

# Impact of COVID-19 on Dhaka's Food Markets and Food Prices

Photo by Saikat Mojumder, Monday 19 April 2020

Markets are places of commerce. At present, crowds are diminished, providing room for other activities (like begging). Saleha (30) is a mother of three children begging with her youngest child at the Mohakhali Dhaka City Corporation Market in Dhaka, Bangladesh. She said, "Before the Coronavirus, my husband was a rickshaw van laborer, but now there is no job. I am a housewife. I have never begged on the street, but now I have to do it. My children are crying for food. We have not received any relief from anyone. My husband can't beg. People don't trust him, since he is a man. People get emotional when they see a woman with child asking for money for food."

The Weekly Situation report has been put together by the Dhaka Food Systems project, with support from the Kingdom of the Netherlands, through a network of respondents in Dhaka North and South, Gazipur and Narayanganj. This week's Situation Report features findings from the following 9 markets: DNCC: Karwan Kitchen Bazar, Townhall, Banani, Uttara Sector 12, Mohakhali; DSCC: Banalata, Shantinagar; Gazipur: Board Bazar; and Narayanganj: Digu Babur

## Key observations from the week of 11-19 April

Approaching one month since the lockdown, persistent transportation interruptions are impacting normal market operations. Food prices fluctuate greatly. Shoppers either cannot get to the markets or fear entering (due to the perception that they are no longer safe places). Consumer work-arounds include sending order slips to merchants at the entrances, bypassing the markets altogether and instead purchasing online or at super shops. As a result, vendor businesses are way down — by as much as 80-90%. These disruptions create confusion, if not panic, among the population.

## Key recommendations to the government:

- ✓ Provide adequate disinfectant to markets.
- ✓ Provide market associations with clear signage and retrofit for COVID-19 market layout alternatives to achieve social distancing while shopping.
- ✓ Provide training and staff support to markets to institute temperature control checkpoints at entrances and restrict access to fewer shoppers at one time in markets.

*Defining Our Terms: Food travels through complex value chains, from field to feast. While this publication is particularly interested in the state of public markets, it is important to recognize the additional channels that deliver food to consumers.*



Online shopping is experiencing significant growth due to COVID-19



Public Markets include wet markets and informal street markets



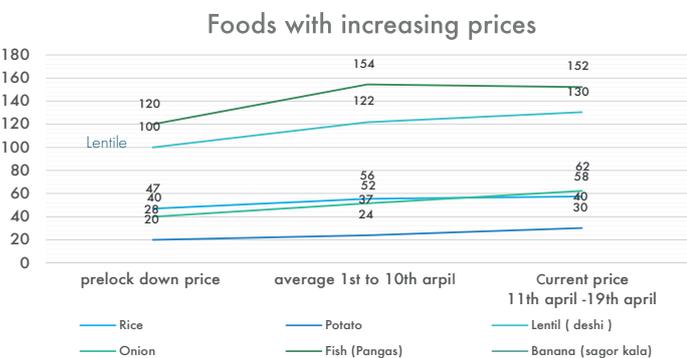
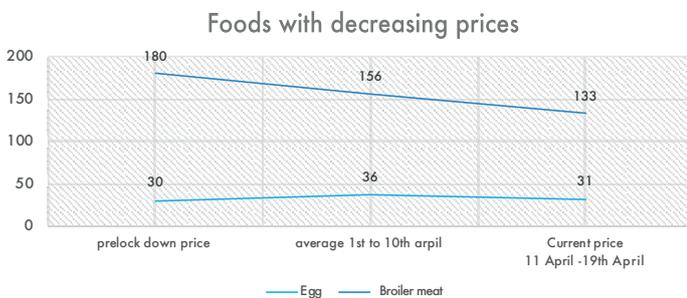
Super Shops include all private grocery stores and super markets

## Price and availability of food

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**Average price increase:** If the first week of April saw an increase of 16%, by 19 April these climbed to 20% above pre-lockdown prices.

**Rising prices among important staples:** With each extension of the lock-down, prices have increased. An increase in rice, alone, of +22.5% is enough to cripple poor households. After all,



Bangladesh ranks number 2 in per capita rice consumption (over 250kg/year). However, rice is just the beginning. Onion prices have risen +56% above pre-lockdown prices. An imported item, who knows how reliable will supply remain for this critical component to every household meal? Other big price increases are found with lentils (+30%), garlic and potato (both +51%).

**Falling prices for one popular protein:** With consumer demand evaporating during the lockdown, broiler meat chicken continues to be a temporary yet affordable protein option for many. The price has fallen -26%. Once they're gone, they're gone. It will take considerable capital and time for poultry farms to restart.

**Soybean is essential.** Like onions, it is used by all Bengalis. Both imported products, there is concern that shortages will occur unless importing channels are restored. This is a situation to watch.

**What about high-end foods?** Niche vegetables, fine rice and most fish prices have increased by more than 50%.

**Price discrepancies:** They differ between online, super shop and public markets. Compare broiler chicken (230-260tk per kg via online and super shops versus 125-150tk in public markets). Other products are simply not found online (pungas fish). Among public markets, vegetable prices differ greatly: Cabbage (40tk at Meeza Bazar; compared to 20tk at other wet markets). These discrepancies help to illustrate how different segments of the population experience the current crisis differently, depending upon where they shop.

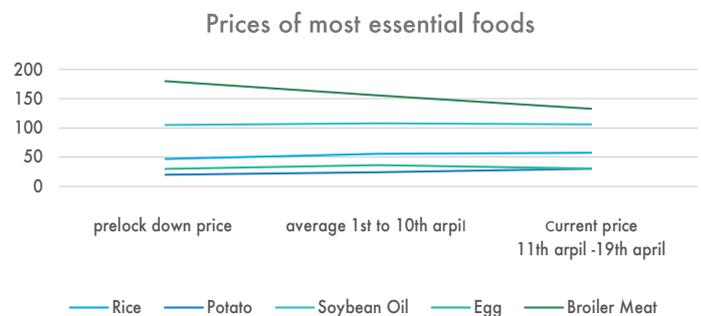


Photo by Saikat Mojumder

A beef seller in the Mohakhali Market sits downcast waiting for customers to arrive on April 19. Following the Government imposed lockdown on March 24 the numbers of customers has dropped significantly, supplies have been limited, and consequently many shopkeepers have closed their

## Other food and market observations

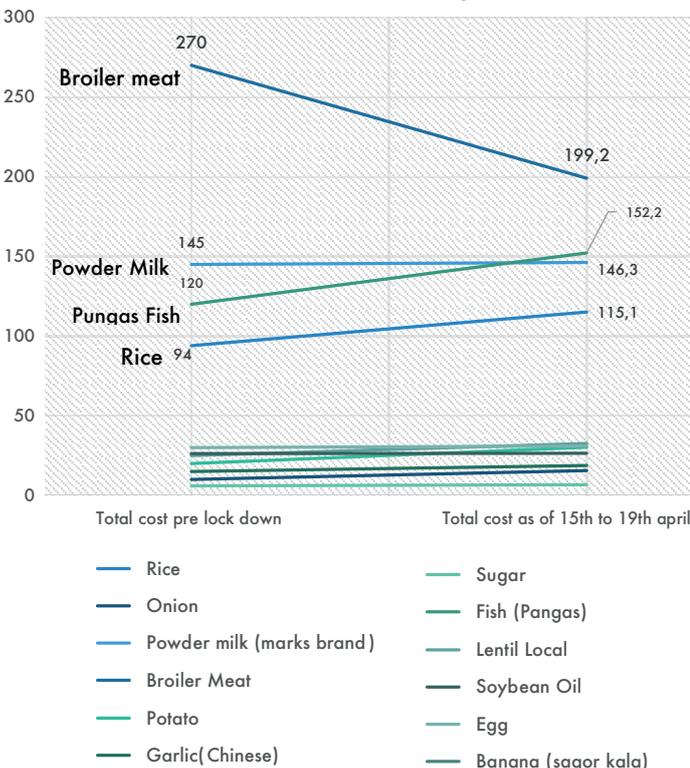
**Vendors:** Many shops and stalls have closed. With so few shoppers, it not worth the time and effort, Worse, unsold items perish, compounding their losses. While the number of vegetable sellers has decreased, most beef, mutton and fish shops have closed.

**Shoppers:** Attendance at public markets has dropped by 80-90% below pre-lockdown levels. While affluent shoppers have turned to what they perceive as safer venues (online and super shops), the poor continue to patronize public markets, but adjust their behavior: Instead of entering the wet markets, many choose to wait outside and send slips via known shop employees to fetch items. This behavior adjustment provides useful shopper insights: they have trusting relationships with shopkeepers, but do not trust the markets as COVID-safe spaces.

**Supply chain:** Each market has become an isolated island, resulting in **inconsistent pricing**. No longer are sellers comparing prices with other markets. Nor is the price regulation team monitoring activities (except at Karwan Bazar and the Uttara Sector 12 Bazar). Shoppers are not encouraged/allowed to venture beyond a 2 km perimeter; so they are beholden to the prices set by nearby shops, making it a **sellers' market**. Additionally, pocket shortages of supply are beginning to noticed: **fish and soybean oil**.

**Food trucks are being looted** in Chittagong by hungry mobs (source: The Daily Star and Prothom Alo). This points to acute shortages of food in different areas of Bangladesh.

**Item wise expenditure on consumer basket pre-lock down and on 15 to 19th april**



## Waste problems

**Waste is becoming a hazard:** The market associations' cleaners are disposing waste in designated places (or STS). However, **the City Corporation is not transferring waste from STS to the landfill** as regularly as before the COVID-19 lockdown.

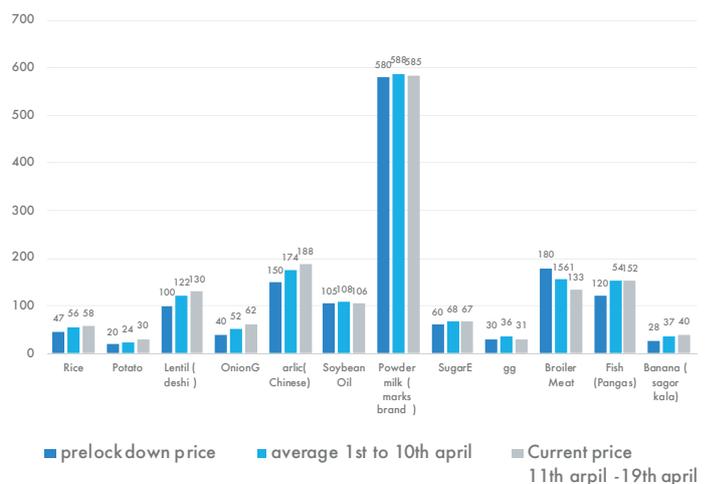
**Who's cleaning the markets?** Of the 9 markets surveyed, in only 2 (Karwan Bazar and New Market) is the City Corporation cleaning as before. While Banani Market, Board Bazar, Townhall and Shantinagar Bazar manage their own cleaning systems, Board Bazar's own cleaners collect and dump waste to a low land nearby. Shantinagar Bazar, Banani Bazar, and Townhall Bazar's own cleaners dump waste at the nearby STS. For now; however, without coordinated transfers to the landfill, this will become a problem.

## Space and waste solutions

**Markets are relocating outdoors.** The fish and vegetable vendors at Banani moved to the nearby Rajuk Field. This open space helps the Market maintain health standards. Organizers painted circles on the ground to mark social distancing for vendors and shoppers. Meanwhile, Mohammadpur Townhall Market moved its fish and chicken sellers to the open road, joining the vegetable sellers (who were already there). The Board Bazar Market has moved to open space beside road.

**Some vendors have been infected.** In Karwan Bazar, 6 sellers were found to be Corona positive. Organizers closed the main market to retail customers (remaining open only to wholesale 4 AM to 9AM). Retail operations moved to a satellite location, 1 km away: fish (4 AM to 9 AM) and per government mandate, other retail (9AM to 4PM).

**Price of essential products pre-lockdown, 1-10 April and 11-19 April, 2020**



## Current prices of essential foods in selected wet markets

Food Item	Quantity	Karwan Kitchen	Townhall	Banalata	Banani	Uttara sector 12 market	Board bazar GCC	Board bazar GCC	Digu babur bazar NCC	Shantinagar bazar
Rice	1 kg	45 / 58	44/60	42/ 60	50 /58	48 /60	47-50/ 60	43/50	42/52	45-46 /60
Potato	1 kg	30	32	28	30	30	32	29-30	26	30 to 40
Lentil (deshi)	1 kg	130	132	135	130-135	140-150	135	130	130	100-110
Onion	1 kg	60	60	60	60-65	65	62	60-65	60	70
Garlic(Chinese)	1 kg	190	190	200	180	200	170	190-210	180	180
Soybean Oil	1 kg	105	105	105	105	105	100	100-105	105	120 -125
Powder milk (marks brand)	1 kg	580	580	580	580	590	595	590	590	580
Sugar	1 kg	65	58-65	65	70	65-70	68-70	70	67	70
Egg	4 pcs	28	30	30	30	30	30	30	30	41
Broiler Meat	1 kg	120	125	125	150	150-160	140	125	140	110-120
Fish (Pangas)	1 kg	140	150	150	170	170	160	150	160	120
Banana ( chapa – sagor kala)	4 pcs	35-40	40	40	40	40	40	40	40	40



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Far fewer fish vendors operate at Karwan Bazar, in Dhaka, North City Corporation, the biggest and busiest market in the country, than prior to lockdown (Sunday, April 19).