

Review Article

Effect of COVID-19 on public distribution system in India

Pallavi Pathak*, Tapan Gope, Nadine Bader

Deutsche Gesellschaft Fur Internationale Zusammenarbeit (GIZ), Food and Nutrition Security Enhanced Resilience Program, New Delhi, India

Received: 05 May 2020

Accepted: 21 May 2020

***Correspondence:**

Dr. Pallavi Pathak,

E-mail: pallavi.pathak@giz.de

Copyright: © the author(s), publisher and licensee Medip Academy. This is an open-access article distributed under the terms of the Creative Commons Attribution Non-Commercial License, which permits unrestricted non-commercial use, distribution, and reproduction in any medium, provided the original work is properly cited.

ABSTRACT

The COVID-19 pandemic has caused the whole world to face an economic crisis and hence putting people even more at risk of food insecurity; supply chain setup has been disrupted severely due to numerous transport restrictions. There is a need for various components of government machinery to work in complete synergy for aligning services, making provision for supplies and arranging means of delivery to the citizens. This review gives an understanding about the food security situation in India, problem faced by the citizens, in particular the poor and vulnerable population, small and marginal farmers during the COVID-19 pandemic. It also analyses the steps taken by the government of India to address the food security challenges during COVID-19. We have discussed the importance of macrolevel thinking and various measures that can be taken to strengthen public distribution system in India. We have also discussed policies to support the small and marginal farmers, wage laborers, and migrant workers.

Keywords: COVID-19, Food security, Public distribution system, Fair price shops, NFSA, Food entitlement

INTRODUCTION

As former international food policy research institute (IFPRI) director general Shenggen Fan, writes, COVID-19 is a health crisis, but it could also lead to a food security crisis if proper measures are not taken.¹ More than 180 countries have been affected by COVID-19. The global economy is almost certainly in recession due to this pandemic.² There has been a drastic disruption in the supply chain and logistics both for producer and consumers as evidenced by closed borders, national lockdown, and travel restrictions. According to a report by the United Nations Conference on Trade and Development, COVID-19 pandemic could cut the global investment by 40%.³ As businesses close to prevent the transmission, financial and job losses are one of the most important concerns. According to UN Department of Economic and Social Affairs, in the worst-case scenario, the world economy could contract by 0.9% in 2020.⁴ This human crisis demands coordinated, decisive, inclusive

and innovative policy action from the world's leading economies.

According to Arif Husain, chief economist (world food program), it is still too early for an accurate assessment of the impact of COVID-19 on the economy. Too much depends on what is not known - how long the outbreak lasts, how many countries it affects, and the type of policies governments will put in place to respond to the crisis. The economic downturn is to be expected at the global level, and this is likely to trickle down to developing economies. In these contexts, a slowdown in the Indian economy can exacerbate existing food insecurity. It limits people's ability to access nutritious food in different ways, including through reduced income or increased job insecurity.⁵

Many vulnerable households see their purchasing power reduced by aggregate macroeconomic shocks. Global economic growth is seen falling to -3% for the whole year, compared to an already weak 2.9 % in 2019.⁶

Agriculture is the prime sector of rural economy and rural employment in India.⁷ As a result, the rural economy is suffering silently.

India's prime minister Sri Narendra Modi has announced a nation-wide lockdown and government of India initiated and implemented the lockdown since 25th March 2020 initially for 21 days then extended it for another 19 days until 3rd May 2020 and again extended it for 14 more days until 17th May 2020 and again till 31st May 2020 with some relaxation to slow down the spread of COVID-19. Lockdown means no food or work for the small and marginal farmers, daily wage laborers and other economically poor people in the villages.

With this background, this review paper, will assess the impact of COVID-19 and subsequent lockdown on food security in India and different measures announced by the government of India/ministry of consumer affairs, food and public distribution to prevent food crisis when all economic activities are either closed or at a low key during this COVID-19 pandemic.

INDIA'S FOOD SAFETY NET AND MEASURES FOR COVID-19

With high levels of income inequality reflected in India's score on Gini index, food insecurity in the country has been a challenge.⁸ Findings from the comprehensive national nutrition survey (2016-18) suggest that around 35% of children below 5 years of age are stunted and 33% of them are underweight. The national food security act (NFSA), enacted in 2013, marked a paradigm shift in addressing the problem of food security - from a welfare approach to a right-based approach. The act relies on the country's public distribution system (PDS) to ensure access to food with a targeted approach to identify entitled people. Furthermore, NFSA includes integrated child development services (ICDS), mid-day meal (MDM), and Pradhan Mantri Matru Vandana Yojana (PMMVY) schemes.

Under the PDS, the government provides 35 kg of food grains to every Antyodaya Anna Yojana household (poorest of the poor) per month and 5 kg of food grains to every member of priority household (poor and vulnerable section) per month through a network of 5,00,000 fair price shops (FPS) in the country. These food grains are provided at a highly subsidised rate of Rs 3/kg for rice, Rs 2/kg for wheat and Rs 1/kg for coarse grains by the central government. PDS covers around 800 million entitled people in the country.⁹ NFSA has served to improve the general functioning of PDS to a huge extent. It has led to increased coverage of entitled people, a decline in exclusion error, a rise in the purchase-entitlement ratio and improvements in the transportation of food grains where states undertook proactive measures.

In the current situation, the Indian government has declared that it has got surplus food grains of 435 lakh

tons as on 23rd March 2020 of which 272.19 lakh tons is rice and 162.79 lakh tons is wheat.¹⁰ The PDS requirement for April is about 135 lakh tons of rice and 74.2 lakh tons of wheat. There is an availability of 646 lakh tons of food grains in the stock, which is 435 lakh tons more than the required. The government has enough supply to meet the demand and states can lift the quota in advance.¹¹

Ministry of consumer affairs, food and public distribution, government of India, is the key ministry and is at the frontline during this pandemic. The central government has announced several measures to deal with the food security situation in the country because of the pandemic and the associated lockdown. Some of these measures are as below.

Free distribution of additional 5 kg food grains per person and 1 kg of pulses per household under PM Garib Kalyan Ann Yojana scheme for next 3 months to 800 million entitled people covered under NFSA 2013 (Ref. FP No.7-1/2019(ii)-BP.III dated 30th March 2020) and they can lift quota of subsidised food grains for six months in one go. States and Union Territories have been allowed to lift food grains for three months in advance from food corporation of India (FCI) with close monitoring. In addition to the steps taken by the central government, different state governments have also taken steps at their level as below.

The Tamil Nadu government has issued an order to distribute Rs 1000/- each to rice cardholders and to supply rice, tur dal, oil, and sugar to all entitled families through FPS free of cost in April 2020. The token system will be adopted to avoid overcrowding at FPSs. Autorickshaw drivers, construction workers, and registered pavement hawkers will get a cash grant of Rs 1,000. Families of migrant workers, construction workers, and autorickshaw drivers have been handpicked by the Tamil Nadu government to be provided with 15 kgs of rice, 1 kg of dal, and free cooking oil.

Gujarat state government has decided to distribute 3.5 kg wheat and 1.5 kg rice per person and 1 kg pulse, 1 kg sugar and 1 kg salt per family free of cost from 1st April 2020, to all the ration cardholders. Extremely poor migrant workers from other states who came to Gujarat for jobs will also get food grains kit free-of-cost under Annapurna Yojana in April 2020 from the 17,000 FPSs in the state.

The Uttar Pradesh government is providing free ration to all the PDS ration cardholders. Nearly 522 community kitchens have been set up to provide food to the needy. The government has ramped up to 26,298 mobile vans and manual carts for doorstep delivery of fruits and vegetables.

Delhi government has decided to give 1.5 times more ration to entitled families under PDS and this will be

given free of cost. Also, free cooked food will be provided twice a day to the homeless in night shelters.

In Kerala, entitled people will continue to get the 30 kg of food grains, as mandated under PDS, along with the kit prepared by the state. The kit will have rice, wheat, sugar, salt, edible oil, pulses, and spices. Those entitled to get 2 kg of rice at subsidised rates now get 15 kg of rice for free. To prevent crowding, the government has devised a card number system for the distribution of ration.

FOOD SECURITY AND GOVERNANCE CHALLENGES

Food security has several dimensions including not just availability and access to food for nutrition and growth but also its use and stability over time. As many disaster research scholars have argued, while a disaster may seem like an 'equalizer' in terms of who it affects, in reality, it tends to impact different groups in different ways and to different degrees depending on social and economic factors.¹²

Panic return of the migrant workers from the cities to their villages has exposed some of the issues in the Indian Food Security System commonly known as PDS. As a part of one nation one ration card, the government has launched portability- ration can be brought from any shop for more than a year in most of the states. However, this could not stop migrants from traveling back to their villages in fear of job loss and starvation.

Due to exclusion errors and wrong calculations of the state-wise coverage (government of India insists on using the 2011 census figures), there are millions of poor people in India who are not registered under PDS scheme and as a result, they are not able to avail subsidised ration from FPS.¹³ For many PDS entitled people who are currently away from their area of residence, the lockdown has created a hurdle in taking their entitled food grains from their FPS.

Due to the COVID-19 pandemic, biometric authentication system for food grain distribution has been suspended. This will lead to an increase in leakages in PDS. The Bihar government ordered the sealing of more than 50 PDS shops for alleged rampant black marketing of food grains during ongoing lockdown imposed to contain the COVID-19 spread.¹⁴

Entire PDS depends upon good harvest followed by good procurement. April is the month of wheat procurement which will cater to the future PDS food grain requirements. Because of national lockdown and social distancing, the government is facing an uphill task in procuring wheat. Less procurement will create issues in the availability and supply of food grains for PDS in the coming months.

It has become difficult for the entitled people of PDS to

convert wheat grains, which they get under PDS, into wheat flour as the local chakki (wheat grinding) shops are closed due to the countrywide lockdown.

Some state governments have made provision for dry ration to be provided, but in the absence of detailed operational instructions, these benefits are not reaching the eligible beneficiaries.

CONCLUSION

Food security exists when all people, at all time, have physical and economic access to sufficient, safe and nutritious food that meets their dietary needs and food preferences for an active and healthy life.¹⁵ In the current situation of the COVID-19 pandemic, all the public resources are concentrated on mitigating the extent of damage. Further, economic activities are likely to remain at a low key in the coming months. The government should make policies to support the small and marginal farmers, wage laborers and migrant workers.

The government should facilitate the production entities, ensure smooth logistical operations of regional agricultural and food supply chains, increase resilience and mitigation of social disruptions by increasing local food productivity and water access. The government will have to make sure that the procurement cycle, as well as the crop cycle, keeps going as before so that the food security is ensured under any circumstances.

Approaches, like using technology to reach farmers directly with timely and tailored information, incentivizing trainers, and leveraging social networks to increase diffusion of information, can be used effectively.¹⁶ An unprecedented catastrophic event calls for an unprecedented response. This requires various components of government machinery to work in complete synergy for aligning different services, making provision for different supplies and then arranging different means of delivery to the citizens.

Restrictions on mobility under continuous lockdown are already leading to labor shortages. In a pessimistic scenario, this could lead to a cascading effect causing further distress to farmers and agricultural laborers over the coming years. However, going forward in time policymakers henceforth would be burdened with the additional task of incorporating once in a century kind of provisions in their plans because black swan events like these have the potential to completely disrupt economy, population, and societies. It remains to be seen how resources are allocated in the future so that the response is not catastrophic for the population at large.

RECOMMENDATIONS

To handle COVID-19 situation, following are the recommendations for better implementation of measures. In response to COVID-19 pandemic, the government of

India may universalize the PDS at least for one year to help the rural poor to overcome the economic distress. There is a need now to provide food grains to anyone who comes to the ration shops with or without a ration card. This year food grains stock of FCI approaches around 77 million tons in March before rabi harvest and there is a need to create extra space in FCI go down for rabi procurement. So, the government can release more stocks for free or at a nominal price over existing allocations.¹⁷ The universalization of PDS is the way forward and easily attainable.

In addition to non-government organizations, a network of community kitchens and self-help groups should be used for the delivery of food to the needy population. Food grains for this purpose may be provided through PDS.

In the current situation of lockdown, since chakki shops are closed, wheat grains cannot provide much help. Considering this situation, the government should distribute wheat flour/rice to the beneficiaries for the next few months.¹⁸ Social distancing at ration shops can be maintained by placing guiding markers in front of the shops. For community awareness about the new entitlements and COVID-19, social distancing, hand sanitization, etc. social media-based messages to the PDS shop keepers and to beneficiaries can be provided. Foot-operated sanitization stations can be installed in the PDS centers. It is expected from all food business operators to ensure that the persons handling food at any stage do not show any symptoms of COVID-19, and if any such cases are detected, strict measures to isolate them should be taken.¹⁹ There is a need to give some more relaxation to the agriculture sector during the lockdown so that farmers can start harvesting immediately. The government of India with the state governments can organize village wise procurement at minimum support price immediately.

Funding: No funding sources

Conflict of interest: None declared

Ethical approval: Not required

REFERENCES

1. Preventing global food security crisis under COVID-19 emergency | IFPRI: International Food Policy Research Institute. Available at: <https://www.ifpri.org/blog/preventing-global-food-security-crisis-under-covid-19-emergency>. Accessed on 9 March 2020.
2. Rogoff K: The COVID-19 recession could be far worse than 2008 - Here's why, World Economic Forum. Available at: <https://www.weforum.org/agenda/2020/04/mapping-covid19-recession>. Accessed on 9 April 2020.
3. Unctad.org | Coronavirus could cut global investment by 40%, new estimates show. Available at: <https://unctad.org/en/pages/newsdetails.aspx?OriginalVersionID=2313>. Accessed on 26 March 2020.
4. Global economy could shrink by 1% in 2020 due to coronavirus pandemic: UN. Business Standard India. Available at: https://www.business-standard.com/article/economy-policy/global-economy-could-shrink-by-1-in-2020-due-to-coronavirus-pandemic-un-120040200457_1.html. Accessed on 2 April 2020.
5. Beltrami S: How to minimize the impact of Coronavirus on food security. Available at: <https://insight.wfp.org/how-to-minimize-the-impact-of-coronavirus-on-food-security-be2fa7885d7e>. Accessed on 16 March 2020.
6. The Great Lockdown: Worst Economic Downturn Since the Great Depression. IMF Blog. Available at: <https://blogs.imf.org/2020/04/14/the-great-lockdown-worst-economic-downturn-since-the-great-depression>. Accessed on 14 April 2020.
7. India at a glance | FAO in India | Food and Agriculture Organization of the United Nations. Available at: <http://www.fao.org/india/fao-in-india/india-at-a-glance/en;2018>.
8. Gini Coefficient by Country 2020. Available at: <https://worldpopulationreview.com/countries/gini-coefficient-by-country>. Accessed on 22 April 2020.
9. Sales - Food Corporation of India: Available at: <http://fci.gov.in/sales.php?view=42>. Accessed on 22 April 2020.
10. States can lift PDS grains for three months on credit: Nirmala Sitharaman - Times of India. Available at: <https://timesofindia.indiatimes.com/business/india-business/states-can-lift-pds-grains-for-three-months-on-credit-nirmala-sitharaman/articleshow/74780692/cms>. Accessed on 23 March 2020.
11. FCI transports 6.71 lakh tonnes of food grains during lockdown - The Economic Times. Available at: <https://economictimes.indiatimes.com/news/economy/agriculture/fci-transport-6-71-lakh-tonnes-of-food-grains-during-lockdown/articleshow/74899204/cms>. Accessed on 30 March 2020.
12. Silverstein J: There's No Such Thing as a Purely Natural Disaster Anymore, Vice. Available at: https://www.vice.com/en_us/article/bjv4j5/theres-no-such-thing-as-a-purely-natural-disaster-anymore. Accessed on 17 October 2017.
13. Agarwal K: Coronavirus Lockdown: As Hunger Grows, the Fear of Starvation Is Real. Available at: <https://thewire.in/rights/covid-19-100-million-hunger-pds-universal>. Accessed on 16 April 2020.
14. Khan MI: COVID-19 lockdown: 50 PDS shops sealed in Bihar for illegal trade. Available at: <https://www.downtoearth.org.in/news/governance/covid-19-lockdown-50-pds-shops-sealed-in-bihar-for-illegal-trade-70274>. Accessed on 7 April 2020.
15. Rome Declaration on World Food Security, Plan of Action. Available at: <http://www.fao.org/3/w3613e/w3613e00/htm>. Accessed on 13 November 1996.
16. Announcing JPAL's Policy Insights | The Abdul Latif Jameel Poverty Action Lab. Available at:

<https://www.povertyactionlab.org/policy-insight/agricultural-information-and-extension-services>; 2018. Accessed on 7 April 2019.

17. Dreze J: Jean Dreze writes: Centre must unlock godowns and give food to poor. Available at: <https://indianexpress.com/article/opinion/columns/coronavirus-lockdown-food-for-poor-migrants-mass-exodus-jean-dreze-6353790>. Accessed on 9 April 2020.
18. PDS beneficiarie's woes: Free wheat of no use when flour mills shut due to lockdown. Deccan Herald. Available at: <https://www.deccanherald.com/National/national-politics/pds-beneficiaries-woes-free-wheat-of-no-use-when-flour-mills-shut-due-to-lockdown-819590/html>. Accessed on 31 March 2020.
19. Hussain S. Covid-19 pandemic. India has little to fear about its food security - Moneycontrol.com. Available at: <https://www.moneycontrol.com/news/business/economy/covid-19-pandemic-india-has-little-to-fear-about-its-food-security-5065411/html>. Accessed on 24 March 2020.

Cite this article as: Pathak P, Gope T, Bader N. Effect of COVID-19 on public distribution system in India. *Int J Community Med Public Health* 2020;7:2411-5.