Impact of COVID-19 on Food Security & Urban Poverty

This 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 148 urban poor communities in Dhaka North and South, Gazipur and Narayanganj. This report represents unofficial research findings designed to keep a finger on the pulse of the food security situation in Dhaka’s slums.

How has COVID-19 crisis affected food security of the urban poor?

While some return to work many make do or try new work Some factories have re-opened and garment workers have received 60% of April salaries, improving their dietary intake. But most day laborers have not returned to work. One rickshaw puller said: “After paying the rent for rickshaw, I only make 50t Tk. I don’t know if I should buy milk for my one-year old baby or rice for the rest of the family”. Those weary of weeks of limited nutrition feel physical weakness taking its toll.

Many households are now burdened by debts Two months without income has resulted in the build up of debt for many households. To cope they have borrowed food from shops, neighbours, and family; but are afraid how long it will take to repay loans. Even worse, households fear eviction after not having been able to pay rent for a long time. Debt repayment will likely impact households’ dietary habits as cutting back on food costs has been a way for the poor to cope.

Prices have stabilized but the trends continues to increase Over the last week the price of most food items has remained similar in DNCC, DSCC and GCC; in NCC prices for rice, lentils and potatoes has risen by around 2 Tk/kg. Among the 148 open-air markets the price of rice has increased in 73% of them, the price of potatoes has risen in 80%, and onions in 86%. Prices for staple food items have increase by around 20% over the past month. With the poor relying on food staples, this increases food insecurity significantly.

What have been the impacts of Government actions?

TCB offers food at lower prices but not necessarily for the poor The Trade Corporation of Bangladesh (TCB) is a national Government programme that maintains a stock of certain food items and makes them available at fixed prices that are subsidized. Affordable food items – such as sugar, cooking oil, lentils, chickpeas, dates – are needed, but since prices are mostly fixed they can be out of reach for the poor.

Government is taking steps to improve the distribution of food assistance Concerns that food aid distribution has not been effective at reaching the most needy, prompted the Government to allocate food aid proportionately, based on estimates of the number of poor per Ward (not simply evenly across all Wards). Ward-level Councilors are taking steps to prepare lists of the poor for each poor community.

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Parul Begum, 45, who lives in Kallayanpur Para Basti with her two daughters has not been able to go to work as a housekeeper for weeks. Despite receiving support from the family where she works, she still struggles to arrange three meals for her family.
Price Monitoring Findings

Since the first week of April, the following prices have increased: rice by 2% (1 Tk/kg), potato by 14% (3 tk/kg), lentils by 10% (9 Tk/kg), onion by 22% (11 Tk/kg), broiler meat by 2% (2 Tk/kg) and Pangas fish by 3% (5 tk/kg).

In comparison to pre-lockdown time period (the week of 22nd March), average prices have increased dramatically for food staples: by 22% for rice, 46% for lentils, 27% for onions, 17% for potatoes, and 9% for fish (across all 4 cities).

The price of a basic food basket has increased between 3.2-7.4% across the four city corporations. This week the average food basket price was 803 tk. It was lowest in NCC (765 Tk.) and highest in GCC (840 Tk.) where it is 50 Tk higher than in Dhaka.

Recommendations

✔ More food supplies should be allocated through OMS and TCB and delivered to the poor in Narayanganj and Gazipur.

✔ Community leaders from poor settlements should work closely with Ward Councilors to identify needy households and distribute food assistance. This builds social cohesion and helps avoid vulnerable beneficiaries being overlooked.

✔ Initiatives that bring farmers’ markets into Dhaka and connect farmers directly to urban consumers are needed to make food available in local neighborhoods and ensure farmers receive profits.

✔ Employing the unemployed from poor communities to distribute food can ensure sufficient supply and jobs for the needy.

How are poor communities responding and organizing themselves?

Community borrowing is a lifeline  To buy food many poor households borrowed from within their communities or used savings they accumulated. Many households are going further into debt for the Eid Festival.

Lowered food consumption  The poor are reducing the number of meals and food that they consumer. During Ramadan this might mean one meal a day.

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Wet markets have relocated to open spaces  Local Governments have relocated some wet markets to open spaces to ensure physical distancing. This has helped customers feel more reassured of a safer environment. The police and army have also enforced the use of face masks since the lockdown and this seems to have encouraged more widespread use.

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