



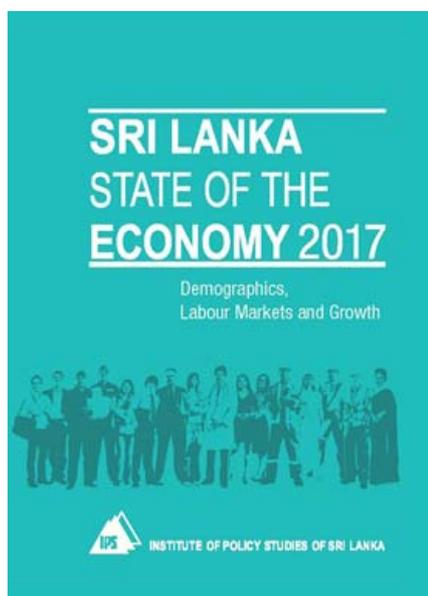
29 SEPT 2017

POLICYINSIGHTS

INSTITUTE OF POLICY STUDIES OF SRI LANKA

CONFRONTING FOOD INSECURITY IN SRI LANKA: A FORMIDABLE CHALLENGE

From the IPS flagship publication 'Sri Lanka: State of the Economy 2017 Report'



Despite the fact that Sri Lanka has done commendably well on most human development indicators and health indicators, the food security situation in the country has not indicted much progress over the years as depicted by the two most widely used food security indices; Global Hunger Index (GHI) and Global Food Security Index (GFSI). The GHI ranks Sri Lanka at 84th position among 118 countries. The GFSI shows a marginal progress in the index score from 2012 to 2016 to remain at 65th position among 113 countries and to be categorized as a moderate performer in 2016.

Threats to Achieving Food Security in Sri Lanka

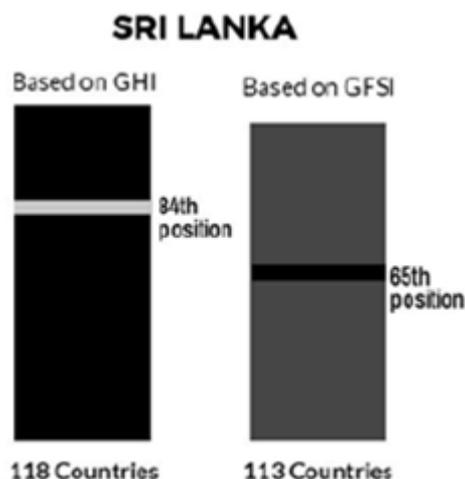
Despite improved food availability in the country, whether Sri Lanka is producing enough food is a serious

challenge due to the constantly rising national requirement owing to population growth and the growth of real per capita income. Increasing production could be achieved by either increasing the land extent or by improving productivity or a combination of both. However, the extents cultivated for major food crops have been constant since 2000 due to the lack of new arable land which is partly a result of limited expansion in irrigated areas in recent times.

The yield levels of domestically grown food crops, including rice, have stagnated during recent times at unimpressive levels even by developing country standards. Therefore, domestic production will not be able to meet national requirements even under present levels of per capita food consumption, creating serious stability problems in food availability and access in future unless there is a substantial increase in present yield levels.

Another reason is that the diversification of food at the farm level has been still limited due to various constraints such as young people leaving agriculture, lack of market orientation in cultivation, problems related to resources such as land and water, market imperfections, uncompetitive agricultural enterprises and other opportunities created by rapid growth of the non-farm sector. The lack of diversification has created a significant gap between what is available for the people to eat and what needs to be available to ensure proper nutrition levels.

Further, other supply side factors, such as climate change impacts, and ad hoc changes of import duties and non-tariff barriers, increase food prices. Higher food prices can raise the cost of a diet causing poor households to limit their food consumption and shift to less nutritious and unhealthy diets. Also, there are regional and seasonal



differences in the affordability of a nutritious diet.

Policy Recommendations

The fact that around 30 per cent of the labor force of Sri Lanka is still engaged in agriculture and is producing about 80 per cent of the food requirement for over 20 million people should not be ignored when drawing up development policies and strategies for Sri Lanka; particularly those relating to end hunger and to reduce malnutrition. Therefore, the development of sustainable agriculture should be viewed as the central element of food security as Sri Lanka has a large food production sector which is the backbone of the country's food availability, accessibility and stability.

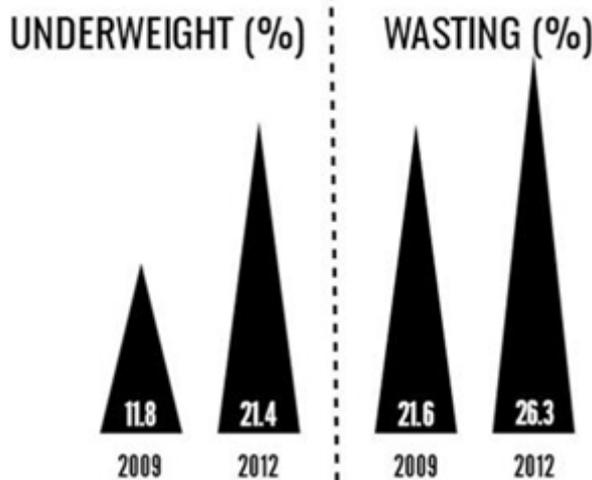
In pursuing food security policies, public investment allocations should be transitioned from output and input price subsidies towards strengthening



contracts, dedicated economic centres and contract grower systems.

Reforming the current incoherent land and irrigation policies should be done to foster a shift from low value to high value agriculture while addressing the issues of low productivity, efficiency and equity implications for

Large numbers of different agencies are involved in enforcing and implementing food security policies and programmes resulting in serious problems of coordination. Therefore, a food security policy package should be adopted by the state as one of the top policy priorities for a stipulated time horizon. Finally, the problem of coordination and inter-agency friction has to be eliminated by downsizing the number of agencies or/and integrating all the policies and programmes in individual ministries related to food security in Sri Lanka under a single institutional umbrella, at the highest levels of political authority in the country.



economically profitable and socially justifiable interventions, particularly agricultural infrastructure development (e.g., irrigation and storage facilities) and agricultural research and extension. Private sector participation and public-private partnerships (PPPs) should be promoted where feasible to create a facilitatory environment, especially to improve healthy food preferences and efficient and stable modern value chains through different approaches such as trader-farmer

marginalized and vulnerable groups. Developing a national strategic food reserve (buffer stocks), prioritizing implementation of the national climate adaptation plan and community-based resilience-building, strengthening existing indemnity-based insurance programmes and promoting index-based agricultural insurance programmes would be important initiatives to stabilize food availability and access.

This Policy Insight is based on the comprehensive chapter on "Tackling Food Insecurity: Achievements and Challenges Ahead" in the 'Sri Lanka: State of the Economy 2017 Report' - the flagship publication of the Institute of Policy Studies of Sri Lanka (IPS). The complete report can be purchased from the publications section of the IPS, located at 100/20, Independence Avenue, Colombo 7. For more information, contact the Publications Unit on 0112143107/0112143100.



100/20, Independence Avenue, Colombo 7,
Sri Lanka
T: +94 11 2143100 / 2665068,
F: +94 11 2665065
www.ips.lk