

Food Security Bill; A Tool for Right to Live/ Liability

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Abstract

Every national of India has the fundamental right to have a healthy life. The food security Bill passed by the Indian government on 2nd September -2013 has given a legal confirmation to each and every person in our nation for the Right to Live through Right to Food with desired quality and quantity. It is the biggest ever experiment in the World to distribute highly subsidized food by any government through right based approach. It has attained two schools of thought in present Indian economic and agricultural scenario. One of these schools is 'NFSB is Right to Live' meant right intention of securing food for the poor. It is based on the perception that it promises a nationwide legal right to food and nutrition for large numbers with coverage of two third of Indian population and provision of purchasing 5kg of grain per person per month in a subsidized rate of 3 rupee per kg of rice, 2 rupee per kg of wheat and 1 rupee per kg of coarse cereal. Another school of thought 'NFSB-A Financial Liability', is based on the assumption that the government is already spending about 95,000 crore rupees on food subsidy, covering about 45 per cent of the population and it probably needs to spend another 30,000 crore rupees to cover 67 per cent of population if it manages a revamped delivery system with minimum leakage. Identification of the beneficiaries based on the socio-economic and caste survey is also associated with some of apprehensions like complexities in identification procedure, exclusion of nearly 35 per cent of house hold nationwide, who are benefiting from such subsidized food programmes at present. This bill is also bearing a criticism that the state as a monopoly buyer on such a massive scale would kill the private market for farmers as also small food grain exporters. The present paper is the examination of two schools of thought on National Food Security Bill (NFSB) in India.

Keywords: National food security bill, Right to live, Liability.

1. Introduction

Indian agriculture is by and large a tale of success. It has done amazingly well in terms of output expansion, regardless of weather and price shocks in the past few years (Economic survey, 2013). India's high economic growth rate in the past decade has not been fully reflected in the health status of its people especially on food security, with 22 per cent of its population undernourished (IFPRI, 2011). Food security is a complex sustainable development issue, linked to health through malnutrition, but also to sustainable economic development, environment, and trade. It can be defined as food security as existing "when all people at all times have access to sufficient, safe, nutritious food to maintain a healthy and active life". Commonly, the concept of food security is defined as including both physical and economic access to food that meets people's dietary needs as well as their food preferences (FAO, 2006). It has three components like 1) Food availability: sufficient quantities of food available on a consistent basis 2) Food access: having sufficient resources to obtain appropriate foods for a nutritious diet 3) Food use: appropriate use based on knowledge of basic nutrition and care, as well as adequate water and sanitation. According to the National Family Health Survey 2005-06, 40.4 per cent of children under the age of three are underweight, 33 per cent of women in the age group of 15-49 have a body mass index below normal and 78.9 per cent of children in the age group of 6-35 months are anaemic. These are disturbing statistics which point to nutritional deficiencies. The National Food Security Bill 2013 (also Right to Food Bill), signed into law September 12, 2013 aims to address this and marks a paradigm shift in addressing the problem of food security—from the current welfare approach to a rights based approach perhaps the most important national effort in India. It has attained two schools of thought in present Indian economic and agricultural scenario. One of these schools is 'NFSB is Right to Live' meant right intention of securing food for the poor. It is based on the perception that it promises a nationwide legal right to food and nutrition for large numbers with coverage of two-thirds of India's 1.2 billion population numbering around 800 million and provision of purchasing 5kg of grain per person per month in a subsidized rate of 3 rupee per kg of rice, 2 rupee per kg of wheat and 1 rupee per kg of coarse cereal (PIB, 2013). It will also confer legal rights on women and children and other Special Groups such as destitute, homeless, disaster and emergency affected persons and persons living in starvation, to receive meals free of charge or at an affordable price.

Another school of thought 'NFSB-A Liability', is based on the assumption that the government is already spending about 95,000 crore rupees on food subsidy, covering about 45 per cent of the population and it probably needs to spend another 30,000 crore rupees to cover 67 per cent of population if it manages a revamped delivery system with minimum leakage. Identification of the beneficiaries based on the socio-economic and caste survey is also associated with some of apprehensions like

complexities in identification procedure, exclusion of nearly 35 per cent of house hold nationwide, who are benefiting from such subsidized food programmes at present. This bill is also bearing a criticism that the state as a monopoly buyer on such a massive scale would kill the private market for farmers as also small food grain exporters. The present paper is the examination of two schools of thought on National Food Security Bill (NFSB) in India.

2. National Food Security Bill – 2013

The Bill seeks “to provide for food and nutritional security in human life cycle approach, by ensuring access to adequate quantity of quality food at affordable prices to people to live a life with dignity and for matters connected therewith and incidental thereto”.

2.1 NFSB - Right to Live/ Salient features

1. Right to food to become a legal right- The proposed bill aims to provide legal right over subsidised foodgrain to 67 per cent of the population. The bill provide uniform allocation of 5 kg foodgrain (per person) at fixed rate of Rs. 3 (rice), Rs. 2 (wheat) and Rs. 1 (coarse grains) per kg to 75 per cent of the rural population and 50 per cent of the poor in urban India – about 800 million people.
2. Continuance of Antyodaya Anna Yojana (AAY) – Protection to 2.43 crore poorest of poor families under the Antodaya Anna Yojana (AAY) to supply of 35 kg foodgrains per month per family would continue.
3. Nutritional support to pregnant women without limitation is among other changes proposed in the bill. The bill will extend subsidized food to pregnant women and children under the age of 16. They are entitled to a nutritious "take home ration" of 600 Calories and a maternity benefit of at least Rs 6,000 for six months. It is including those who really need nutritious food. The Bill proposes meal entitlements to specific groups. These include: pregnant women and lactating mothers, children between the ages of six months and 14 years, malnourished children, disaster affected persons, and destitute, homeless and starving persons. For children below six months, “exclusive breastfeeding shall be promoted”.
4. Endeavours to empower woman- The eldest woman in the household, 18 years or above, is the head of the household for the issuance of the ration card and entitled to secure food from the PDS for the entire household..
5. Bill seeks to utilize already existing infrastructures like PDS and Aanganwadis. This has prevented further wastage of money to develop the infrastructures. It suggested the reformation of Public Distribution System by application of information and communication technology tools, leveraging ‘Aadhaar’ for unique identification of beneficiaries for proper targeting of benefits under this Act to ensure transparency

6. The work of identification of eligible households has been left to the states The central government will provide funds to states in case of short supplies of food grains; The current food grain allocation of the states will be protected by the central government for at least six months; The state governments will provide a food security allowance to the beneficiaries in case of non-supply of food grains; There will be state- and district-level redress mechanisms and State Food Commissions will be formed for implementation and monitoring of the provisions of the Act (India today, 2013).

2.2 Proposed Mode of Operationalization

To operationalise NFSB, the Central Government would procure food grains for the central pool through its own agencies, the State Governments & their agencies; allocate food grains to the States as per the defined entitlements and at prices specified; provide for transportation of food grains to the designated depots in each State; and create & maintain required modern and scientific storage facilities at various levels. Under TPDS, it shall be the duty of the State Government to take delivery of food grains from the designated depots of the Central Government in the state at the prices specified in Schedule I, organize intra state allocations for delivery of such food grains through their authorized agencies at the door step of each fair price shop (FPS) and ensure actual delivery of food grains to the entitled persons at the prices specified. The local authorities shall be made responsible for proper implementation of the proposed legislation in their respective areas, to conduct periodic social audits on the functioning of fair price shops, TPDS and other welfare schemes, and publicize its findings and take necessary actions. But the central government has limited its responsibility to procurement for the central pool and delivery to the State government for distribution through the TPDS. The State Government is made responsible for collection of food grains from FCI depots and further ensure that the legal entitlements are enforced. NFSB directs cost sharing in overheads, survey costs and for welfare schemes. If the Central Government is unable to provide food grains from its Central Pool, it has to provide funds to the extent of short supply of food grains from its central pool to the State Government- that also as determined by itself. But if the State Government is unable to provide the entitled grains, then it has to pay a “Food Security allowance” to the excluded beneficiaries.

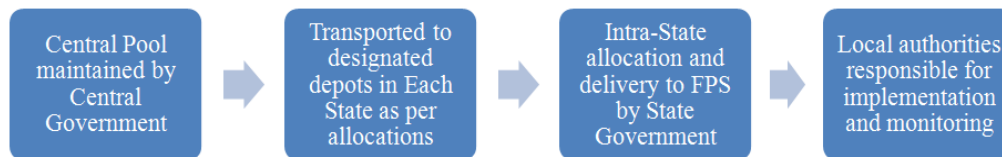


Figure 1: Modus Operandi under NFSB: Compiled from NFSB, 2011-As introduced in Lok Sabha.

Under the NFSB the government procures just one-third of the total production. The bulk of food grain trade is in the private sector and it will remain there. This is because the current allocation for the food schemes covered by the bill is about 56 MT of grain; this will increase to approximately 62 MT—an increase of just four MT. Thus it will help both the government and private food grain traders.

2.3 Apprehensions

- The Bill is open to the criticism that it doesn't go far enough. Instead of universalising subsidised food provision, it confines it to two-thirds of the population, and truncates it further by limiting the food quota to five kilos of grain per capita per month instead of the 35 kg per family demanded by right-to-food campaigners.
- NFSB will entail excessive wasteful expenditure of Rs 1.25 lakh crore, because a massive procurement of food grains and a very large distribution network entailing huge financial expenditure. It is important to ensure adequate availability of grain with the public authorities to fulfil the underlying obligation in the Bill. Given the current trends and volatility in rates of growth in food grain production and yields, the growing pressures on land & water in the wake of climate change, dependence on monsoon rains - there is a possibility that food grain availability on sustainable and stable basis would require lot of government intervention in augmenting production, enhancing procurement, and stocking large amounts of grains to meet the commitments of food distribution under this rights approach. This may have several undesirable side effects. This will aggravate India's growing fiscal crisis and further depress already faltering GDP growth, now down to four-five percent. This is a serious increase in a situation where the government does not have enough resources as it is. Eventually, this may work against the poor.
- Provision of distribution of benefits to beneficiaries assumes that India's entire population has bank accounts or that an "Aadhar" (digital unique-identity number)-based cash-transfer system will work flawlessly. But just about 40 percent of Indians have bank accounts. And Aadhar is full of holes. Its iris and fingerprint scans have proved unreliable. Identity cards have been issued bearing pictures of trees and dogs; men have been misidentified as women.
- Some members of the WTO, especially developed nations that are big commodity exporters, have raised concerns that its large stocks of wheat and rice could lead India to dump those on global markets. Also, according to them, the food law that guarantees grains to nearly 70% of the country's more than 1.2 billion people at nearly throwaway prices would artificially lower local prices and damp demand for their products in one of world's largest markets (First post economy, 2013)
- NFSB imposes a highly centralized model discouraging customized state level initiatives. It leaves no room for experimentation/customization for the States suited to their specific choices, institutional strengths and weakness. Once the

Act comes into effect the existing schemes pursued by the states will suffer considerably. For example, Tamil Nadu (TN) follows a "Universal PDS" system with no BPL/APL classifications – which is different from TPDS. But under NFSB, TN would have to put an end to this system.

- NFSB allows State Governments to design their own schemes but it is rendered practically ineffective as it essentially imposes an obligation on the State Government to procure food grains from FCI only for TPDS and procure for its own system separately- for which literally there would be not much grain left. It would additionally impose a financial burden on the states as they will need to procure the entire requirement of food-grains at their own cost and pay through the state treasury rather than incrementally subsidize the same.
- The state governments distribute Food Security allowance that cash to ultimate beneficiaries without having developed a proper financial structure for that remains unclear. Also by this bill is deviating from its purpose. Bill is to provide access to food not money in lieu of food.
- Identification of the beneficiaries based on the socio-economic and caste survey is also associated with some of apprehensions like complexities in identification procedure, exclusion of nearly 35 per cent of house hold nationwide, who are benefiting from such subsidized food programmes at present
- Critics argue that eradication of malnutrition needs more than just removal of hunger. Food security is necessary but not sufficient for nutrition security.

3. Conclusion

In the country where the mortality rate, discrimination against women and child malnutrition is at a shameful level, the guarantee by state in form of NFSB is a great leap forward. It includes those who really need nutritious food. The bill is likely to cost the government Rs 1.25 lakh crore each year. But this entire amount is not new expenditure for the government. India is already spending close to Rs 1.16 lakh crore on schemes that are listed as “entitlements” under the FSB, for instance, food subsidy (Rs 85,000 crore), mid-day meal (Rs 13,215 crore), Integrated Child Development Scheme (Rs 17,700 crore) and maternity entitlements (Rs 450 crore). So, the additional expenditure is around Rs 8,635 crore, an increase of only 0.09 percent of the GDP. For making more effective implementation of the NFSB, it could link it to education as in Bangladesh where school children and their families were given access to subsidized food. The bill should have included subsidized rates for pulses which for many of the poorest are their only source of protein and highly nutritious. The price of pulses has gone up, making them out of reach for many. This in turn assures the nutritional security along with food security. There should be a need to reduce the leakages from the distribution system and make it transparent with sufficient measures to implement. For reducing loopholes in PDS system government must take lessons from Chattisgarh government where after the delivery is made to PDS branch, all the beneficiaries get a

message through mobiles about the same, so they know about it and reach to PDS branch on time. Community based agricultural programs and teaching about sustainable farming shall enhance production in the country. And this in turn would bring down the prices of various essential commodities and people can be self sufficient themselves.

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