 5,001 households
 - 4th round: June 26th - July 25th, 2023
 - Questions focusing on performance during post-and pre-monsoon period
- Key informant interviews
- Secondary data

MAPS Round 4

Number of respondents interviewed at township level

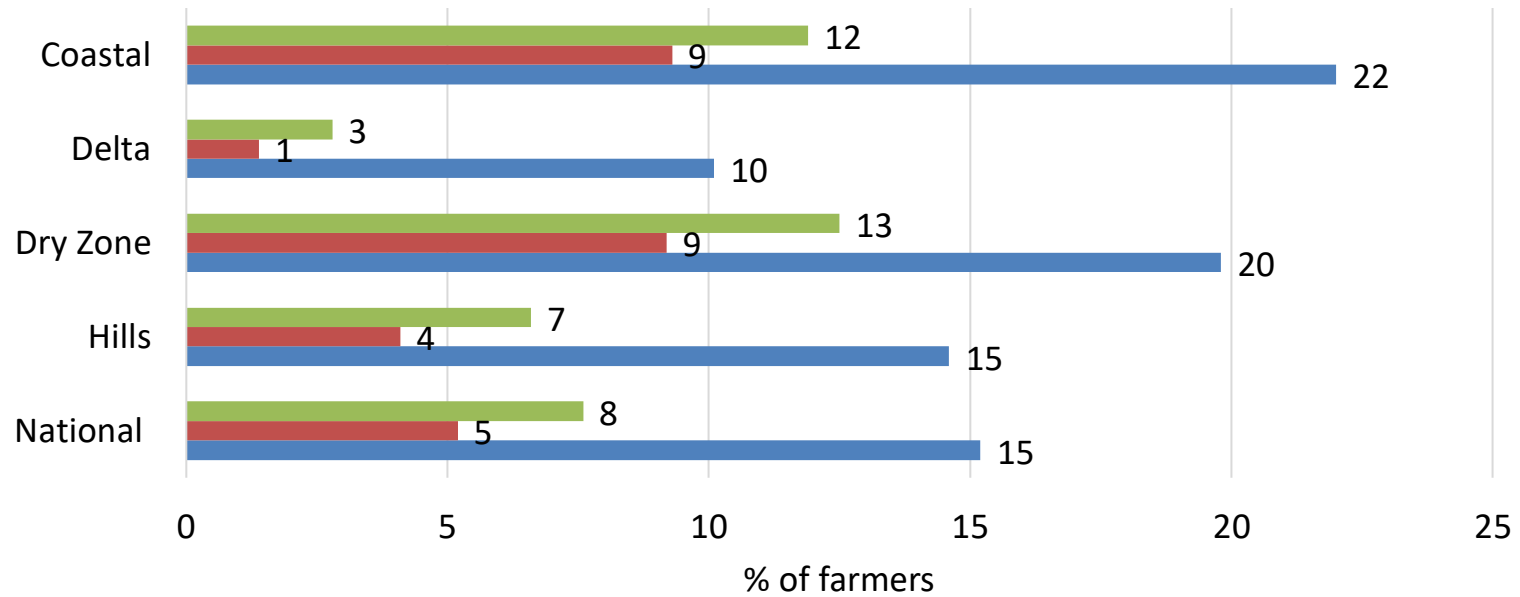




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INSECURITY: AFFECTING AN IMPORTANT SHARE OF FARMERS (BEFORE 26/10...)



- Fields not cultivated because of conflict
- Fields burnt/destroyed in farmers' area
- Cannot move around without serious concern for security



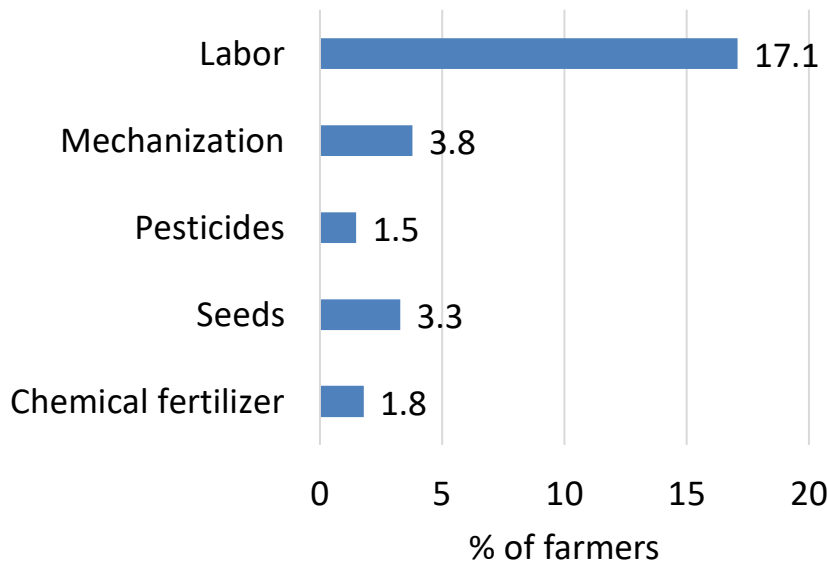


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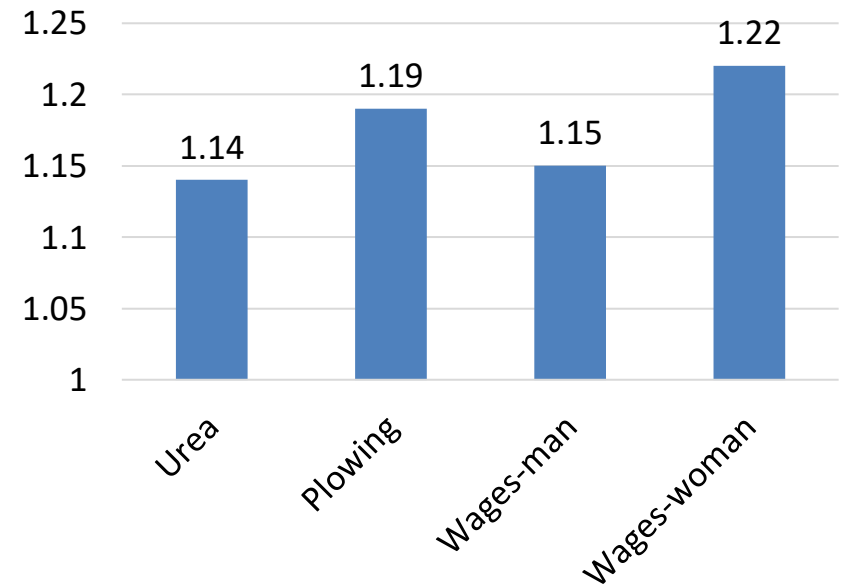
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INPUTS MOSTLY AVAILABLE; PRICE INCREASES, BUT SMALLER THAN IN PREVIOUS SEASONS

Problems availability inputs



Input price changes (1=price last year dry season)



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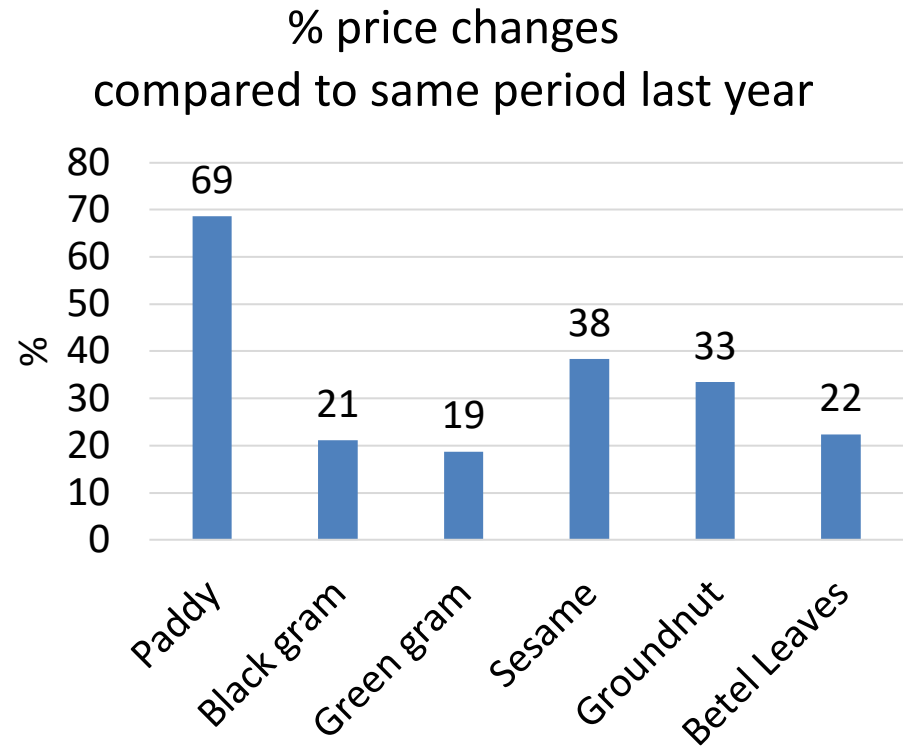


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FARMGATE PRICES INCREASING

- Dry season prices:
 - Highest increases for paddy (69%)
 - Oilseeds (sesame, groundnut): 33% - 38% increase
 - Major pulses (black gram – green gram): 19% - 22%
- Output price increases higher than input price increases, indicating increased profitability





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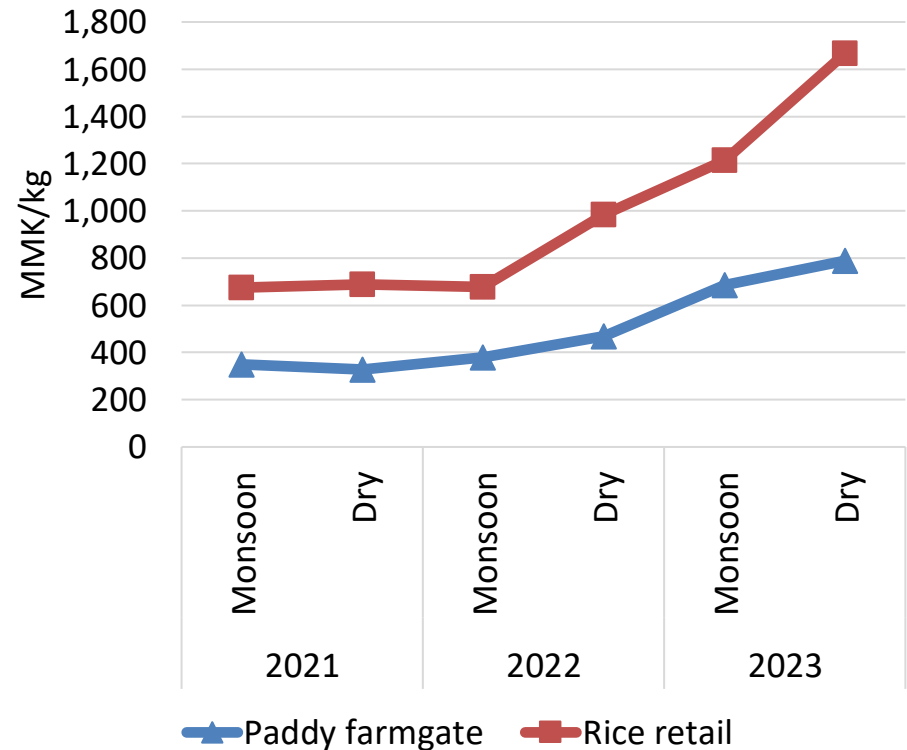
AS FARM PRICES UP, RETAIL PRICES UP AS WELL

- Rice prices up (FAO rice price index in 08/23 31% higher than year earlier)
- Prices dry season 2023 higher than same time last year:

1/ Paddy: +69%

2/ Rice: +70%

- Marketing costs increasing (reflecting mobility problems and inflation)



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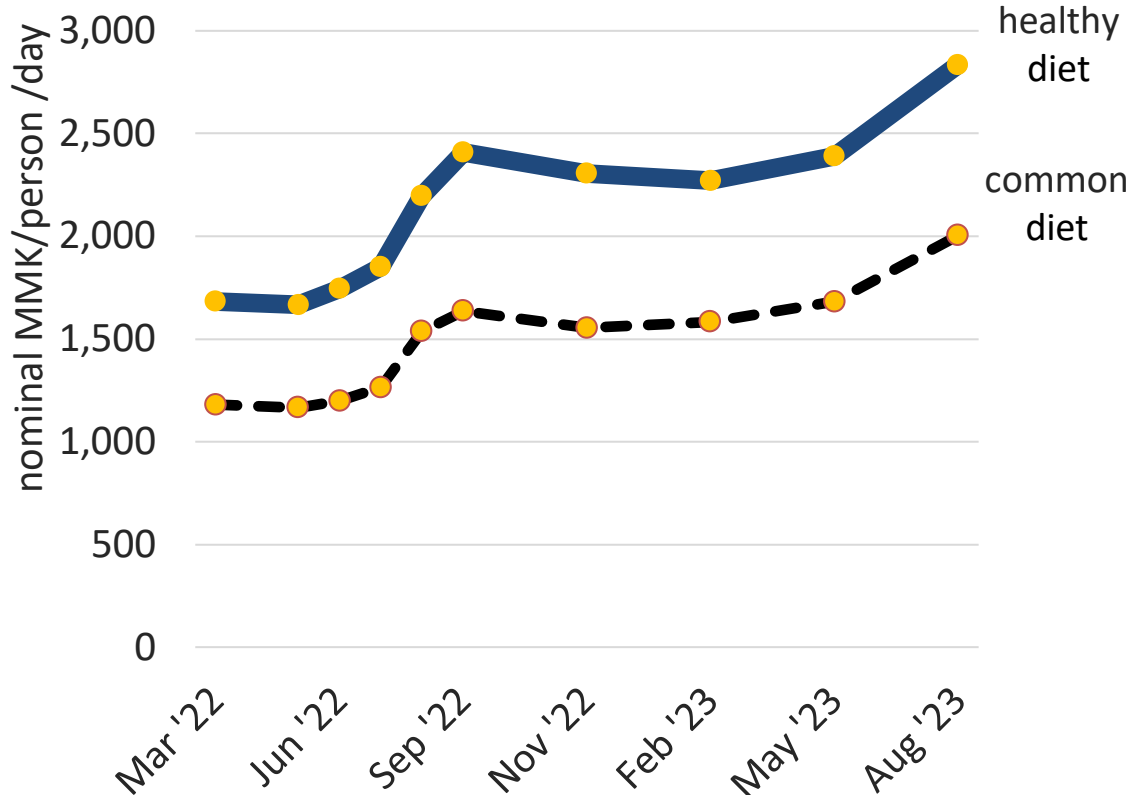


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RAPID FOOD PRICE INFLATION

- Food price increases common diet August 2023:
 - over 3 months: +19%
 - over 12 months: +30%
 - over 15 months: +72%
- Healthy diet costs much higher than common diet and out of reach for substantial share of population



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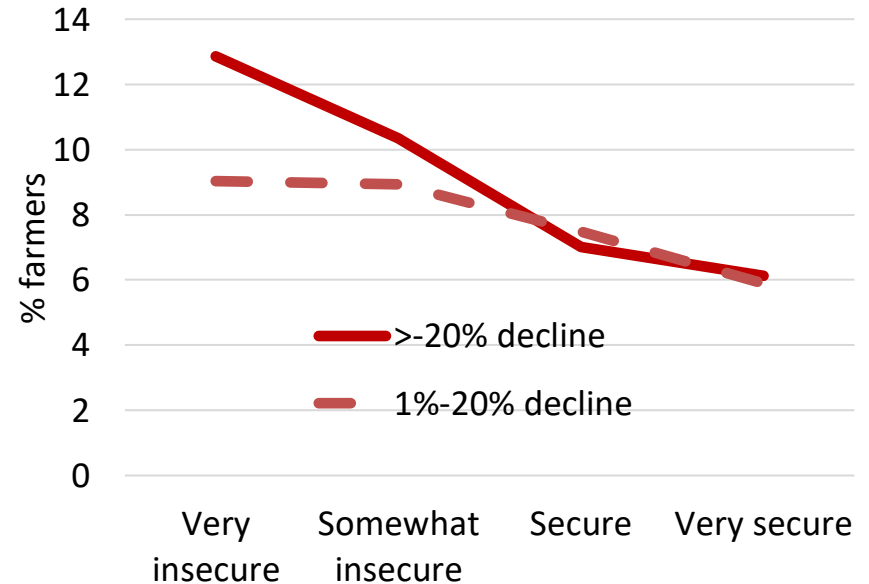
RECENT DEVELOPMENTS

1. Increasing violence and insecurity impacting agriculture

- More than 500,000 extra IDPs since October 26th (OCHA), typically the most food insecure

- Agriculture hampered in insecure areas: Agricultural incomes lower in insecure areas

Evolution sales income compared to last year (dry season)



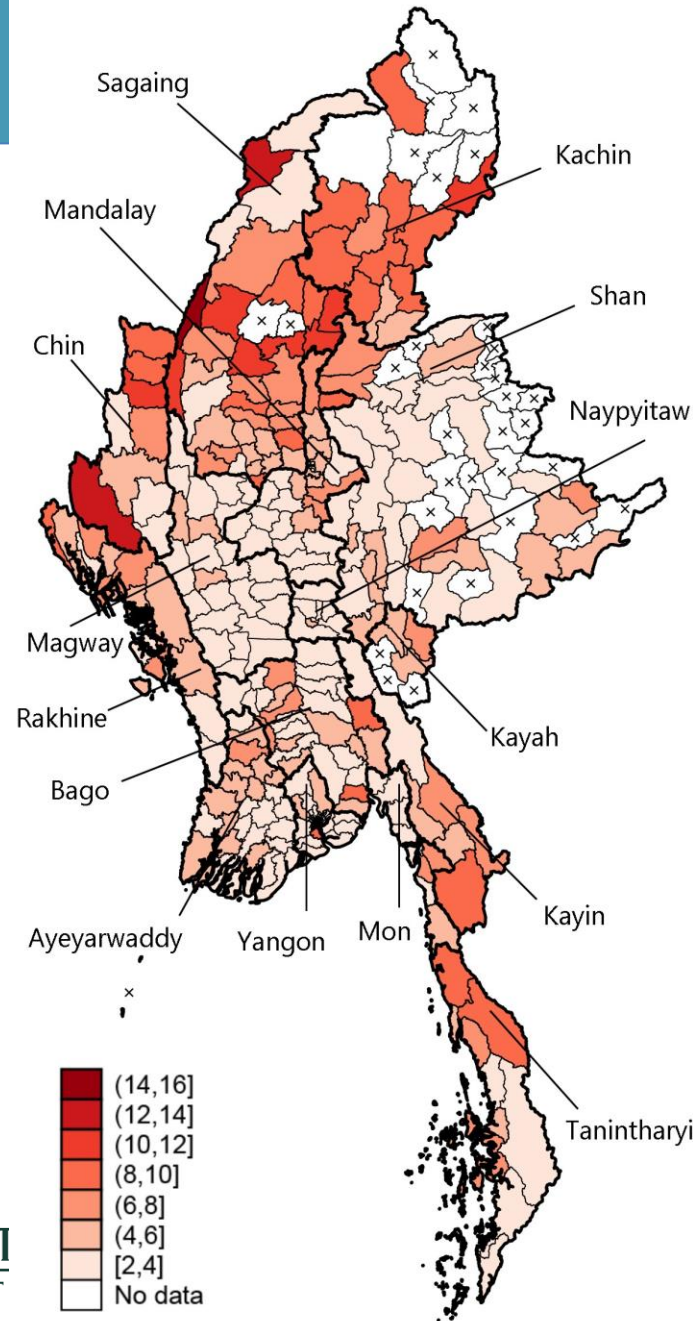


RECENT DEVELOPMENTS

1. Increasing violence and insecurity impacting agriculture

- Higher fuel prices in insecure areas
- Transport more expensive
- Milling and mechanization costs much higher

Mean price of petrol (1000 MMK/liter)





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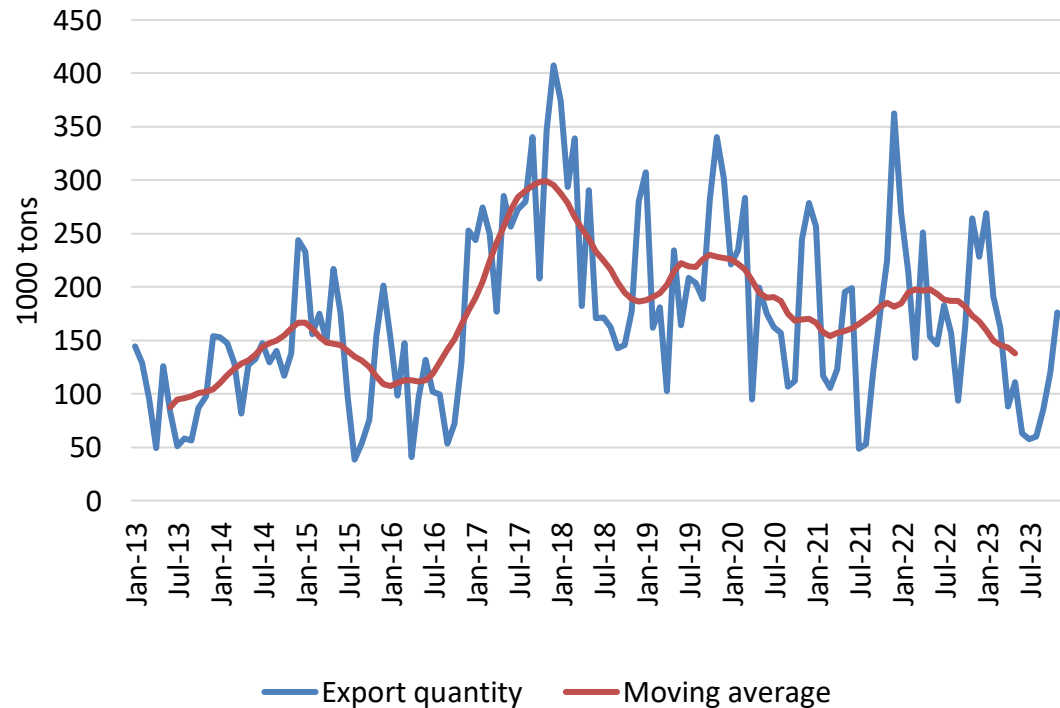
RECENT DEVELOPMENTS

2. Agricultural exports declining in 2023

- Rice exports Jan-Nov 2023 2/3rd of same period 2022

- Lowest level of exports since 2015/16

Monthly rice exports



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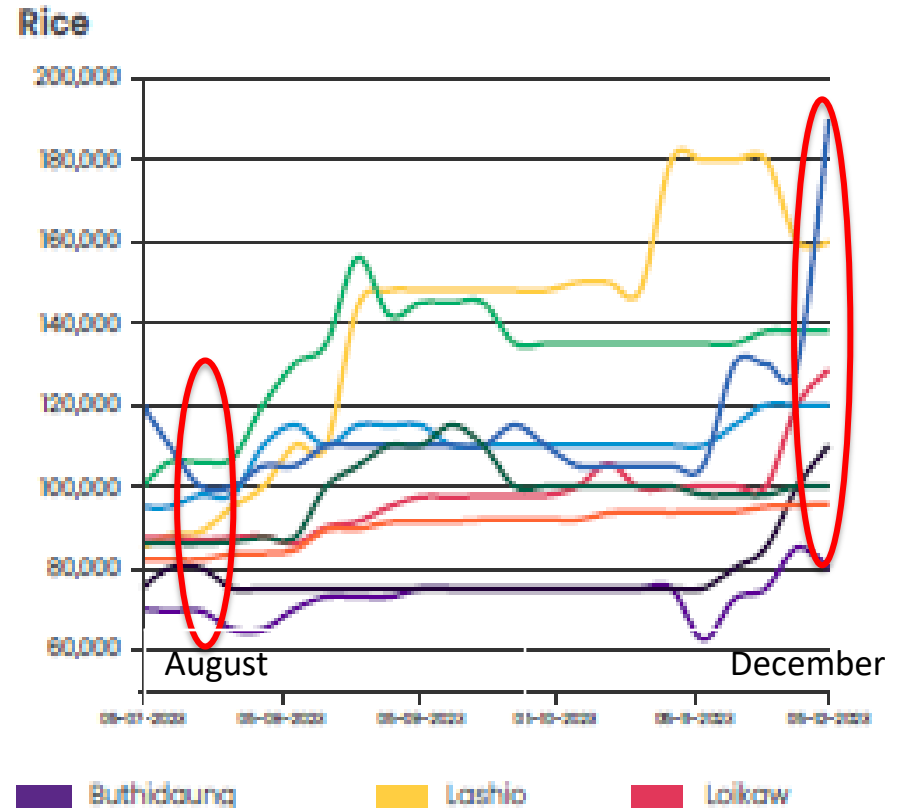
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RECENT DEVELOPMENTS

3. Increasing fragmentation of agricultural markets due to violence and insecurity

Spatial variation rice markets:

- 40,000 MMK difference for 50 kg bag 5 months ago; beginning December: more than doubled (100k or even more)



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RECENT DEVELOPMENTS

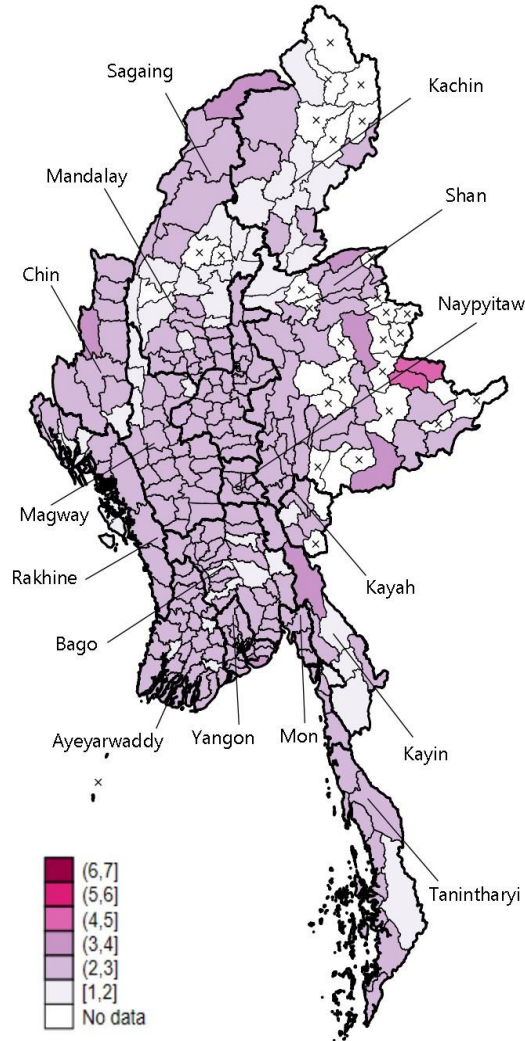
3. Increasing fragmentation of agricultural markets due to violence and insecurity

Situation end-August to beginning-December 2023:

- High rice prices in most insecure areas
- Low rice prices in most secure ones

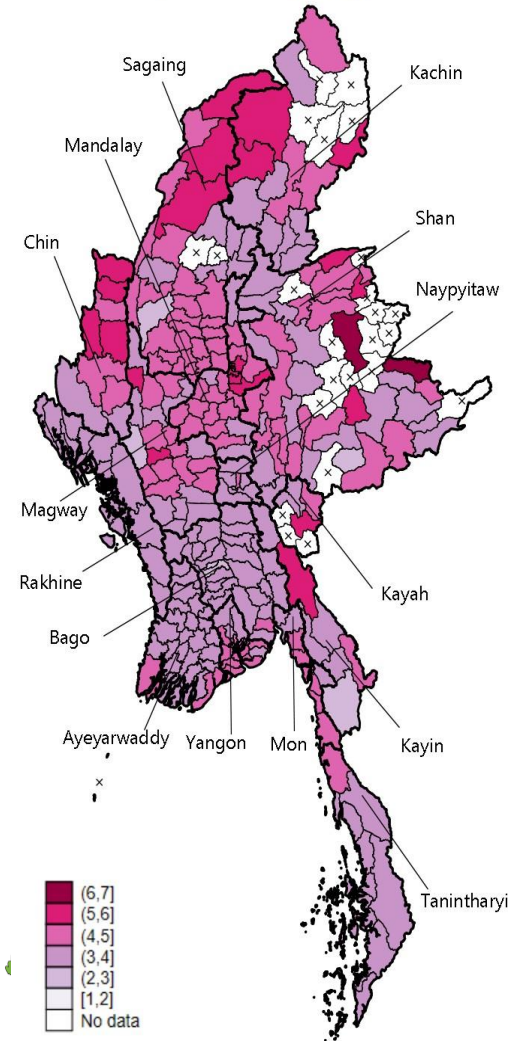
End 2022

Median price of rice (1000 MMK per pyi)



End 2023

Median price of rice (1000 MMK per pyi)





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