

Grant No. 44
48-Ministry of Food
Medium Terms Expenditure

(Taka in Thousands)

Description	Budget 2017-18	Projection	
		2018-19	2019-20
Non-Development	13978,85,81	10113,31,69	10723,78,23
Development	423,24,00	440,56,00	482,12,00
Total	14402,09,81	10553,87,69	11205,90,23
Revenue	14009,76,31	10276,63,39	10978,64,98
Capital	392,33,50	277,24,30	227,25,25
Total	14402,09,81	10553,87,69	11205,90,23

1.0 Mission Statement and Major Functions**1.1 Mission Statement**

Ensure sufficient and safe food for all citizens of the country through integrated policy, strategy and management of food

1.2 Major Functions

- 1.2.1 Country's overall food management, planning, operation, and co-ordination;
- 1.2.2 Export, import and internal procurement of food grains (rice and wheat), maintaining sufficient food stock and its distribution and movement around the country
- 1.2.3 Fixing the procurement price and sell price of public procurement program, ensuring price stability sufficient supply of food grains
- 1.2.4 Designing and implementing various development projects of food sector;
- 1.2.5 Maintaining sufficient stock of food grains and testing the quality of grains;
- 1.2.6 Food planning, research and monitoring;
- 1.2.7 Implementing the Safe Food Act 2013; and
- 1.2.8 Fostering collaboration with various regional and international agencies regarding food management.

2.0 Medium Term Strategic Objectives and Activities

Medium-Term Strategic Objectives	Activities	Implementing Departments/Agencies
1	2	3
1. Ensure food security through sufficient stock and providing price incentive to farmers	<ul style="list-style-type: none"> • Domestic procurement of food-grains (rice, wheat) • Import of food-grains (rice, wheat) through own resources • Construction of modern and standard new food godowns and infrastructure • Repair and modernisation of the existing food godowns and infrastructure 	<ul style="list-style-type: none"> • Directorate of Food

Medium-Term Strategic Objectives	Activities	Implementing Departments/Agencies
1	2	3
	<ul style="list-style-type: none"> • Maintaining minimum annual closing stock of food grains • Reducing godown (storage) loss and transit loss 	
2. Ensure availability of food to the poor (especially to the women and children)	<ul style="list-style-type: none"> • Distribution of rice to rural areas through <i>Khaddo-bandhob</i> program • Supply of food-grains (rice and wheat) under various targeted distribution programmes 	<ul style="list-style-type: none"> • Directorate of Food
3. Ensure availability of safe food and improved nutrition	<ul style="list-style-type: none"> • Issuing rules and regulations • Testing of food quality • Building awareness • Distributing fortified rice 	<ul style="list-style-type: none"> • Directorate of Food • Bangladesh Safe Food Authority
4. Build institutional capacity of Food Management through Food Policy and strategies	<ul style="list-style-type: none"> • Monitoring Implementation of National Food Policy • Coordinating activities of various agencies • Developing procedures of storage and transportation of food • Training the employees involved in food management • Inspection of various facilities by high officials 	<ul style="list-style-type: none"> • Secretariat
5. Ensure price stability of food grains (rice and wheat)	<ul style="list-style-type: none"> • Open market sale (OMS) of rice and flour 	<ul style="list-style-type: none"> • Directorate of Food

3.0 Poverty and Gender Reporting

3.1 Impact of Medium Term Strategic objectives on Poverty Reduction and Women's Advancement

3.1.1 Ensure food security through sufficient stock and providing price incentive to farmers

Impact on Poverty Reduction: Generally, at the beginning of the financial year, a stock of 10 lakh metric tons of food-grains is maintained in government godowns. Government maintains stock of food-grains approximately for 5 months'. Measures have been taken to raise the government's storage capacity of food-grains to 27 lakh metric tons by the year 2020 which is now 20.40 lakh metric tons. If the target has been achieved during the crisis period, it would be possible, to stabilize market prices of food-grains through conducting Open Market Sales (OMS) of stored food-grains. This would enable the poor people to buy food-grains at low price. Through some targeted food distribution programs like OMS and fair price channels, citizens of low income group are supplied with food in cheaper price.

Impact on Women's Advancement: During the crisis period, women and children are affected more compared to others. It would be possible for poor and destitute women to buy food-grains for their families at low prices if sufficient storage of food grains could be maintained by the government.

3.1.2 Ensure availability of food to the poor (especially to the women and children)

Impact on Poverty Reduction: In order to stabilize food-grain price in the market, the Directorate of Food conducts open market sales. On the other hand, they procure food-grains from the farmers at fair prices during the harvesting season. Through this process, it is possible to maintain poor-friendly stable market

system, meeting poor people's needs for food and nutrition. Government fixes minimum procurement prices of food-grains at the local level, ensuring fair prices to the poor and marginal farmers for their crops.

Impact on Women's Advancement: Procurement of food-grains at fair prices and open market sales at low prices help in stabilizing market prices of food-grains. As a result, poor and destitute women get an opportunity to buy food grains at low prices and procure more food which helps to meet nutrition requirement. The poor families would be saved from the exploitations of the middlemen through getting opportunities to sell their food-grains direct to the government at government's pre-determined prices. As a result, women would also indirectly be benefitted.

3.1.3 Ensure availability of safe food and improved nutrition

Impact on Poverty Reduction: Ministry of Food provide food-grains for implementation of TR, FFW, VGF and VGD programmes during the lean periods and provides emergency relief goods to the disaster affected people through various interventions. Implementation of these projects generates employment opportunities for the poor people in the rural area.

Impact on Women's Advancement: Supply of food-grains for implementation of food-based programmes creates employment opportunities for the poor and destitute women. These employment opportunities augment their income, ensuring food security.

3.1.4 Build institutional capacity of Food Management through Food Policy and strategies

Impact on Poverty Reduction: Strengthening of overall food management will ensure food security of the country, which will directly contribute to poverty alleviation.

Impact on Women's Advancement: Women, who constitute half of the total population, will be directly benefitted if the food security is ensured.

3.1.5 Ensure price stability of food grains (rice and wheat)

Impact on Poverty Reduction: Stability in food price will directly contribute to poverty alleviation, especially during high inflation and supply shock.

Impact on Women's Advancement: Women, who constitute half of the total population, will be directly benefitted if the price stability of food can be achieved.

3.2 Poverty Reduction and Women's Advancement Related Spending

(Taka in Thousands)

Particulars	Budget 2017-18	Projection	
		2018-19	2019-20
Poverty Reduction	11565,32,29	7760,52,96	8263,30,27
Gender	6455,56,20	4464,89,35	4746,01,81

4.1 Priority Spending Areas/Programmes

Priority Spending Areas/Programmes	Related Strategic Objectives
<p>1. Domestic procurement of Rice and Wheat:</p> <p>The main requirement for food security is to build sufficient food-grain stocks at the government level to deal with any disasters and to keep market prices stable. On the other hand, government's procurement of food-grains from the farmers at promotional prices induces the farmers to produce more food-grains. For this reason, activities relating to procurement of food-grains have been given the highest priority.</p>	<ul style="list-style-type: none"> Ensure food security through sufficient stock and providing price incentive to farmers
<p>2. Import of food-grain through own resources and aid supported imports:</p> <p>It is essential to build sufficient stocks of food-grains through imports, if required, at the government level to deal with any disasters and to</p>	<ul style="list-style-type: none"> Ensure food security through sufficient stock and providing price incentive to farmers

Priority Spending Areas/Programmes	Related Strategic Objectives
stabilise market prices at affordable rates	
<p>3. In order to increase storage capacity of food-grains, construction of new and standard food godowns, silos and other infrastructures and repair and modernisation of existing food godowns and other infrastructures:</p> <p>In the interest of maintaining food security for the country, there is no alternative to modern and standard food godowns to store food-grains (rice, wheat) procured from domestic sources and imported from international markets. For this reason, construction of new food godowns, silos and other infrastructures, and repair and modernisation of existing food godowns and other infrastructures have been considered as the third priority area.</p>	<ul style="list-style-type: none"> Ensure food security through sufficient stock and providing price incentive to farmers
<p>4. Distribution of food grains at fair prices for poor people:</p> <p>In order to ensure that low and small income groups can buy food-grains at affordable prices during price hike, distribution of food-grains at fair prices to them has been identified as the priority area of this Division.</p>	<ul style="list-style-type: none"> Ensure availability of food to the poor (especially to the women and children) Ensure price stability of food grains (rice and wheat)
<p>5. Ensuring Quality of Food Grains:</p> <p>It is important to maintain quality of food grains and other food items to ensure health safety of the citizen</p>	<ul style="list-style-type: none"> Ensure availability of safe food and improve nutrition

4.2 Medium Term Expenditure Estimates and Projection (2017-18 to 2019-20)

4.2.1 Expenditure by Department/Agencies/Operational Units

(Taka in Thousands)

Description	Budget	Revised	Budget	Projection	
	2016-17		2017-18	2018-19	2019-20
Bangladesh Safe Food Authority	10,50,00	10,50,00	16,55,00	0	0
Secretariat	2009,38,90	2703,32,68	3457,07,69	16,68,00	18,35,00
International Organisations	3,00	2,59	3,00	3,00	3,00
Procurement	8312,05,10	7703,67,00	9218,85,00	8661,00,00	9202,00,00
Other Food Management Functions	893,11,95	910,25,34	843,64,72	945,00,00	981,50,00
Directorate of Food	541,43,46	346,44,02	537,41,97	553,09,90	598,64,94
Regional Offices	6,71,15	5,34,46	7,72,46	42,01,96	52,36,99
District Offices	81,71,94	75,57,16	80,86,97	85,05,91	89,48,79
Upazilla Offices	214,48,32	200,06,20	214,13,00	223,81,99	235,06,75
Government Flour Mills	4,98,40	3,00,34	3,70,00	3,96,93	4,24,76
Controller of Movement & Storage	23,06,70	20,95,67	22,10,00	23,20,00	24,20,00
Grand Total :	12097,48,92	11979,15,46	14402,09,81	10553,87,69	11205,90,23

4.2.2 Expenditure by Economic Group Wise

(Taka in Thousands)

Economic Group	Description	Budget	Revised	Budget	Projection	
		2016-17		2017-18	2018-19	2019-20
	Revenue Expenditure					
4500	Pay of Officers	58,33,69	163,07,86	121,83,19	263,24,80	361,02,37
4600	Pay of Establishment	143,95,81	131,38,61	138,69,40	146,32,21	154,21,99
4700	Allowances	155,28,03	140,48,84	147,09,98	153,59,17	160,93,47
4800	Supplies and Services	148,97,83	42,16,25	51,86,81	57,06,91	60,26,10
4900	Repairs and Maintenance	32,64,62	36,54,15	44,15,15	50,37,30	58,68,05
5500	Other Interest	5,00,00	1,00,00	2,00,00	7,00,00	7,50,00

Economic Group	Description	Budget	Revised	Budget	Projection	
		2016-17		2017-18	2018-19	2019-20
5800	Subsidies and Incentives	1790,13,49	2681,76,52	3427,04,06	0	0
5900	Grants in Aid	10,50,00	10,50,00	16,55,00	0	0
6100	Contributions to International Organisation	3,00	2,59	3,00	3,00	3,00
6300	Pensions and Gratuities	191,88,00	0	0	0	0
6400	State Trading	9200,17,05	8612,92,34	10060,49,72	9599,00,00	10176,00,00
	Total : - Revenue Expenditure	11736,91,52	11819,87,16	14009,76,31	10276,63,39	10978,64,98
	Capital Expenditure					
6800	Acquisition of Assets	19,76,00	12,31,00	9,14,50	9,12,10	9,71,35
6900	Acquisition/Purchase of Land & Landed Properties	4,00,13	2,00,00	2,50,00	3,00,00	3,25,00
7000	Construction and Works	335,40,87	144,47,00	374,74,00	264,23,00	213,19,00
7400	Advances to Government Employees	90,40	50,30	75,00	89,20	1,09,90
7900	Development Import Duty and VAT	50,00	0	5,20,00	0	0
	Total :- Capital Expenditure	360,57,40	159,28,30	392,33,50	277,24,30	227,25,25
	Grand Total :	12097,48,92	11979,15,46	14402,09,81	10553,87,69	11205,90,23

5.0 Key Performance Indicator (KPIs)

Indicator	Related Strategic Objectives	Unit	Revised Target	Actual	Target	Revised Target	Medium Term Targets		
			2015-16		2016-17		2017-18	2018-19	2019-20
1	2	3	4	5	6	7	8	9	10
1. Minimum closing stock of food-grains	1	MT (Lakh)	13.00	7.56	13.25	8.86	10.60	11.69	13.79
2. Food-grain storage capacity	1	MT Lakh	19.54	19.54	20.40	21.40	22.15	24.26	27.00
3. Ensuring fair price to the farmers for their crops	2	Ratio of procurement price and production cost of rice	1.16	1.16	1.17	1.16	1.17	1.18	1.18
		Ratio of procurement price and production cost of wheat	1.10	1.12	1.15	1.12	1.15	1.15	1.15
4. Ensuring low price of food-grains to the poor	3	Ratio of OMS price and retail market price of rice	0.77	0.57	0.80	0.55	0.80	0.80	0.80
		Ratio of OMS price and retail market price of wheat	0.74	0.72	0.78	0.75	0.75	0.75	0.75

6.0 Recent Achievements, Activities, Output Indicators and Targets and Expenditure Estimates of the Departments/Agencies

6.1 Secretariat

6.1.1 Recent Achievements: To bring more efficiency in public food distribution system, the previous Open Market Sale (OMS) Policy 2012 has been replaced with new OMS Policy 2015. To implement the National Food Policy 2006, an Action Plan has been prepared, Bangladesh Country Investment Plan (CIP) 2011 has been adopted for improving the nutritional status and ensuring food security. Implementation of CIP is being monitored each year and the Implementation Progress Monitoring Report is prepared regularly. The monitoring report of 2016 has been published. Steps have been taken to prepare CIP for developing the agriculture, food security and nutrition sector in line with the Seventh Five Year Plan. Bangladesh Safe Food Authority has been established under the Safe Food Act, 2013 and the authority, in consultation with various agencies and stakeholders, has prepared a draft five year term Strategic Plan. A program titled *Khaddo-Bandhob* has been introduced under which 50 lac rural poor and ultra-poor families are entitled to

purchase 30 kg rice each month for five months in a year during lean season (September to November and March to April) at 10 Taka per Kg.

6.1.2 Activities, Output Indicators and Targets

Activities	Output Indicator	Related Strategic Objectives	Unit	Revised Target	Actual	Target	Revised Target	Medium Term Targets		
				2015-16	2016-17	2017-18	2018-19	2019-20		
1	2	3	4	5	6	7	8	9	10	11
1. Implementing National Food Policy, and monitoring work plan and research on food management system	Monitoring report	1	Number	5	5	5	5	5	5	5

6.1.3 Medium Term Expenditure Estimates by Operational Unit, Programmes and Projects

(Taka in Thousands)

Name of the Operational Unit/Programme/Project	Related Activity	Actual 2015-16	Budget	Revised	Medium Term Expenditure Estimates		
			2016-17	2017-18	2018-19	2019-20	
1	2	3	4	5	6	7	8
Operational Units							
4801-0001 - Secretariat	1	125,74,20	202,75,41	11,11,16	13,74,63	16,68,00	18,35,00
4801-0005 - Subsidy for OMS	1	865,07,85	1790,13,49	2681,76,52	3427,04,06	0	0
4806-4361 - A.F.M.A.	1	2,57	3,00	2,59	3,00	3,00	3,00
4821-0001 - Import under Foreign Assistance	1	11,73	315,52,60	294,40,00	303,75,00	316,00,00	322,00,00
4821-0010 - Import under Own Resources	1	587,42,51	1106,00,00	800,00,00	2794,50,00	3850,00,00	3860,00,00
4821-0015 - Domestic Procurement	1	4055,85,00	6890,52,50	6609,27,00	6120,60,00	4495,00,00	5020,00,00
4825-0040 - Operating Expenses	1	561,93,42	893,11,95	910,25,34	843,64,72	945,00,00	981,50,00
Total : Operational Units		6196,17,28	11198,08,95	11306,82,61	13503,31,41	9622,71,00	10201,88,00
Total : Non Development		6196,17,28	11198,08,95	11306,82,61	13503,31,41	9622,71,00	10201,88,00
Approved Projects							
4801-5012 - Institutionalization of Food Safety in Bangladesh for Safer Food		8,40,00	11,50,00	10,45,00	16,29,00	0	0
4801-5080 - Block Allocation for Unapproved Project	1	0	5,00,00	0	0	0	0
Total : Approved Projects		8,40,00	16,50,00	10,45,00	16,29,00	0	0
Total : Development		8,40,00	16,50,00	10,45,00	16,29,00	0	0
Total :		6204,57,28	11214,58,95	11317,27,61	13519,60,41	9622,71,00	10201,88,00

6.2 Directorate of Food

6.2.1 Recent Achievements: During the last three financial years, a total of 59.91 lakh MT of food-grains were procured from domestic and external sources. Out of this, 4.73 lakh MT has been procured in form of paddy directly from the farmers with a view to provide them price support. During the same period, 61.22 lakh MT of food-grains were sold/distributed through the Public Food Distribution System. Out of these, a total of 13.03 lakh MT of food-grains were sold exclusively through Open Market Sales (OMS) and Fair Price Channel. During this period, 17 new office buildings, 1 silo and 79 food godowns (storage) have been constructed. In addition, boundary walls and inner roads of 30 godowns has been constructed and 264 dilapidated food godowns and infrastructure were reconstructed/repared. In addition, during the same time, 1,501 new employees have been recruited and training has been imparted to 1,392 staff members.

6.2.2 Activities, Output Indicators and Targets

Activities	Output Indicator	Related Strategic Objectives	Unit	Revised Target	Actual	Target	Revised Target	Medium Term Targets		
				2015-16	2016-17	2017-18	2018-19	2019-20		
1	2	3	4	5	6	7	8	9	10	11
1. Domestic procurement of rice	Procured rice	1	MT (In lakh)	14.00	10.33	18.50	18.50	19.50	20.00	20.00
2. Domestic procurement of wheat	Procured wheat	1	MT (In lakh)	1.50	1.98	3.00	2.00	3.00	3.00	3.50

Activities	Output Indicator	Related Strategic Objectives	Unit	Revised Target	Actual	Target	Revised Target	Medium Term Targets		
				2015-16	2016-17	2017-18	2018-19	2019-20		
1	2	3	4	5	6	7	8	9	10	11
3. Import of food grain (rice and wheat)	Imported food grain	1	MT (In lakh)	6.25	4.18	6.01	4.51	5.01	5.55	5.55
4. Sales/distribution of food-grains (rice and wheat) under the Open Market Sales (OMS)/Fair Price Programme	Sales/distribution through OMS/Fair Price	5	MT (In lakh)	5.00	5.14	8.50	10.39	12.10	12.60	13.20
5. Distribution of food (rice and flour) through targeted distribution programmes	Distribution of food grain	2	MT (In lakh)	14.00	15.50	17.38	12.87	13.56	13.92	14.24
6. Repair and modernisation of the existing food godowns and related infrastructure	Capacity of godowns	1	Capacity (Lakh MT)	0.85	0.81	0.85	0.85	0.90	0.95	1.00
7. Construction of modern and standard new food godowns and related infrastructure	Capacity of godowns	1	Capacity (Lakh MT)	0.50	0.50	0.50	0.50	0.75	2.11	3.43

6.2.3 Medium Term Expenditure Estimates by Operational Unit, Programmes and Projects

(Taka in Thousands)

Name of the Operational Unit/Programme/Project	Related Activity	Actual 2015-16	Budget	Revised	Medium Term Expenditure Estimates		
			2016-17	2017-18	2018-19	2019-20	
1	2	3	4	5	6	7	8
Operational Units							
4831-0001 - Directorate of Food	1-7	44,51,34	78,78,33	83,42,66	92,94,38	72,99,36	74,99,94
4831-0003 - Chief Controller, Dhaka Rationing	1-7	3,54,35	4,78,42	3,90,22	4,07,55	4,29,04	4,53,10
4831-0005 - Silo	1-5	23,59,30	34,44,71	30,86,14	33,45,04	35,25,50	36,99,90
4833-0000 - Regional Offices	1-5	4,67,19	6,71,15	5,34,46	7,72,46	42,01,96	52,36,99
4835-0000 - District Offices	1-5	62,42,49	81,71,94	75,57,16	80,86,97	85,05,91	89,48,79
4837-0000 - Upazilla Offices	1-5	159,24,19	214,48,32	200,06,20	214,13,00	223,81,99	235,06,75
4839-0000 - Government Flour Mills	4	1,93,80	4,98,40	3,00,34	3,70,00	3,96,93	4,24,76
4841-0000 - Controller of Movement & Storage	1-5	17,64,53	23,06,70	20,95,67	22,10,00	23,20,00	24,20,00
Total : Operational Units		317,57,19	448,97,97	423,12,85	458,99,40	490,60,69	521,90,23
Total : Non Development		317,57,19	448,97,97	423,12,85	458,99,40	490,60,69	521,90,23
Approved Projects							
4831-5014 - Construction of 1.05 lakh M.T Capacity new food godowns (01/07/2013-30/06/2018) Approved	7	19,98,75	178,42,00	85,35,00	206,95,00	0	0
4831-5015 - Modern Food Storage Facilities Project-MFSP	7	66,37,00	220,00,00	120,00,00	200,00,00	440,56,00	482,12,00
4831-6047 - * Construction of Multistoried Warehouse at Santahar grain Silo, Bogra (25,000 M.T.) (1st Revised) (01/01/2012-30/06/2016) Approved	6,7	26,74,81	25,00,00	22,90,00	0	0	0
Total : Approved Projects		113,10,56	423,42,00	228,25,00	406,95,00	440,56,00	482,12,00
Total : Development		113,10,56	423,42,00	228,25,00	406,95,00	440,56,00	482,12,00
Total :		430,67,75	872,39,97	651,37,85	865,94,40	931,16,69	1004,02,23

6.3 Bangladesh Safe Food Authority

6.3.1 Recent Achievements: Seventy pure food courts has been assigned across the country including six divisional headquarters. As the Safe Food Act 2013 has been included in the schedule of Mobile Court Act 2009, Executive Magistrates are conducting mobile courts to prevent the food adulteration. 31 Sanitary Inspectors of 11 City Corporations, 143 from Department of Health and 28 from 28 Municipalities have been given the authority to act as Safe Food Inspector. In addition, 40 Food Inspectors from the Department of Food have been given additional duties as Food Safety Inspector. Draft of five important regulations has been prepared to test and analyse food samples for pollutant, toxins and hazardous residuals. Posters, stickers and pamphlets containing messages of social awareness regarding food safety have been printed and distributed across the country to build awareness. Five rallies and workshops have also been organised in divisional level as part of this awareness building effort.

6.3.2 Activities, Output Indicators and Targets

Activities	Output Indicator	Related Strategic Objectives	Unit	Revised Target	Actual	Target	Revised Target	Medium Term Targets		
				2015-16	2016-17	2017-18	2018-19	2019-20		
1	2	3	4	5	6	7	8	9	10	11
1. Formulation of rules and regulations	Rules/regulations formulated	3	Number	6	3	6	-	8	2	-
2. Testing food Quality	Number of tested samples	3	Number	360	360	400	400	425	450	480
3. Building Awareness	Events organized	3	Number	-	-	-	-	12	14	15
4. Coordination with other agencies	MOU signed	3	Number	-	-	-	-	10	15	15

6.3.3 Medium Term Expenditure Estimates by Operational Unit, Programmes and Projects

(Taka in Thousands)

Name of the Operational Unit/Programme/Project	Related Activity	Actual 2015-16	Budget	Revised	Medium Term Expenditure Estimates		
			2016-17	2017-18	2018-19	2019-20	
1	2	3	4	5	6	7	8
Operational Units							
4805-3482 - Bangladesh Safe Food Authority	3	8,66,22	10,50,00	10,50,00	16,55,00	0	0
Total : Operational Units		8,66,22	10,50,00	10,50,00	16,55,00	0	0
Total : Non Development		8,66,22	10,50,00	10,50,00	16,55,00	0	0
Total :		8,66,22	10,50,00	10,50,00	16,55,00	0	0