

Food Security as a Pathway to Productive Inclusion: Lessons from Brazil and India

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Although Brazil and India have quite different agrarian structures and specific classifications for farmers (see the table), in both countries the proportion of generally disadvantaged rural groups in the total population, especially smaller-scale producers, is significant. The two countries have instituted large-scale procurement programmes whereby the government purchases agricultural goods that support farmers' livelihoods by offering advantageous market alternatives. These initiatives reconcile trade opportunities for producers with the provision of goods to vulnerable populations.

India has what is considered the largest school feeding programme in the world, Mid-Day Meal (MDM), a centrally sponsored scheme that targets primary-school children in government-aided and local-body schools. It provides one meal per school day to more than 110 million children. Brazil also has a widespread scheme, the National School Feeding Programme (PNAE), which guarantees school meals for all students enrolled in public basic education. It has ensured that about 47 million students, roughly a quarter of the country's population, have access to a daily meal.

India implements another major in-kind allocation programme, the Targeted Public Distribution System (TPDS), which is also regarded as one of the world's largest distribution networks of its type. This scheme provides a monthly allowance of wheat, rice, sugar and kerosene to 160 million families, mainly those identified as living below the poverty line. Brazil, for its part, has introduced the Food Acquisition Programme (PAA), which each year donates a range of food items to more than 13 million people.

These programmes follow unique policy approaches in each country, leading to specific implementation strategies and development impacts. In particular, the scale of the procurement is envisaged and implemented in quite distinct ways. In India, government procurement is conceived in nationwide terms and is open to all profiles of farmers, which in practice means that purchases are mainly from the best performing agricultural regions.¹ These operations offer significant trade opportunities, since they are part of an annual flow of more than US\$5 billion. Despite its scope, the TPDS faces a number of procurement challenges, including leakage of grains and grain-quality problems (Souza and Chmielewska, 2011).

In Brazil, the public procurement of food is perceived as a tool to stimulate local development by promoting short supply chains. The PAA and PNAE have targeting mechanisms that seek to guarantee the participation of marginalised farmers. The PAA only buys food locally from family farmers and related categories, while the

General Comparison of Agrarian Structures in Brazil and India

	Brazil	India
Total number of rural establishments	5,175,489	129,222,237
Categories	Family farmers	Marginal, small, semi-medium and medium holdings
Average size (hectares)	18	0.38; 1.38; 2.68; 5.74 (respectively)
Number of rural establishments (proportion of rural establishments)	4,367,902 (84.4%)	128,126,459 (99%)
Categories	Agribusiness	Large holdings
Average size (hectares)	310	17.08
Number of rural establishments (proportion of rural establishments)	807,587(15.6%)	1,095,778 (1%)
Proportion of the rural population	15.65%	72.2%

Source: Souza and Chmielewska (2011).

PNAE has a quota system that ensures a minimum of 30 per cent of government spending is used to procure goods from these groups, mainly at the local level. This approach is quite new in PNAE, having been implemented only as of 2009, but the PAA has already proven itself able to supply a diverse range of locally consumed quality goods and to offer important trade opportunities to farmers. Despite the successes, these initiatives still face challenges. The most vulnerable family farmers have difficulties in accessing the PAA, and payment delays are recurrent. As regards the PNAE, so far only about 25 per cent of municipalities are buying food products from family farmers. Barriers range from precarious logistical infrastructure to the difficulties that family farmers face in delivering the agreed products (Souza and Chmielewska, 2011).

These national experiences have much potential for further exploration by developing countries. Both of them show that government procurement in food-security programmes can offer critical market alternatives to farmers. The Brazilian experience can be explored particularly as regards its emphasis on local trading alternatives for producers who otherwise would have precarious access to markets. This experience has shown that by linking local food production with food distribution, and taking into consideration the types and amounts of food available and the capacity of producers to participate in these schemes, it is possible to support marginalised farmers and supply appropriate goods for food schemes.

Reference:

Souza, D. and D. Chmielewska (2011). 'Public Support to Food Security in India, Brazil and South Africa: Elements for a Policy Dialogue', *IPC-IG Working Paper 80*. Brasilia, International Policy Centre for Inclusive Growth.

Note:

1. India has implemented the Decentralised Procurement Scheme since 1997–1998 in order to encourage procurement in non-traditional states. Nearly 80 per cent of the TPDS-purchased grains, however, originate in a small number of states.