

# National Food Security Act: Challenges and Implications for Agriculture.

CHELPURU MADHU

Department of Economics, Osmania University, Hyderabad.

## ABSTRACT

*World development report (1986) defined food security as “access by all people At all times to enough food for an active, healthy life.”*

*The Indian planners, right from the beginning, realized the need to attain self sufficiency in food grains as one of the important goals of planning .Food availability is a necessary condition for food security. India is more or less self sufficient in cereals but deficit in pulses and oil seeds. Due to changes in consumption patterns, demand for fruits, vegetables, dairy, meat, poultry, and fisheries has been increasing. There is need to increase crop diversification and improve allied activities. It may be noted that the slowdown in agriculture growth could be attributed to structural factors on the supply side, such as public investment, credit, technology, land and water management, etc., rather than globalization and trade reforms per se. Access to food can be increased through employment due to growth in labour intensive sectors and/or through social protection programmes. The malnutrition problem is much broader than that of access to food. The South Asian Enigma (levels of malnutrition in Asia are higher than in Africa) is well known. India has malnutrition levels almost the levels double those of many countries in Africa. This problem needs a multi-disciplinary approach covering diet diversification including micronutrients, women’s empowerment, education, health, safe drinking water, sanitation, and hygiene. India has government programmes such as TPDS including AAY, nutrition programmes like mid-day meals, and ICDS to improve food and nutrition security.MGNREGS and self-employment programs can also increase access to food and nutrition. Social protection programmes in India helped in improving incomes and providing protection from shocks for the population, particularly the poor. However, there are a number of gaps and inefficiencies in social protection programmes. Under national food security law, the government wants to provide rice and wheat to the poorest of poor at Rs.3 per kilogram. This is too narrow an approach for implementation of the Right to Food. The Right to Food campaign specifies several other things to be included, apart from universal PDS, under the Food Entitlements Act.*

**KEYWORDS:** *Food security, National food security act, BPL families, Rural and Urban people, Malnutrition, and Targeted public distribution system.*

## INTRODUCTION

The Bill extends to the whole of India and “shall be deemed to have come into force on the 5<sup>th</sup> day of July 2013”. [ NB: This is the date when the National Food Security Ordinance 2013 came into force.] NFSB also aims at “**improving the nutritional status of the population especially of women and children**”. Women’s education, access to clean drinking water, availability of hygienic sanitation facilities are the prime prerequisites for improved nutrition. It needs to be recognized that malnutrition is a multi-dimensional problem and needs a multi-pronged strategy. If we include the costs of creating such a rural and urban infrastructure to tackle malnutrition of children and women at any significant scale, which the country will have to attend to in due course, the financial obligations under the NFSB will be much higher than are indicated in the Draft Bill. Ensuring food security ought to be an issue of great importance for a country like India where more than one-third of the population is estimated to be absolutely poor and one-half of all children malnourished in one way or another. There have been many emerging issues in the context of food security in India in the last two decades. These are: (i) economic liberalization in the 1990s and its impact on agriculture and food security; (ii) establishment of WTO: particularly the Agreement on Agriculture (AoA) under it; (iii) challenges of climate change; crisis of the three Fs, viz., food prices, fuel prices, and financial crisis; (iv) the phenomenon of hunger amidst plenty, i.e., accumulation of stocks in the early Millennium Development Goals (MDGs) on poverty and women and child nutrition. These developments in the last two decades have provided both opportunities and challenges for food and nutrition security of the country. It is, by now, well known that the question of food security has a number of Dimensions that extend beyond the production, availability, and demand for food.

There has been a paradigmatic shift in the concept of food security, from food Availability and stability to household food insecurity, and from assessment of Input measures like energy intake to output indicators such as anthropometric Measures and clinical signs of malnutrition. According to Food and Agriculture Organization (FAO), food security exists when All people, at all times, have physical and economic access to sufficient, safe, and nutritious food to meet their dietary needs and food preferences for an active and healthy life. Food security has three components, viz., availability, access, and absorption (nutrition). The three are interconnected. Many studies have shown that improvement in nutrition is important, even for increase in productivity of workers. Thus, food security has intrinsic (for its own sake) as well as instrumental (for increasing productivity) value.

### **Salient features.**

1. 75% rural and 50% of the urban population are entitled for three years from enactment to five kg food grains per month at ₹3 (4.8¢ US), ₹2 (3.2¢ US), ₹1 (1.6¢ US) per kg for rice, wheat and coarse grains (millet), respectively;
2. The states are responsible for determining eligibility;
3. Pregnant women and lactating mothers are entitled to a nutritious "take home ration" of 600 Calories and a maternity benefit of at least Rs 6,000 for six months;
4. Children 6 months to 14 years of age are to receive free hot meals or "take home rations";
5. The central government will provide funds to states in case of short supplies of food grains;
6. The current food grain allocation of the states will be protected by the central government for at least six months;
7. The state government will provide a food security allowance to the beneficiaries in case of non-supply of food grains;
8. The Public Distribution System is to be reformed;
9. The eldest woman in the household, 18 years or above, is the head of the household for the issuance of the ration card;
10. There will be state- and district-level redress mechanisms; and
11. State Food Commissions will be formed for implementation and monitoring of the provisions of the Act.
12. The cost of the implementation is estimated to be \$22 billion (1.25 lac crore), approximately 1.5 % of GDP.
13. The poorest who are covered under the Antyodaya yojana will remain entitled to the 35 kg of grains allotted to them under the mentioned scheme.

### **Problems**

The national Food Security Act marks an important first step in the fight to eliminate hunger in India, but much more remains to be done, eminent agricultural scientist M.S. Swami Nathan has said. The implementation of the Act would address the problem of calorie deficiency among the Indian population, but not hunger and malnutrition, and protein and micronutrient deficiency, he observed. In its current form (let us call it "Plan A"), the National Food Security Bill (NFSB) is confusing, impractical and divisive. It rests on an artificial division of the population into three groups ("priority", "general" and excluded), without any clarity as to how these groups are to be identified. All recent attempts to devise a sound methodology to identify priority households have failed. The Socio-Economic and Caste Census (SECC) is unlikely to perform much better than earlier BPL Censuses in this respect. Exclusion errors are likely to be large, and the entire process is very divisive. Also, Plan A lacks simplicity and transparency – these are essential for the success of this crucial legislation.

### **B. Proposed Solution**

The proposed solution ("Plan B") is essentially a simplification of the Bill, as follows:

1. Use "exclusion criteria" only.
2. Merge the general and priority groups (let's call them "Aam log").
3. Give every "Aam" household a "national assured minimum entitlement" (NAME) of 25 kg per month at Rs 3/2/1 per kg for rice/wheat/millet.
4. Retain and strengthen the Antyodaya programme, as it is.

### **C. Advantages of this Solution**

1. It is eminently feasible.
2. Relatively easy to implement
3. A sound and durable framework.
4. Poor households will be well protected from exclusion errors.

5. Simple and transparent entitlements that everyone will understand.
6. Avoids the divisive effects of “targeting”.
7. Antyodaya households are protected from any possible loss of entitlements.
8. End of the poverty line controversy.

#### **D. Clarifications**

1. The NAME is a national minimum guaranteed by the central government under NFSB. It does not prevent state governments from providing more, e.g. by giving more than 25 kg to Aam households, or by giving something to excluded households.
2. In principle, the NAME need not be the same everywhere, e.g. it could be different in rural and urban areas, or higher in the poorer districts. But the simpler, the better.
3. The Antyodaya programme would be retained and strengthened, either under the NFSB, or simply as a “scheme”. The SECC’s “automatic inclusion” households (e.g. released bonded labourers) could be automatically added to the Antyodaya list.

#### **E. Resource Requirements**

If 25% of rural households and 50% of urban households are excluded (as in Plan A), the annual resource requirements (including the required provision for the Antyodaya programme) are as follows (for details see **Annexure 1**).

	<b>Grain requirements [MT]</b>	<b>Food subsidy (Rs crores)</b>
Plan A	52.4	77,927
Plan B	51.5	81,524

The grain requirements of Plan B are marginally lower than those of Plan A, and the financial requirements are marginally higher. Even after adding a provision for “other welfare schemes” (about 8 million tonnes of grain), these figures are well within the bounds of feasibility, especially if the National Food Security Act is “rolled out” over, say, two years.

#### **F. The Main Hurdle**

The main hurdle is that BPL households are currently supposed to be getting 35 kg per month. So those who are actually getting 35kg would seem to be “losing” from Plan B, compared with what they are getting today. However:

1. Only some states are actually giving 35 kg per month to BPL households. Many states have already reduced BPL entitlements to expand the coverage of the PDS, to 25 kg per month or less (see **Annexure 2**). BPL households in these states would gain from Plan B.
2. Even a BPL household currently getting the official quota of 35 kg per month at the official “central issue prices” (Rs 6.15/kg for rice and Rs.4.65/kg for wheat) would get roughly the same subsidy under Plan B – because the reduction of price would compensate for the reduction of quantity. This applies, for instance, in UP and Maharashtra.

#### **ANNEXURE 1: “PLAN A” AND “PLAN B” COMPARED**

##### *Coverage*

##### **PROPORTION COVERED (%)**

	<i>Plan A</i>		<i>Plan B</i>	
	<b>Rural</b>	<b>Urban</b>	<b>Rural</b>	<b>Urban</b>
Excluded	25 (4.2)	50 (3.6)	25 (4.2)	50 (3.6)
General	29 (4.9)	22 (1.6)	0 (0.0)	0 (0.0)
Priority/ Aam Log	46 (7.7)	28 (2.0)	75 (12.6)	50 (3.6)
Total	100 (16.8)	100 (7.2)	100 (16.8)	100(7.2)

**ANNEXURE 2:  
Current PDS Entitlements of BPL Households**

State	Foodgrain entitlements of BPL households (kg/month)		
	Wheat	Rice	Total
Andhra Pradesh	0	(4 kg per capita)	20 (max)a
Assam	0	35	35
Bihar	10	15	25
Chhattisgarh	10	25	35
Gujarat	n/a	n/a	20
Haryana	25	10	35
Himachal Pradesh	20	15	35
Jammu & Kashmir	n/a	n/a	35
Jharkhand	0	35	35
Karnataka	(1 kg P.C)	(4 kg P.C)	20 (max)a
Kerala	n/a	n/a	25
Madhya Pradesh	17	3	20
Maharashtra	10	25	35
Orissa	0	25	25
Punjab	35	0	35
Rajasthan	25	0	25
Tamil Nadu	0	20	20b (max)
Uttar Pradesh	15	20	35
Uttarakhand	10	10	20
West Bengal	n/a	n/a	n/ac

1. In Andhra Pradesh and Karnataka, PDS entitlements are “per capita” (4 kg and 5 kg per person per month, respectively), with a maximum of 20 kg per household.

2. 12 kg for single-person households and 16 kg for two-person households.

3. West Bengal has individual PDS cards with a weekly entitlement of 2.625 kg (1.5 kg rice and 1.125 kg wheat), but the average number of individual cards per BPL family is not clear.

### **Conclusion**

Almost 20 core Indians sleep hungry every night. One would say it would be a no-brainer that Right to Food should be a universal right, and yet the Food Security Bill has become one of the most politically and economically divisive subjects in recent times. On We the People, we debate why the template for providing food security to the people of India, has become something that we cannot agree on. India has many policies and programmes. However, food insecurity and malnutrition continue to be high. The problem is with both design and implementation of the programmes. The focus of reforms can now be shifted to more efficient delivery systems of public services. It has been recognized that better governance is very important for effective functioning of food-based programmes. Social mobilization, community participation and decentralized approaches are necessary in this context. It may, however, be noted that governance has to be contextualized in relation to the socio-economic environment. Appropriate institutions are needed for better implementation of policies and programmes. For example, rural institutions in areas like land, water, marketing of agricultural and non-agricultural products, credit, technology, and infrastructure are needed for better governance. Similarly, people-centric programmes and institutions are needed for better implementation of social Protection schemes. A self-help group approach for livelihoods is relatively successful. For example, small and marginal farmers can get better services if they are organized through collectives like self-help groups or cooperatives. Finally, the ‘rights approach’ plays an important role in improving implementation of development programmes.

### **References**

1. Gahukar, R.T. (2011), “Food security in India: the challenge of food production and distribution”, *Journal of Agricultural & Food Information*, Vol. 12 Nos 3-4, pp. 270-286.
2. Gulati, A., Gujral, J., Nandakumar, T., Jain, S., Anand, S., Rath, S. and P.J. (2012), “National food security bill challenges and options”, Discussion Paper No-2, CACP, Department of Agriculture & Cooperation Ministry of Agriculture, Government of India, New Delhi, available at:

<http://cacp.dacnet.nic.in/ViewQuestionare.aspx?Input¼2&DocId¼1&PageId¼42&KeyId¼470>

3. Gulati, I.S. and Krishanan, T.N. (1975), "Public distribution of and procurement foodgrains a proposal", *Economical & Political Weekly*, Vol. 10 No. 21, pp. 831-842 (accessed October 17, 2014).

4.NFSB (2011). The National Food Security Bill, 2011 Twenty seventh Report. Retrieved from <http://164.100.47/>

Issc.134o mmittee/Food,%20Consumer%20Affairs%20&%20Public%20Distribution/Final%20Report%20on%20NFSB. Pdf/ (accessed on 19 August 2014)

