

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

Photo by Saikat Mojumder, Monday 20 April 2020

Market associations are responding creatively to ensure safety for shoppers and vendors alike, during the COVID-19 lockdown. While public markets are synonymous with crowds and known for rubbing elbow-to-elbow, this is not safe behavior during the pandemic. With help from the army, markets are beginning to loosen up the density by spreading outdoors to nearby fields and open streets. This image of a shopper at the newly established fish and vegetable market at the Rajuk Field has enabled the Banani Market vendors to continue operations safely. As the image indicates, more advertising is needed to redirect shoppers to the new location.

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 20 - 27 April

Food prices remain elevated: different ones, for different reasons. During Ramadan, expect market hours to shift, and new supply and demand pressures to impact prices on fruits and other products popular for the iftar. In order to prevent traders from exploiting consumer demand for key ingredients with price hikes, the Rapid Action Battalion (RAB) raided Shyam Bazar and fined several wholesalers for overcharging for ginger, garlic and onion. The longer the lockdown lasts, the greater pressure increases for government support to ensure public safety in markets. The army announced that it will work with market associations to facilitate an orderly expansion into open spaces adjacent to public markets. The longer this period lasts, the greater the need to develop and communicate near- and long-term solutions for public safety.

Key recommendations to the government:

- ✓ Learn from RAB price raids to understand which products are traders price gouging. If they are simply taking advantage, then penalize. If, however, there are deeper distribution constraints that can be alleviated, now is the time to find solutions with partners.
- ✓ Promote egg consumption. Prices are good and supply is ample.
- ✓ Utilize market association knowledge on how to best redesign market operations to diffuse crowds into smaller clusters of traders and buyers. The army's declaration to work with the market associations is a welcome start. However, since conditions are likely to last, lessons learned in one market should be shared with other associations.

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

Food prices are 19-20% higher than pre-lockdown averages. However, unless you examine each product's price fluctuation, you miss the real story. For instance, the +46% onion price increase reveals challenges with importing vegetables. Whereas, the -26% fall in broiler meat prices tells a very different story: a sudden need among poultry producers to unload a lot of product at a loss. Meanwhile, Ramadan will stoke increases in the prices for fruits, as juices and smoothies are coveted iftar ingredients. Vendors warn that banana prices will rise. Already, lemon and orange prices are climbing, as consumers respond to reports that vitamin C is helpful in fighting COVID-19.

Where did all the pungas go? The absence of this important and usually affordable fish (as noticed at Banani Market) negatively impacts poor households. It is also likely having serious consequences upon fishers. More expensive species are available, so why the difficulties with the pungas?

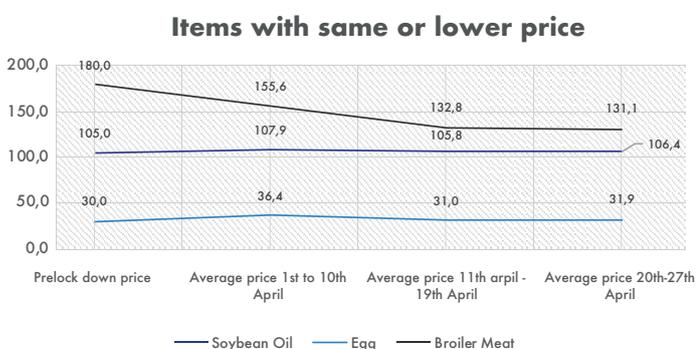
All eyes on bananas: A popular iftar ingredient, bananas are highly sought after this time of year. Market vendors anticipate the prices will soar. Already, fruit prices have risen due to Ramadan.

Online and Super Shop sales continue to grow by as much as 40-50%.

Other food and market observations

Ramadan hours: Most markets hours have changed again, but now to accommodate the holidays. Almost no retail market remains open after 5pm.

RAB raid in Shyam Bazar: A price regulatory team of RAB and the local magistrate descended upon Shyam Bazar, and fined several wholesalers from 1,200 to 3,000 USD for selling ginger, garlic, and onion at exorbitant prices. As many retail markets purchase their goods from this pivotal wholesale market, this move strikes at the cause for some price increases felt in nearly 90% of the Dhaka markets. Before this week, price sweeps had only been made at the Karwan and the Uttara Sector 12 Bazars.



Waste Management Situation

City Corporation takes care of ALL waste in SOME markets: With Karwan Bazar, Banani Market, Joydevpur Bazar and Townhall Bazar all moving to municipal spaces (open fields and streets) to continue operating, the City Corporation has assumed total responsibility for waste management. These areas are under the jurisdiction of City Corporation's cleaners. The Market cleaners now play a supporting role. At other markets, the market associations' cleaners dump waste in designated places (or STS); however, the City Corporation is not reliably transferring waste to landfills.

Sanitation and Other Safety Measures

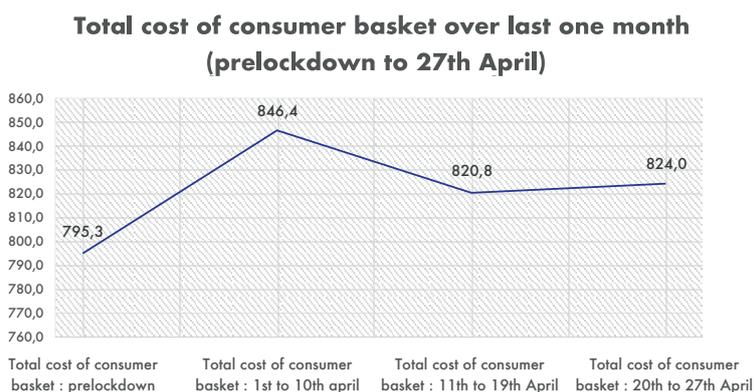
Bring in the army: The army has declared that it will work with market associations to ensure safety at markets. This welcome engagement is taking two forms, so far: 1) At Karwan Bazar, Banani Bazar, Joydevpur and Townhall Bazar, they are helping the market to relocate (and spread out) to nearby streets to accommodate social distancing; and 2) if no additional space is available, the army is limiting customer entry so as to reach the same goal of social distancing for shoppers and vendors. In some markets, the military presence is being deployed to limit entry to certain gates, and to limit customer congestion.

Head for the fields. While it may be difficult for locals to imagine Dhaka without crowds and street life filling up every available space, the lockdown has forced markets to creatively inhabit open spaces to ensure safety for shoppers and vendors alike. It's a strange calm, but one that is working for Karwan Bazar, Banani Market, Joydevpur Bazar and Townhall Bazar. They have moved to open fields and streets. In Joydevpur, fish and vegetable vendors are in Rajbari field (despite being rather far from the main market). Crowds do not seem to have caught on yet, but word is spreading about the move.

Mahakhali Bazar: The Committee announced that nobody from other areas can enter the market, thus pointing to the need to make sure every district has adequate supply for shoppers.

Changes in the Cost of the Consumer Basket

The cost of the consumer basket is 824 BDT, compared to pre-lockdown price of 795. During the previous week (11-19 April) was 820 BDT.



Change in price of essential foods in the last one month

Food item	Quantity for consumer basket	Pre lock down price	Average price 1 st - 10 th April	Average price 11 th - 19 th April	Average price 20 th - 27 th April
Rice	2	47.0	55.7	57.6	57.9
Potato	1	20.0	24.0	30.2	28.6
Lentil (deshi)	0.25	100.0	121.9	130.4	132.5
Onion	0.25	40.0	51.7	62.3	58.6
Garlic (Chinese)	0.1	150.0	174.2	187.8	178.3
Soybean Oil	0.25	105.0	107.9	105.8	106.4
Powder milk (marks brand)	0.25	580.0	587.8	585.0	593.3
Sugar	0.1	60.0	67.5	67.1	67.3
Egg	1	30.0	36.4	31.0	31.9
Broiler Meat	1,5	180.0	155.6	132.8	131.1
Fish (Pangas)	1	120.0	154.4	152.2	157.5
Banana (sagor kala)	1	28.0	37.2	39.7	39.2
Green chili	0,1	60.0	81.7	70.0	72.2



Jhumur, Shila, Topi and Nupur are children from the Korail slum. They are trying to collect food from the newly set up fish and vegetable market at the RAJIK field in Banani, on 20 April. "These days we eat only once a day, sometimes twice. Whatever vegetables or money we collect we give it to our mothers so they can cook for us".

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