



BANGLADESH

INTEGRATED FOOD POLICY RESEARCH PROGRAM | WORKING PAPER 014

JULY 2024

Diagnostic Study of DG Food

An assessment of DG Food's current mandates, performance, and capacity gaps, and a remedial program to strengthen the agency

Shoumi Mustafa, AMM Shawkat Ali, Kazi Nurul Islam, Paul Dorosh, Shahidur Rashid, and Nabila Afrin Shaima



CONTENTS

Acronyms and Abbreviations	vii
Executive Summary.....	1
Chapter 1. Overview and Mandates	5
1.1 Introduction.....	5
1.2 History of DG Food.....	6
1.2.1 DG Food’s role as the custodian of PFDS: Constitution and SDG	9
1.2.2 The Modern Food Storage Facilities project (MFSP)	10
1.2.3 Structure of the report.....	11
Chapter 2. Structure, Conduct and Performance of DG Food	12
2.1 Introduction.....	12
2.2 Structure.....	12
2.3 Decisions and Management	13
2.4 Budget.....	14
2.5 Special Activities	15
2.6 Procurement.....	16
2.7 Distribution	22
2.7.1 Distribution through Monetized Channels	23
2.7.2 Distribution through Non-Monetized Channels.....	24
2.8 Storage.....	25
2.9 Movement	28
2.10 Challenges: Difficulties in Implementation	29
2.10.1 Challenges to Procurement.....	29
2.10.2 Challenges to Movement	30
2.10.3 Challenges to Distribution	30
2.10.4 Challenges to Storage.....	30
2.10.5 Other problems	30
2.11 Transparency Issues	34
2.12 SWOT (Strength, Weakness, Opportunities and Threat) Analysis	34
Chapter 3. Workforce: Numbers, Vacancies, and Promotions	37
3.1 Introduction.....	37



3.2	Workforce Structure.....	37
3.2.1	Class I posts	38
3.2.2	Class II posts	39
3.2.3	Class III posts	39
3.2.4	Class IV posts.....	40
3.3	Issues with Vacancies and Redundant Posts	40
3.4	Recruitment Challenges	43
3.5	Appointment of the Director General	44
3.6	Other Barriers to Promotion.....	44
3.7	Placement of Officers	45
Chapter 4.	Cross-Cutting Issues.....	46
4.1	Introduction.....	46
4.2	The Computer Network Unit	46
4.2.1	CNU: Charter of Duties	47
4.2.2	Current State of CNU.....	47
4.2.3	Achievements of CNU	47
4.2.4	What does the future hold for CNU?	48
4.3	Role of DG Food in food safety.....	48
4.4	Modern Food Storage Facilities Program (MFSP)	49
4.4.1	Manpower under MFSP	50
4.4.2	Digitalization under MFSP	51
4.5	Training	52
4.6	Improvised Management Practice	53
Chapter 5.	Summary, Recommendations and Conclusions	55
5.1	DG Food's Mandate	55
5.1.1	Recommendations: Mandate	55
5.2	Operations of the DG Food.....	56
5.2.1	Summary: Procurement.....	56
5.2.2	Recommendations: Procurement.....	56
5.2.3	Summary: Distribution	57
5.2.4	Recommendations: Distribution	58



5.2.5	Summary: Storage.....	58
5.2.6	Recommendations: Storage	58
5.2.7	Summary: Movement.....	58
5.2.8	Recommendations: Movement	59
5.3	Workforce Issues.....	59
5.3.1	Summary: Workforce	59
5.3.2	Recommendations: Workforce.....	59
5.4	Cross-Cutting Issues	60
5.4.1	Summary: Computer Network Unit	60
5.4.2	Recommendations: Computer Network Unit	60
5.4.3	Summary: Modern Food Storage Facilities Project (MFSP), Training, Food Safety ...	60
5.4.4	Recommendations: Modern Food Storage Facilities Project.....	60
5.4.5	Summary: Food Safety	61
5.4.6	Recommendations: Food Safety.....	61
5.4.7	Summary: Training—Manpower and Resources.....	61
5.4.8	Recommendations: Training—Manpower and Resources	61
5.5	Improvised management practices	61
5.5.1	Summary: Improvised management practices	61
5.5.2	Recommendations: Improvised management practices	62
5.6	Future role of the DG Food.....	62
5.7	Comparison with international practices	63
5.8	Conclusions.....	65
Appendix - A.	Supplementary Tables and Figures.....	67
Appendix - B.	Organograms	79
Appendix - C.	Reporting System	85
Appendix - D.	Consultations.....	90
References	93
About the Authors	95
Acknowledgments	96



TABLES

Box 1.a: Mandate of the DG Food (from the Enam Committee Report, 1983).	5
Table 1.1 Administrative Structure in Bengal Province (1788-1947), East Pakistan (1947-70) and Bangladesh (1971-till date)	7
Box 1.b: Estimates of Poverty Reduction.	9
Box 1.c: The assessments of the private think-tanks.	10
Table 2.1 Operations and Decisions.....	13
Table 2.2 Distribution of DG Food Budget over Regular and Special Activities: Revised Budget of 2021-22.....	14
Table 2.3 Distribution of Regular Activities in Annual Budget: Revised Budget 2021-22.	15
Table 2.4 Distribution of Special Activities in Annual Budget: Revised Budget 2021-22.	15
Table 2.5 Domestic, International, and Total Procurement: 2009-10 to 2021-22. In Million Tons.....	16
Table 2.6 Estimates of Monthly Import of Rice: Observations from August 2007 to June 2022.	18
Table 2.7 Correlations Between the Ratios: Market Price to Procurement Price and Actual Procurement to Target Procurement for Aman and Boro Rice Varieties.....	21
Table 2.8 Distribution of Public Foodgrains between 2009/10 and 2021/22.....	22
Table 2.9 Public Foodgrain Distribution by Channels of Distribution: 2020-21.....	23
Table 2.10 Distribution of CMU Officials and Employees.	26
Table 2.11 Distribution, Movement, and their Ratio for Rice and Wheat for Selected Years...	29
Table 2.12 SWOT Analysis	36
Table 3.1 Officer and Employee Groups	38
Table 3.2 Vacancies in DG Food: By Classes of Officers and Employees.....	40
Table 3.3 Distribution of the number of Posts: 2018 Recruitment by DG Food.....	44
Table 4.1 Distribution of CNU Officials and Employees.....	46
Table 4.2 Distribution of Planned Silos under the Modern Food Storage Facilities Project (MFSP).	49
Table 4.3 Newly Proposed Posts Compared with Existing Sanctioned and Filled Posts (modified).	51
Table 5.1 Per Capita Domestic Consumption of Foodgrains in Selected Countries, 2000 and 2023.	63
Table A.1 Statistics of the Civil Officers and Staff (2022) for the Directorate General of Food	67



Table A.2 Description of the employees allocated for 8 modern steel silos.....	73
Table A.3 Description for the IT personnel proposed by MFSP	75
Table A.4 Manpower assigned for the Dhaka Rationing Office	76
Table D.1 Consultation schedule for the DG Food Diagnostic Study at the DG Food Head Office	90
Table D.2 Agenda for the trip to Rangpur and Rajshahi for DG Food Study Consultations....	90

FIGURES

Figure 2.1 Annual Total Procurement and Total Distribution by DG Food: 2008-2021.	16
Figure 2.2 Total Procurement and Domestic Share.....	17
Figure 2.3 Domestic Procurement Target and Actual Procurement of Rice: 2008-2021.....	19
Figure 2.4 Domestic Procurement Target and Actual Quantity of Paddy: 2008-2021.	19
Figure 2.5 Domestic Production and Domestic Procurement: Rice 2008-2021.....	20
Figure 2.6 Procurement Price, Market Price, Targets, and Actual Procurements.	21
Figure 5.1 Per Capita Domestic Consumption of Foodgrains in Selected Countries, 2000 and 2023.	64
Figure 5.2 Per Capita Domestic Consumption of Foodgrains in Selected Countries, 2018 to 2023.	65
Figure 5.3 Per Capita End Public Stocks of Foodgrains in Selected Countries, 2018 to 2023.	65
Figure A.1 OMS Process Map for Dhaka City.	77
Figure A.2 The Operation Plan and decision-making process in PFDS.....	78
Figure B.1 Divisions and Departments directly reporting to the Director General.	79
Figure B.2 Divisions and Departments directly reporting to the Additional Director General.	80
Figure B.3 Organogram of the RC Food Dhaka and Mymensingh Offices.	81
Figure B.4 Organogram of the RC Food Chittagong and Sylhet Offices.	82
Figure B.5 Organogram of the RC Food Rajshahi and Rangpur Offices.	83
Figure B.6 Organogram of the RC Food Khulna and Barishal Offices.....	84
Figure C.1 Sample of the Daily Stock Report.....	85
Figure C.2 Sample of the Daily OMS report.	86
Figure C.3 Sample of the Daily Internal Procurement Report for Boro rice and Wheat.....	87



ACRONYMS AND ABBREVIATIONS

ARO	Area Rationing Officer
BFSA	Bangladesh Food Safety Authority
BIDS	Bangladesh Institute of Development Studies
CCDR	Chief Controller of Dhaka Rationing
CSD	Central Storage Depot
DG Food	Directorate General of Food
DWA	Department of Women Affairs
EP	Essential Priorities
ERP	Enterprise Resource Planning
FAO	Food and Agriculture Organization
FCI	Food Corporation of India
FFP	Food Friendly Program
FSA	Food Safety Act
G2G	Government to Government
GoB	Government of Bangladesh
GR	Gratuitous Relief
IFPRI	International Food Policy Research Institute
IFPRP	Integrated Food Policy Research Program
JV	Joint Venture
LSD	Local Supply Depot
MFSP	Modern Food Storage Facilities Project
MoDMR	Ministry of Disaster Management and Relief
MoF	Ministry of Finance
MoFood	Ministry of Food
MoPA	Ministry of Public Administration
MT	Metric tons
NFNSP	National Food and Nutrition Security Policy
NSSS	National Social Security Strategy
OMS	Open Market Sale
OP	Other Priorities
PFDS	Public Foodgrain Distribution System



PMU	Project Management Unit
PPR	Public Procurement Rules
RNI	Recommended Nutrient Intake
SDGs	Sustainable Development Goals
UIUC	University of Illinois at Urbana-Champaign
UNO	Upazila Nirbahi Officer
VGD	Vulnerable Group Development
VGf	Vulnerable Group Feeding
VWB	Vulnerable Women Benefit
WFP	World Food Programme
WHO	World Health Organization



EXECUTIVE SUMMARY

This study conducts an assessment of the current mandates, performance, and capacity gaps of the Directorate General of Food (DG Food) and suggests remedies to strengthen the agency.

Formed originally as the *Supply Department* in undivided Bengal under British rule in the early 1940s, the organization was named the *Directorate General of Food* by the provincial government of East Pakistan in 1956. Upon the independence of Bangladesh in 1971, DG Food became a part of the *Ministry of Food and Civil Supplies* and was later renamed as the *Directorate General of Food* in 1975. The last major reorganization of the agency took place in 1984. The current mandates and organogram are from 1984.

As the custodian of the Public Food Distribution System (PFDS), DG Food plays an important role for the Government of Bangladesh (GoB). Under the *Social Safety Net Programs (SSNP)* of the GoB, DG Food ensures food security for vulnerable populations. In its sprawling countrywide network of 650-plus traditional warehouses, DG Food has an effective storage capacity of 1.9 million tons. In recent years, DG Food has procured and distributed approximately 3.0 million tons of foodgrains per year. A very large organization, DG Food has a sanctioned workforce of over 13,000 officers and employees, and an annual budget of approximately 1.5 billion U.S. dollars.

DG Food's responsibilities and activities have alternatively grown and shrunk over the post-independence years. There have been three distinct phases of PFDS policy priorities over the period. Between 1971 and 1991, DG Food battled chronic cereal shortages by distributing foodgrains, mostly wheat received from food aid. During the next decade and a half – from 1992 to 2006 – DG Food's role was substantially reduced as the GoB liberalized private imports, closed down rationing and reduced urban programs such as Open Market Sales (OMS). The third phase of the post-independence period, characterized by large-scale procurement and distribution began with the global food crises of 2008 and continues to date.

With a four-decade old set of mandates, complying with changing GoB priorities has often created gaps and shortcomings for DG Food. The mandates do not reflect current realities: there is no accommodation for the reduced rates of poverty, hugely increased agricultural outputs, a thriving private sector in foodgrain trade and storage, and the fast-growing overall economy. This study accomplishes the important goal of identifying those gaps and suggesting remedies.

The foremost strength of DG Food appears to be its ability to procure enough foodgrain to meet distributional needs. This is a significant achievement because distributional needs have increased substantially in recent years, especially after the introduction of the Food Friendly Program (FFP) that delivers 30 kilograms of rice for five months in a year to five million households, requiring 750,000 tons of rice annually. The Covid-19 crisis increased the extent of urban poverty as well, requiring DG Food to increase distributions under its Open Market Sales (OMS) operations.

Detailed analyses of procurement, however, show major gaps in DG Food operations. The agency has missed its domestic procurement target of rice for 10 of the 14 years between 2008 and 2021. Consequently, the agency has had to rely extensively on international procurement. Importantly, international procurements are usually handled as an emergency measure, reflected in the observation that monthly imports of rice by the government are not correlated with international market prices but with the level of PFDS stocks. As monthly stocks fall, monthly imports of rice by the government increase but four months later. Public imports of rice, therefore, do not respond to changes in international price, a rational economic outcome, but are observed to vary with the level of its own stock, an example of improvised decision-making in an attempt to handle emergency situations.

Improvised decision-making is observed also in distribution, movement, and storage. In moving food-grains among facilities, for example, DG Food uses a series of separate movement orders rather than the solution of an optimization program. Similarly, storage facilities, lacking in the necessary manpower, use security guards for specialized work. Distribution activities also suffer from improvised practices when large new programs are introduced, or existing programs are expanded without concomitant expansion of resources. Human resource management also combines a series of improvised practices, as the agency fills barely 50% of its sanctioned workforce. The failure to recruit new posts and abolish long-term vacant posts, sometimes for a period extending more than three decades, forces the agency to engage in improvised practices such as attachment.

Analyses of cross-cutting issues show longstanding weaknesses in the use of technology. The Computer Network Unit (CNU), in charge of technology – policy, maintenance, and development – has worked with only one permanent staff (officer) for 17 years. Training is another component the agency needs to revamp. In addition to having inadequate manpower and facilities to provide training for a huge workforce, most of the posts assigned to the department are temporary and need renewals every year.

One important source of optimism for the agency is the implementation of the Modern Food Storage Facilities Project (MFSP). The large, expensive project is expected to increase DG Food's storage facilities by almost 25%; the new facilities with temperature and humidity controls would increase shelf-life of grain to almost two years, allowing DG Food to create strategic reserves for emergency use. MFSP also has a very strong technology component and would bring DG Food to the electronic age with electronic record keeping, tracking of shipment, movement planning, and the installation of an Enterprise Resource Plan (ERP). The implementation of the MFSP also creates potential for newer roles for DG Food.

In light of the analysis presented in the study, a series of separate recommendations are presented. The recommendations are provided in groups, following the composition of the report itself. There are separate sets of recommendations for the Mandates, the four core functions of Procurement, Distribution, Movement, and Storage, the Workforce, Cross-cutting Issues, and the Potential future role of DG Food.

Recommendations:

- Mandates
 - Include strategic reserves.
 - Include digitalized management system.
 - Drop all non-rice and non-wheat reference.
- Procurement
 - Tendered domestic procurement as a pilot.
 - Invest in paddy drying and collection.
 - International: Tenders be the norm & G2G for emergencies.
- Movement
 - ERP for optimum movement planning.
 - New contracts for carrying contractors.
- Storage
 - Plan for strategic reserves.
 - Plan for withdrawal of security guards.
- Distribution
 - Permanent staff for FFP.
 - Increased accountability for OMS without affecting the openness aspect.
 - Essential Priorities (for defense and law enforcement agencies) be dropped.



- Workforce
 - Comprehensive study to assess workforce needs.
 - Redundant posts to be abolished.
 - New organogram.
- Cross-cutting issues: Technology
 - Decision on CNU's role post-MFSP implementation.
 - Must have necessary personnel.
- Cross-cutting issues: Training
 - Training department to be revamped.
 - Study for assessing training need assessment for DG Food workforce.
- Cross-cutting issues: MFSP
 - Decision on how to integrate MFSP silos in DG Food planning.
 - Comprehensive study for assessing strategic reserve needs.
- DG Food future role
 - Managerial role in strategic reserve, benefit transfer, and food safety.
 - Role in rice fortification for PFDS.
 - Leader of cost-cutting efforts through information management systems.

Importantly, while DG Food authorities mostly agree with the basic analytical conclusion of the report including the widespread use of improvised decision-making and especially emergency import management for meeting distributional needs, they do not agree with recommended use of the modern silos from the Modern Food Storage Facilities Project (MFSP) in keeping strategic reserves. The authorities are also not hopeful about the timely implementation of technology components of MFSP including real-time tracking, online data submission, and the Enterprise Resource Planning (ERP) software. The seven modern silos being built under MFSP feature temperature and humidity controls and will increase shelf-life of stored grains to two years. The study recommends that DG Food uses the new silos for keeping strategic reserves. However, DG Food authorities oppose the recommendations on cost considerations. They are also unsure if parboiled rice can be stored in bulk in the modern silos. Moreover, DG Food authorities maintain that existing traditional warehouses and silos can be used for keeping strategic reserves as existing concrete silos can store wheat for two years, and total monthly stocks of rice and wheat have routinely been held at 1.3 million tons, negating any need for keeping separate strategic reserves (in the modern silos).

Although arguments proffered by DG Food are mostly consistent with the current situation, two very likely external threats strongly underlie the case for keeping strategic reserves in the modern silos. The report establishes that even during “normal weather” years, DG Food relies extensively on imported rice for emergency management of domestic procurement shortages. The first of these two threats, the looming climate crisis, can increase the domestic shortage in a very substantial way in the coming years. According to the World Bank publication, *Country Climate and Development Report for Bangladesh*, “By 2050, one-third of agricultural GDP may be lost due to climate variability and extreme events”.¹

The usual alternative to domestic shortage, the international market, does not also look promising. Extreme weather events affecting domestic output in Bangladesh is likely to affect agricultural production in India, the largest exporter of rice, as well. India has also frequently changed its rice export policy. In September 2022, India imposed a 20% duty on the export of non-Basmati White rice, and

¹ World Bank Group. (2022, October 31). *Key highlights: Country climate and development report for Bangladesh*. World Bank. <https://www.worldbank.org/en/news/feature/2022/10/31/key-highlights-country-climate-and-development-report-for-bangladesh#:~:text=The%20cost%20of%20climate%20change,of%20employment%20in%20the%20country>



in July 2023, prohibited completely the export of the variety. Although non-Basmati parboiled rice has stayed outside the ban order, rising scarcities in the domestic market could cause policymakers in India to change course.

Another important point involves what DG Food authorities refer to as security reserves – the average monthly closing stock of 1.3 million tons. It should be clear that the 1.3 million ton stock is a component of the annual distribution package of the PFDS, and the monthly level of stocks remains constant only because it is replenished intermittently. If there were problems with replenishing the stock, because of a crop loss or the failure to import, the 1.3 million ton security reserve cannot be held anymore. Any strategic reserve not explicitly tied to meeting distributional needs, in contrast, can be held for a longer period or be distributed in an emergency.

In response to the major concerns voiced by DG Food officials about the need for large storage facilities (silos) and the proposed management software, it can be stated that although new analysis of the total size and number of storage sites is beyond the scope of this study, decisions on whether or not to proceed with these investments clearly have wide-ranging implications for future planning of DG Food structure and operations. Further analysis of options for strategic reserves (and even the structure of DG Food) will be a high priority once these major decisions have been made.

CHAPTER 1. OVERVIEW AND MANDATES

1.1 Introduction

This study is a part of studies carried out under the Integrated Food Policy Research Program (IFPRP); a component of the Modern Food Storage Facilities Project (MSFP) now being executed by the Directorate General Food (DG Food) under the Ministry of Food (MoFood). The principal objective of this study is to assess the performance and capacity gaps of DG Food and to suggest effective measures to strengthen the agency.

The current mandate of DG Food, in effect since 1983, gives the agency the task of managing and operating the overall food system of Bangladesh. In addition, the mandate gives DG Food the task of implementing national food policy strategies, establishing uninterrupted supplies of foodgrains, ensuring the stability of the market price of food in general, and procuring and providing foodgrains and other food items. However, while its mandate gives DG Food lofty responsibilities, the organization performs essentially four core functions, namely procurement, storage, movement, and distribution of foodgrains, rice and wheat only for the Public Food Distribution System (PFDS) of the Government of Bangladesh.

Importantly, the four core functions are at best partially related to elements of the following elements of the mandate: 1) *Procurement and distribution of food grains and other food item including sugar, edible oil, salt etc.*, and 2) *To ensure supply of foodstuff through rationing and other distribution channel*. In the process of executing the four core functions, DG Food handles the food budget, accounts and finance, and provides some price support to growers of foodgrains; these responsibilities are specified in the mandate; please see Box 1.a.

Box 1.a: Mandate of the DG Food (from the Enam Committee Report, 1983).

DG Food oversees the procurement, distribution, storage, and movement of foodgrains on behalf of the Ministry of Food (MoFood) of the Government of Bangladesh (GoB). It can be said that it is the custodian of the public food distribution system (PFDS) of the country. The mandate and the allocation of the organization's functions were specified by the Enam Committee Report under the Martial Law government (1982/83).

The allocation of functions (from the Enam Committee Report) are:

1. Management and operation of country's overall food system.
2. Implementation of national food policy strategies.
3. Establishment of dependable national food security system.
4. To establish an uninterrupted supply of food grains.
5. Preparation and execution of various development schemes in the Food sector.
6. Watch over food supply position in the country.
7. Procurement and distribution of food grains and other food items including sugar, edible oil, salt etc.
8. To ensure supply of food-stuff through rationing and other distribution channels.
9. To ensure stability of the market prices of foodstuffs.
10. To ensure preservation of adequate food reserve and quality of the stock.



11. Matters relating to food budget, accounts and finance, food planning research and monitoring.
12. To ensure minimum price of the produce to the growers of food grains.
13. Inquiries and statistics on any of the subjects allotted to this Directorate.

A careful consideration of the list of 13 functions reveals that the current functions of DG Food are at best loosely connected to the mandate. Over time, certain work/functions of the DG Food has been shuffled between the key divisions within the organization, with some of the functions being phased out of its original mandate. Moreover, the mandate is outdated and does not reflect the work of the DG Food in current times.

Given its actual functions, it is apparent that DG Food is the management authority of the public food distribution system (PFDS) of Bangladesh which distributes rice and wheat to disadvantaged individuals through distribution programs under the Ministry of Food and other ministries of the Government of Bangladesh.

As the management authority of the PFDS, DG Food is the major actor in ensuring that article 15.a, 15(d), 18(1) of the Constitution of Bangladesh – *the provision of the basic necessities of life, including food, clothing, shelter, education, and medical care* – is adhered to. As such, DG Food's core functions are aligned with the Constitution of Bangladesh. Despite its praiseworthy contribution, it needs to be recognized that the current mandate of the DG Food, proclaimed in 1983 under a Military ruler, is dated; economic and demographic conditions of the country have changed significantly since then and the private sector especially has contributed tremendously to the food sector with respect to production, trade, and storage. The mandate of DG Food, therefore, needs to be updated.

1.2 History of DG Food

DG Food as an agency is by no means peculiar to Bangladesh; many other countries of Asia have similar organizations with mandates for managing aspects of respective public food distribution systems. South-Asian countries like Bangladesh, India and Pakistan emerged from the British colonial tradition. They inherited similar administrative and legal systems. The top of the administrative structure had a secretariat in the centre and provincial secretariats in the provinces. Provincial secretariats consisted of a number of departments dealing with specific areas of responsibility. Each administrative entity below the departments were called directorates and those below the directorates were called field offices.

As per the setup described above, undivided India up to 1947 had a central secretariat, and the Bengal provincial government had its own secretariat consisting of departments. Importantly, the provinces had come to have elected ministers during the 1920s; those ministers oversaw one or more departments. After the partition of India in 1947, the eastern part of the then Bengal province first came to be officially known as the province of East Bengal and later as East Pakistan.

With the emergence of Bangladesh as an independent nation in 1971, the provincial secretariat turned into the central secretariat while the erstwhile Civil Supplies Department of the provincial secretariat came to be known as the Ministry of Food, and finally, the erstwhile Directorate General of Food or DG Food of the pre-independence period continued to be the executing arm of the ministry of food.

DG Food has a long and chequered history. The birth of the organization is recorded to be associated with the great Bengal famine of 1943 when it started with a very small number of staff and gradually increased its personnel strength. In the formation, i.e., post-famine days of 1943, it had a decentralized setup with regional deputy directors (DDs) assisted by deputy magistrates. Deputy Directors were

drawn from the Administrative Cadre and they were in charge of recruiting Inspectors. In addition to recruiting inspectors, Deputy Directors were also authorized to adjust local procurement prices of grain meaning that food administration during the early years was decentralized.² The evolutionary process of food administration and its structure is shown in Table 1.1.

Table 1.1 Administrative Structure in Bengal Province (1788-1947), East Pakistan (1947-70) and Bangladesh (1971-till date)

Period	Food Administration	Number of posts
		Secretariat/Operational
Bengal Province, India, 1788-1947		
1942-47	Food Department, Government of India	NA/NA
	Secretariat	NA/NA
	Directorate General Food	NA/NA
	Regional Food Controllers	NA/NA
1943-47	Government of Bengal	NA/NA
	Civil Supplies Department	NA/494
East Pakistan, 1947-1970		
1947-55	Government of East Pakistan	20/500
	Civil Supplies Department	
1955-56	Civil Supplies Department abolished, staff released, rationing system abolished	
1956-70	Government of East Pakistan	
	Food & Agriculture (Food) Department	64/NA
	Secretariat	
	Directorate General of Food	124/NA
Bangladesh 1971-till date		
1971-75	Food & Civil Supplies Ministry	
1975-till date	Ministry of Food	167/10,595
	Secretariat	186/12,685
	DG Food	142/11598
1983	Enam Committee approved posts	171/11,680

² Barnwell's memoirs, op.cit., pp.147-172.

1993	DG Food Reorganization	171/8500
------	------------------------	----------

Source: Raisuddin Ahmed et al. (eds), *Out of the Shadow of Famine: Evolving Food Market and Food Policy*, p.123 (Table 6.1)

The post-independence history of the public food distribution system has three distinct phases.³

1. A period of chronic cereal deficit and major government interventions (1971-72 to 1991-92)
2. Market liberalization, Reductions in Food Aid and Lower Public Stocks (1992-93 to 2006-07)
3. Renewed emphasis on public stocks after World Price shock (2008-09 to present)

A period of chronic cereal deficit and major government interventions (1971-72 to 1991-92): In the first few years after its independence in 1971, Bangladesh was faced with massive food security problems. Poor weather, combined with an infrastructure greatly damaged by the war of independence contributed to sharp falls in rice production in 1971-1972 and 1972-1973. Moreover, a severe shortage of foreign exchange and concomitant high international prices limited rice imports severely. In the following years, the government of Bangladesh, with support from international donors, responded with sharp increases in public investments in infrastructure, agricultural research and extension, and an expansion of public distribution supplied largely by food aid.

The distribution of food aid (almost exclusively in the form of wheat) through PFDS was a key component of government food security strategy. Food aid flows jumped from 502,000 tons in 1969-1970 (the year before independence) to 1.56 million tons in 1972-1973. From 1972-1973 to 1991-1992, food aid averaged 1.26 million tons per year, supplying the grain for 60 percent of PFDS distribution during this period.

Market liberalization, Reductions in Food Aid and Lower Public Stocks (1992-93 to 2006-07): Several major changes in policy in the early 1990s including liberalization of private sector rice and wheat imports, elimination of major rationing channels in the PFDS, a sharp reduction in domestic procurement, and reductions in food aid had far-reaching effects on the Bangladesh food system.

The shift away from rationed sales and open market operations resulted in large reductions in PFDS distributions. Relative to earlier periods, PFDS distributions shrunk to only two-thirds of the distribution from 1992-1993 to 2007-2008. Despite the reduced role of PFDS, market prices of rice were low and stable in the early 2000s because of private sector imports of relatively low-quality Indian rice supplied directly or indirectly from India's own Public Distribution System; Econometric analysis by Dorosh and Rashid (2013) shows that Bangladesh wholesale rice prices were co-integrated with import parity prices of BPL (Below Poverty Line) rice from India from January 2002 through July 2007.

Renewed Emphasis on Public Stocks after World Price Shock: 2008-2009–Present: The period of relative stability of rice and wheat prices of the early 2000s ended with the 2007-2008 world price shock. For Bangladesh, the most serious aspect of the crisis was the decision by the Government of India to ban exports of ordinary (i.e., non-aromatic) rice in late 2007 because of their concerns about relatively poor wheat harvest (and relatively low domestic procurement) earlier in the year. Moreover, this export ban helped trigger a surge in prices and shortfalls in quantities in the international rice market. Ultimately, Bangladesh was able to negotiate a limited quantity of imports from India, but not enough to prevent a surge in prices. In the aftermath of the 2007-2008 price shock, the Government of Bangladesh again built-up rice (and subsequently wheat) stocks. Public rice stocks, which averaged 531,000 tons from 2002-2003 to 2006-2007 increased rapidly to an average of 1.032 million tons during the July-2008 to December-2009 period, mainly through increased domestic procurement.

³This sub-section borrows heavily from Dorosh, Paul, *Promoting National and Household Food Security in Bangladesh: Evolving Roles of Public Stocks, Cereal Distribution and Private Trade*, in Akhter U. Ahmed, Nurul Islam, and Mustafa K. Mujeri edited *Securing Food for All in Bangladesh*. UPL, 2021.



Public wheat stocks also rose from 145,000 tons in 2007-2008 to 429,000 tons in July 2012 to February 2016 period, mainly sourced from public sector imports. Overall, public food grain stocks nearly tripled from 617,000 tons in 2007-2008 to 1.69 million during the July 2012 to February 2016 period.

Public distribution was also scaled up after the 2007-2008 price surge. Total distribution averaged only 1.22 million tons per year (1.01 million tons of rice and 210,000 tons of wheat) from 2004-2005 through 2007-2008. From 2009-2010 to 2015-2016, total public distribution averaged 2.065 million tons per year, steadily rising to the peak in 2013-2014 of 2.22 million tons (1.26 million tons of rice and 958,000 tons of wheat). Much of this increased distribution was through monetized channels, including 1.04 million tons through Open Market Sales (OMS) and Fair Price Cards (2010-2011).

1.2.1 DG Food’s role as the custodian of PFDS: Constitution and SDG

The current phase of the public food distribution system aligns well DG Food’s role as the provider of the food security safety net in Bangladesh. The Constitution of Bangladesh makes it obligatory for the state to ensure the basic necessities of life for its citizens. These include, among others, food, clothing, shelter, education, and medical care.⁴ The Constitution further emphasizes the need for social security and public assistance in cases of underserved want arising from unemployment, illness or disablement suffered by widows or orphans or in old days or in other cases.⁵ In Article 18, the state policy requires the state to improve the level of nutrition.⁶

A similar set of objectives is contained in the Sustainable Development Goals (SDG–2): *End hunger, achieve food security and improved nutrition and promote sustainable agriculture.*

The Constitutional dictum on basic necessities and the SDG2 goal of ending hunger, achieve food security and improved nutrition, have been incorporated in the recent food policy titled the National Food and Nutrition Security Policy 2020 (NFNSP).⁷ In addition to emphasizing the close tie between food and nutrition security, NFNSP also considers food safety.

Although Bangladesh has witnessed a remarkable decline in poverty during the last few decades, the covid-19 pandemic has emphasized the need for a food security program and the need to have storage capacities, procurement, and distribution.⁸ The estimates for poverty reduction over the years are shown in Box 1.b.

Box 1.b: Estimates of Poverty Reduction.

Poverty	Rate (%)	Period
National Poverty Line	58.8	1991-92
	51	1995-96
	48.9	2000-01
	40	2005-06

⁴Article 15(a) of Bangladesh Constitution.

⁵Article 15(a) of Bangladesh Constitution.

⁶Article 18(1) of Bangladesh Constitution.

⁷National Food and Nutrition Security Policy (NFNSP) Bangladesh Gazette Extraordinary, September 10, 2020.

⁸SR Osmani, Aspects of the Poverty Scenario in Bangladesh 2010-2016 in the Bangladesh Development Studies, VOL XLI, September, 2018, Number 3, pp.1-31.



	31.5	2010-11
	24.3	2016-17
	20.5	2018-19

Source:

1. Bangladesh Bureau of Statistics, HIES Data.
2. Data for 2018-19 FY has been retrieved from Asian Development Bank, Basic Statistics 2022.

The People’s Participation and Research Centre (PPRC) and the BRAC Institute of Governance and Development (BIGD) have stated that about approximately 24.5 million people in Bangladesh have become new poor due to COVID-19. The assessments of the private think-tanks are shown in Box 1.c.

Box 1.c: The assessments of the private think-tanks.

Organization	Study title and period	Estimate of poverty increase compared to HIES 2016
BIGD-PPRC	One year into COVID-19 Crisis: Poverty Dynamics and Household Realities	14.75% (~24.5 million)
SANEM	COVID-19 Fallout on Poverty and Livelihoods in Bangladesh (November-December 2020)	15.6% (based on lower poverty line), and 17.7% (based on upper poverty line)
CPD	Employment Implications of Stimulus Packages: Challenges for Recovery (November 2020)	As high as 10.7% (based on upper poverty line)
BBS	Not available yet	Not available yet

Note: 2016 estimates: People living in lower poverty line: 12.9%, People living under upper poverty line: 24.3%.

Source: Websites of the involved organizations.

1.2.2 The Modern Food Storage Facilities project (MFSP)

The Modern Food Storage Facilities Project (MFSP) is likely to bring DG Food to the electronic age. Under MFSP, seven new silos are to be built, thus raising the total capacity of DG Food to 1.93 million tons. The new silos will have climate control features – air conditioning and dehumidifiers – and can significantly increase the shelf-life of foodgrains. MFSP also has a remarkable technology component as it is expected to introduce electronic real-time monitoring of food stock going in and coming out of DG Food facilities, enable the tracking of movement, and provide optimum solutions of the movement planning problem. MFSP is also expected to add a significant workforce, reorganize the technological setup of DG Food with additional computers, software, connectivity, manpower, and training. Most importantly, MFSP is expected to bring the entire DG Food operation under customized Enterprise Resource Planning (ERP) software built on the well-known German software SAP; the ERP software is expected to cover all aspects of DG Food operations except human resource management.

Although MFSP is expected to bring in revolutionary changes, it also poses a few important challenges. First, DG Food has to answer the question of how it wants to use the new facilities: Will the additional 487,000 tons be a part of regular procurement-storage-movement-distribution sequence,



or will the new facilities be used as strategic reserve so foodgrains can be stored for a long period, giving the government of Bangladesh the time for replenishing stocks during crises.

1.2.3 Structure of the report

The rest of the report has the following structure. Chapter 2 considers the structure, conduct, and performance of DG Food. Chapter 2 characterizes DG Food as an implementation agency under the Ministry of Food and investigates in detail aspects of the four major functions of the organization: procurement, storage, movement, and distribution. Chapter 3 views the workforce, describing the very large system with a substantial gap between the number of sanctioned posts and the number of employees and officers. Chapter 3 shows how vacant posts in key positions affect the performance of the organization. Chapter 4 deals in cross-cutting issues including technology, training, improvised management practices, and the Modern Food Storage Facilities Project (MFSP). The expected role of MFSP in addressing long-standing problems and potential areas of concern are described in chapter 4. Finally, chapter 5 provides recommendations for the study. For each important issue, recommendations follow brief summaries of the problem.

The report is based on desk studies, interviews with headquarter officials with questionnaires, interview with field office-based officials, field visits of DG Food facilities – warehouses and silos, field visits of private automatic and husking mills, and consultations with MFSP project officials. Records of the consultations are provided in the annexes.

CHAPTER 2. STRUCTURE, CONDUCT AND PERFORMANCE OF DG FOOD

2.1 Introduction

The primary function of the Directorate General of Food (DG Food) is the management of the Public Food Distribution System (PFDS) of the Government of Bangladesh (GoB). In managing the PFDS, DG Food procures, stores, and distributes large quantities of foodgrains – rice and wheat. In 2021-22, DG Food procured 2.582 million tons of rice and 0.801 million tons of wheat from domestic and international sources. In the same year, DG Food distributed 2.518 million tons of rice and 720,000 tons of wheat. DG Food also maintained average monthly opening and closing stocks of 1.428 million tons and 1.420 million tons, respectively of rice. The monthly average opening and closing stocks of wheat in 2021-22 were 229,000 tons and 232,000 tons, respectively.

The management of PFDS requires DG Food to move large quantities of foodgrains as well. Large-scale movements are necessary because procurement and distribution typically take place in diverse parts of the country and because of the hectic nature of especially domestic procurement during the two major post-harvest (of paddy) periods when officials frenetically move grains out of warehouses in the surplus Northern districts to create room for new procurements.

2.2 Structure

DG Food has a typical pyramid structure with a very wide base of employees and a rather narrow peak of officers. There are 13,722 sanctioned posts in the organization, and 903 (6.58%) of them are for Class I officers (belonging to grades 9-1). Class I officers are further divided into groups of Cadre (227) and Non-Cadre (676) officials. (Food) Cadre officials are recruited through the competitive Bangladesh Civil Service (BCS) examination conducted by the Bangladesh Public Service Commission (BPSC). Of the remaining 12,819 sanctioned posts, 1,763 (12.85%), 5,443 (39.67%), and 5,613 (40.9%) are for Class II (grade 10), Class III (grades 16-11), and Class IV (grades 20-17) employees, respectively.

An additional dimension of the distribution of the DG Food workforce is between the head office and various field offices. Of the 227 posts of Class I cadre officials, only 45 are in the head office in Dhaka while 176 posts are in various field offices spread over the eight regions (divisions of the country). There are 676 Class I non-cadre officials, with the majority of the non-cadre personnel assigned at the field offices. All of the 1,763 Class II officials are assigned to the field offices. Class III and IV employees are assigned in both the head and field offices. However, the majority portion of employees from each class are posted at the field level.

The chief executive of the organization is the Director General (DG). According to the rules of recruitment, the post of DG is to be filled from within the organization —although external appointments can be accepted when no suitable internal candidates are available. The DG position, however, has generally been filled with external appointees, typically additional secretaries of the government of Bangladesh, for successive terms. Appointments from within the ranks of DG Food have occurred in the past. The last DG from the Food cadre was appointed from 2016-2018. Before that, another candidate from the Food cadre served twice as the DG of DG Food from 1994-1995 and 1999-2002 respectively. The Additional Director General (ADG) is the highest serving official from the ranks of BCS Food Cadre officials; the ADG is also the head of operations. Under the leadership of the Director General, there are the Directors or heads of the divisions and the units, and under them deputy directors, and so on.

Field offices in the organization have the following structure: the Regional Controller of Food (RC) is the administrative and operational head of the region in question; there are eight regions in the country. Under the RCs, there are the District Controllers of Food (DC), Assistant Controllers, Upazilla Controllers, Food Inspectors, Sub-Inspectors, and Assistant Sub-Inspectors, etc. down the hierarchy. The above structure in the field offices is geared to implementing procurement activities, overseeing operations of storage in traditional godowns, the movement of foodgrains among various storage facilities, and the distribution of grains to dealers and representatives of other ministries. There are 653 traditional warehouse facilities in the country.

Field establishments also include the alternative storage facilities – Silos. Headed by Silo Superintendents, the five silos under DG Food have posts of Maintenance Engineers, Assistant Maintenance Engineers, and Administrative Officers, etc. DG Food used to have a large network of rationing offices. Although rationing has been discontinued since the early 1990s, the organization still holds onto the majority of posts belonging to the now-defunct network. Among other establishments in the field offices, there are the posts of Controllers of Movement and Storage etc. Among non-officer posts, clerical, technical, office help, and security guards' positions are placed mostly in the field offices.

2.3 Decisions and Management

An important aspect of DG Food is that it is an implementation unit by nature. Although DG Food carries out the important twin tasks of procurement and distribution of foodgrains, it is not required to make decisions on broad aspects of either. Domestic procurement prices of paddy and rice, for example, are determined by the Food Planning and Monitoring Committee (FPMC), a cabinet-level committee chaired by the Minister of Food. Similarly, distribution quantities and beneficiary groups, etc. are decided by higher authorities. DG Food, however, makes decisions regarding the details of movement and storage. Table 2.1 provides a description of the decisions DG Food receives from higher level bodies such as the FPMC, and decisions it makes on its own.

Table 2.1 Operations and Decisions

	Decisions by DG Food	Decision by others
Activity: Domestic Procurement		
Procurement quantities and prices of paddy, rice, and wheat; total procurement quantities	–	Food Planning and Monitoring Committee (FPMC)
Allocation of rice quota among millers	By algorithm based on milling capacities and paddy production data	–
Allocation of paddy quota among farmers	Using the Ministry of Agriculture defined list	–
Activity: International Procurement		
By tender	DG Food manages international tender operations	–
By Government level negotiations, commonly known as G2G arrangements.	–	Ministry of Food manages negotiations with help from senior DG Food officials
Activity: Distribution		

Food Friendly Program (FFP), and Open Market Sales (OMS) – DG Food’s own programs	–	Quantity and prices by the Ministry of Food; recommended by the Prime Minister’s Office
Programs of other ministries including Vulnerable Women Benefit programs	–	Respective ministries determine
Activity: Movement and Storage		
	Director of Movement of DG Food is expected to provide movement plans based on requests from field offices. DG Food field level officials make specific storage decisions	–

2.4 Budget

In 2021-22, DG Food had a revised budget of Taka 14,419 crore. Based on the average monthly rate of exchange for June 2022 (\$1=Taka 92.3945), DG Food’s annual budget was equivalent to \$1.561 billion.⁹

In its budget, DG Food’s activities are presented in two separate entries: Regular Activities, and Special Activities. In 2021-22, Regular Activities (RA) accounted for 4.3% of the total budget while Special Activities (SA) accounted for 95.7% of total budget. Other years show similar distributions of the budget over RA and SA. Table 2.1 presents the distribution of DG Food budget between RA and SA using data from 2021-22.

Table 2.2 Distribution of DG Food Budget over Regular and Special Activities: Revised Budget of 2021-22.

Expenditure Categories	Value (Crore Taka)	Share in total budget
Regular Activities	616.4	4.3%
Special Activities	13,802.5	95.7%
DG Food Budget	14,418.9	

Source: Ministry of Food Annual Budget 2021-22

Regular Activities include operations in the head office and in field offices at the regional, district, Upazila levels, at the local and central storage depots, and at the silos. Administrative expenses, recurring expenses, employee wages, compensations, etc., are included in Regular Activities. Table 2.2 presents a breakdown of RA (from 2021-22) over expenditure categories.

⁹ Exchange rate downloaded from <https://www.exchangerates.org.uk/USD-BDT-spot-exchange-rates-history-2022.html> on September 9, 2022.

Table 2.3 Distribution of Regular Activities in Annual Budget: Revised Budget 2021-22.

Expenditure Categories	Value (Crore Taka)	Share in total regular activities
Head Office	182.7	29.6%
Chief Controller, Dhaka Rationing	5.7	0.9%
Regional Controller of Food Offices	22.2	3.6%
District Controller of Food Offices	38.9	6.3%
Upazilla Food Controller offices	93.0	15.1%
Silos	40.3	6.5%
Central Storage Depots	52.2	8.5%
Local Supply Depots	168.2	27.3%
Chief Miller	5.8	0.9%
Controller of Movements	7.3	1.2%
Regular Activities Total	616.4	

Source: DG Food

All activities related to operations of the PDFS including procurement, distribution, movement, storage, etc. are recorded under Special Activities. Table 2.3 presents a breakdown of DG Food Special Activities using information from 2021-22.

Table 2.4 Distribution of Special Activities in Annual Budget: Revised Budget 2021-22.

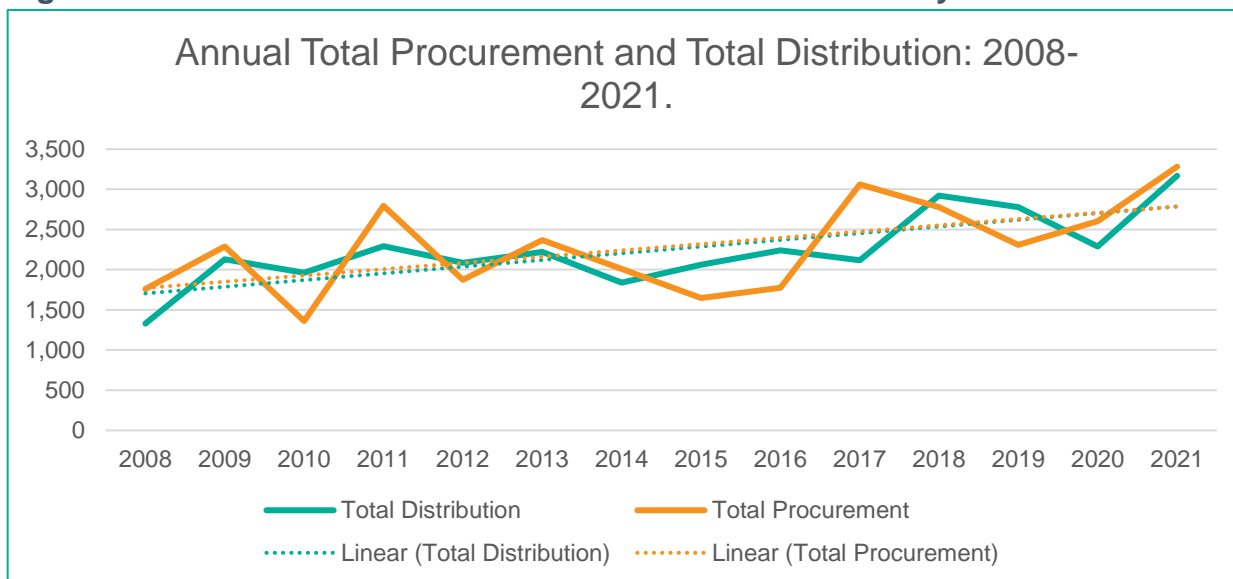
Categories	Value (Crore Taka)	Share in Special Activities
Import: Aided	4.0	0.03%
Import: Own cost	4,769.9	34.56%
Domestic Procurement	7,676.1	55.61%
Operating Expenses	1,352.6	9.80%
Total Special Activity Costs	13,802.5	-

Source: Author's calculations and DG Food

2.5 Special Activities

Meeting distribution targets is the foremost responsibility of DG Food. Figure 2.1 plots annual total distributions and total procurement from 2008 to 2021. Figure 2.1 shows that DG Food has been remarkably successful over the years in meeting distribution targets set by higher authorities. When procurements fall short of distributions, existing stocks make up for the shortfall, as revealed by the alternating dominance of procurement and distribution in Figure 2.1. The graph also shows both total procurement and total distribution going up in almost identical fashions over the period.

Figure 2.1 Annual Total Procurement and Total Distribution by DG Food: 2008-2021.



Source: Compiled from DG Food’s monthly records.

2.6 Procurement

In 2021-22, DG Food procured 1.85 million tons of rice and 100,000 tons of wheat domestically and imported 732,000 tons of rice and 719,703 tons of wheat.

Table 2.5 presents total procurement broken down by domestic and international sources and by foodgrains type –rice and wheat – from 2009-10 to 2021-22. Domestic procurement appears to be on an upward trend, fluctuating between 1.5 and 2.0 million tons per year. International procurement, in contrast, has fluctuated more, from less than 0.5 million tons per year to more than 2.0 million tons. In 2020-21 and 2021-22, international procurement has exceeded 1.0 million tons. These numbers show that DG Food has employed both arms of procurement, domestic and international, to meet its distribution needs.

Table 2.5 Domestic, International, and Total Procurement: 2009-10 to 2021-22. In Million Tons.

Year	Domestic		International		Total Procurement
	Rice*	Wheat	Rice	Wheat	
2009-10	0.757	0.048	0.055	0.501	1.361
2010-11	0.461	0.000	1.270	1.064	2.795
2011-12	1.328	0.099	0.465	0.587	2.478
2012-13	1.274	0.131	0.004	0.467	1.875
2013-14	1.289	0.150	0.003	0.925	2.367
2014-15	1.471	0.205	0.000	0.334	2.010
2015-16	1.033	0.199	0.001	0.416	1.649
2016-17	1.283	0.100	0.000	0.393	1.776

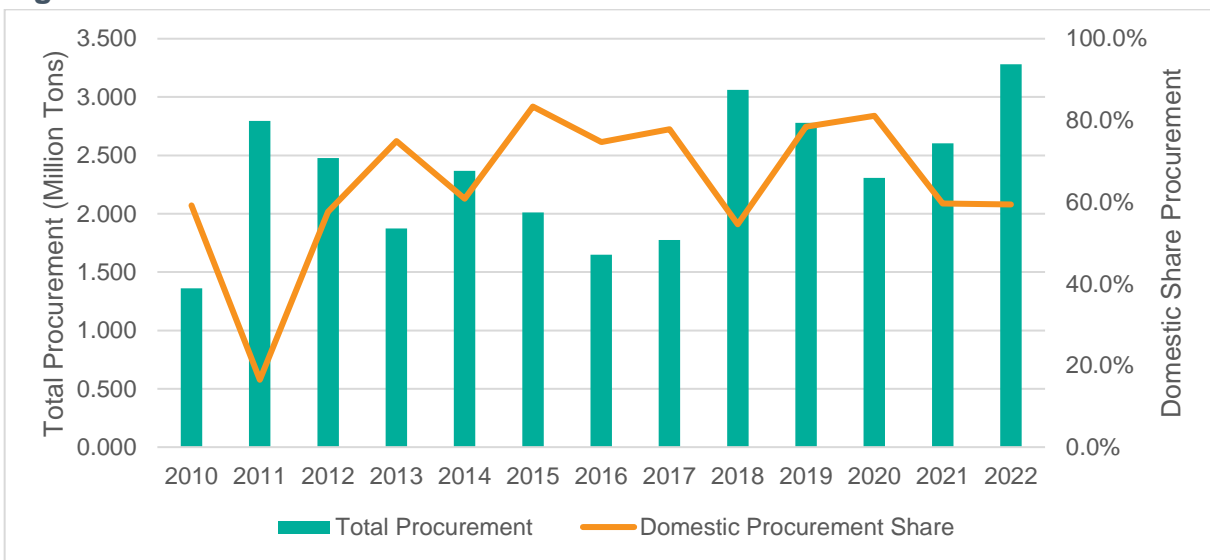


2017-18	1.671	0.000	0.886	0.505	3.062
2018-19	2.131	0.050	0.106	0.492	2.779
2019-20	1.805	0.067	0.000	0.436	2.308
2020-21	1.450	0.103	0.573	0.479	2.604
2021-22	1.850	0.100	0.732	0.601	3.282

Note: *Rice includes rice equivalent of paddy.
Source: Compiled from DG Food's Monthly Records.

The fluctuating nature of the two components of procurement, domestic and international, is further shown in figure 2.2 that presents total annual procurement on the left axis and the share of domestic procurement on the right axis.

Figure 2.2 Total Procurement and Domestic Share



Source: Compiled from DG Food's Monthly Records.

Figure 2.2 shows domestic procurement generally accounting for 60% or more of total procurement over the years although occasional fluctuations caused the share to drop to very low values in 2011 and rising to 70% or more in 2015, 2016, 2017, 2019, and 2020.

While procurement has been rising steadily over the years, fluctuations in the share of domestic procurement imply a lack of stability in international procurement as well. Because in its effort to meet distribution needs, DG Food considers domestic procurement first, fluctuations in domestic procurements immediately result in fluctuations in international procurements. In other words, when domestic procurement falls short, international procurement is increased to compensate for the shortfall.



Table 2.6 Estimates of Monthly Import of Rice: Observations from August 2007 to June 2022.

Time Period	Explanatory Variables	
	Real price	Opening Stocks
Current month	0.376 (0.245)	0.031 (0.030)
Lagged 1 month (t-1)	-0.301 (0.396)	-0.072 (0.050)
Lagged 2 months (t-2)	0.096 (0.360)	0.019 (0.053)
Lagged 3 months (t-3)	0.078 (0.133)	0.016 (0.052)
Lagged 4 months (t-4)	0.025 (0.092)	-0.095*** (0.031)
Adjusted R-squared	0.342	
F-statistic	5.12***	
Number of observations	175	

Note: *** denotes statistical significance at 1.0% error level. The model includes dummy variables for months and time trend.

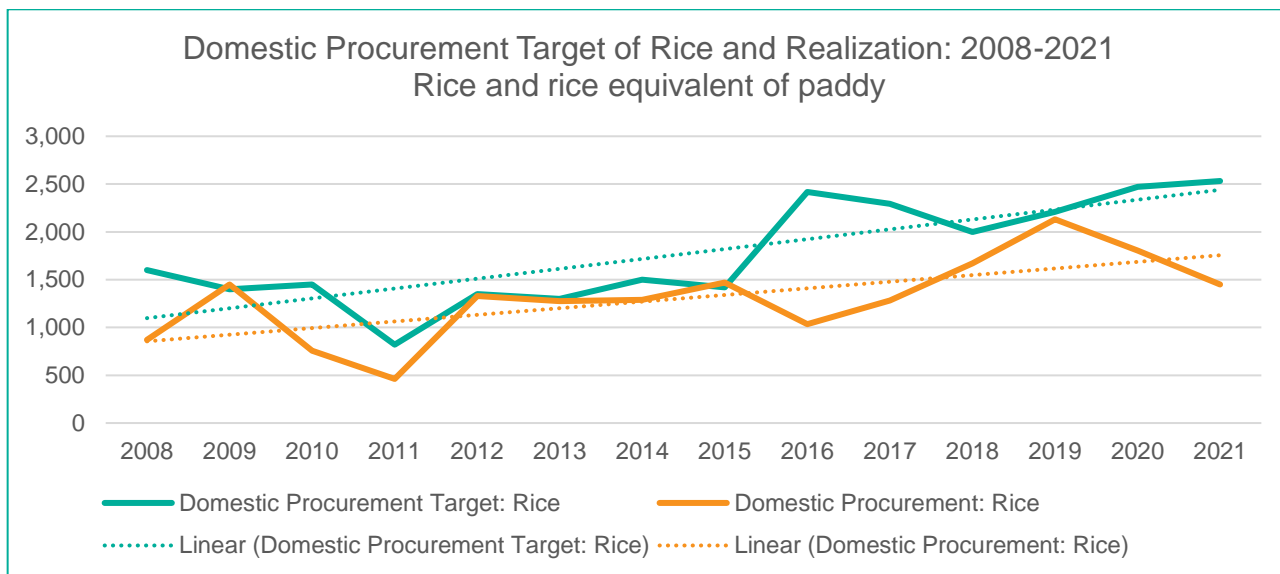
Source: Author's calculations and monthly import and opening stock data compiled from DG Food monthly accounts from August 2007-June 2022.

Consumer Price Index from Bangladesh Bureau of Statistics (BBS).

The dependence on international procurement for meeting distributional needs is further shown from the estimated parameters of table 2.6 that presents coefficients of the determinants of monthly public imports of rice. Imports are modeled as functions of current and lagged international prices (normalized by the consumer price index), and current and lagged values of monthly opening stocks held by DG Food. The equation also includes a time trend, and dummy variables for the months. Results show that monthly imports of rice do not depend on foodgrain prices, lagged or current but rather has a negative coefficient for monthly opening stocks from four months ago. In other words, rice imports are higher if opening stocks four months earlier were smaller. Together, figure 2.2 and table 2.6 present a picture of PFDS management where emergency (improvised) decisions on international procurements are used for meeting distributional needs.

The fluctuations in international procurement are tied to fluctuations in domestic procurement. Given the chain of reasoning that flows from distribution needs determined by external considerations to the setting of domestic procurement targets to actual procurement quantities, a comparison of target and actual values of domestic rice procurement is in order. Figure 2.3 presents a graphical representation of the comparison of domestic procurement target and realized quantities of rice. Figure 2.3 shows that domestic procurements missed their respective targets in 10 of the 14 years under consideration (2008 to 2021). Although the shortfalls are small for 2011, 2014, and 2019, the magnitudes are substantial for other years. Importantly, actual and target procurements of rice both increased over time but the target values increased more, as revealed by the widening difference between the two trend lines.

Figure 2.3 Domestic Procurement Target and Actual Procurement of Rice: 2008-2021.

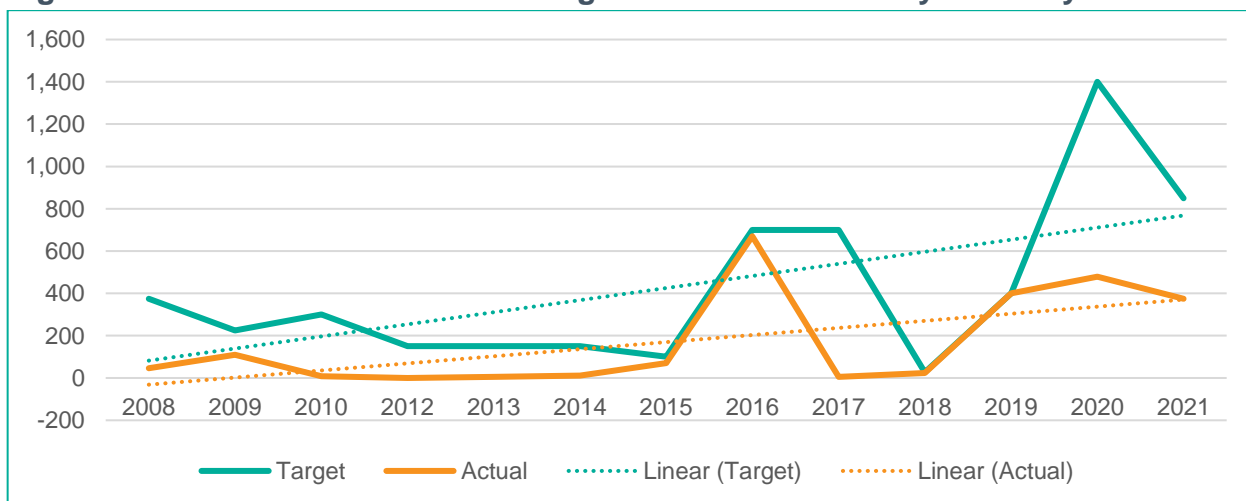


Source: Procurement target data from the Food Planning and Monitoring Unit (FPMU) website and actual procurement data are compiled from DG Food monthly records.

Target values have increased essentially to keep pace with rising distribution needs set by higher authorities. Distributional needs have increased steadily from 2016, when the Food Friendly Program (FFP) was introduced. FFP is the prestige program of DG Food; under FFP, 30 kilograms of rice are distributed each month to five million beneficiary households for five months in a year, requiring 750,000 tons of rice annually. It is consistent with the jump in the target value of rice from 2016.

Target and actual procurement of paddy plotted in figure 2.4 also show the same jump. Historically a miniscule component of domestic procurement, the target for paddy was suddenly raised in 2016. Although both target and actual values were low up to 2015, paddy target values underwent significant jumps in 2016, 2019, 2020, and 2021 although actual procurement did not increase by as much.

Figure 2.4 Domestic Procurement Target and Actual Quantity of Paddy: 2008-2021.



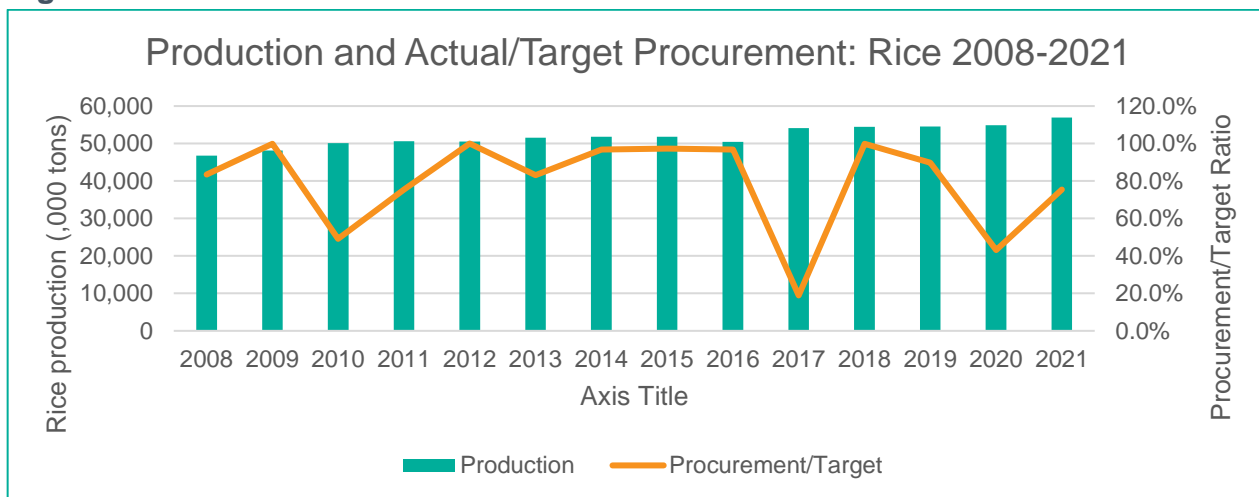
Source: Procurement target data from the Food Planning and Monitoring Unit (FPMU) website and actual procurement data are compiled from DG Food monthly records.

From the tables, graphs, and equations, the following picture emerges—facing the pressure of meeting additional distribution demands, DG Food has been forced to increase its domestic procurement targets in an overly optimistic manner that has led to regular gaps between annual targets and annual procurements which in turn has increased reliance on international procurement.



Fluctuations in the ratio of realized domestic procurement to the target value (for rice) over time are an important issue on their own. Are such fluctuations related to variations in rice production? The question is answered in figure 2.5 that plots total rice production of rice on the left axis and the ratio of actual to targeted procurement (of rice) on the right axis. Figure 2.5 shows that while production numbers have generally risen between 2008 and 2021, the ratio of actual to target values shows substantial fluctuations over the same period.

Figure 2.5 Domestic Production and Domestic Procurement: Rice 2008-2021.



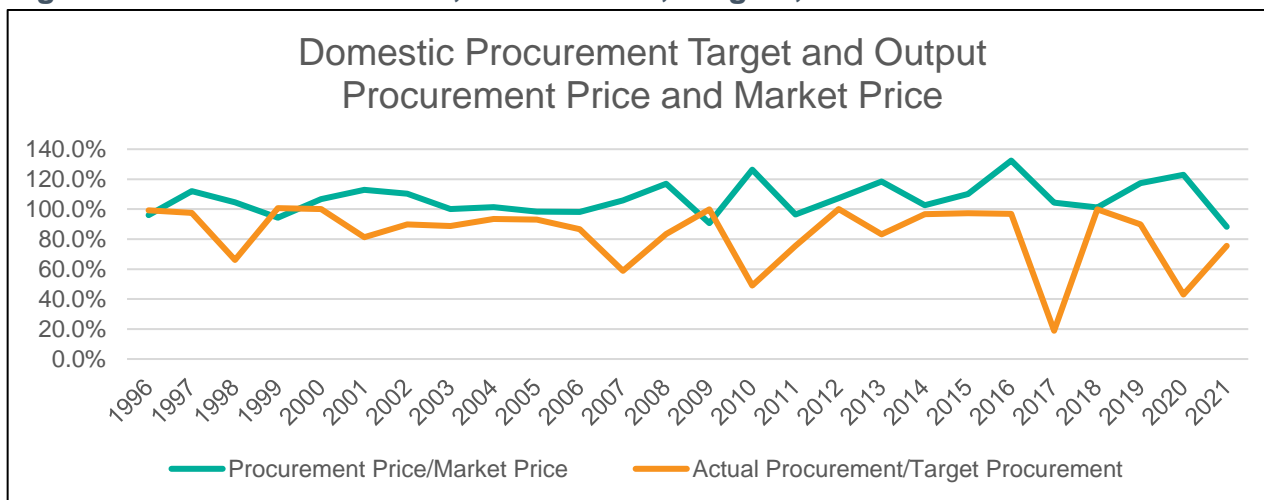
Source: Rice production data from the Food and Agricultural Organization (FAO) of the United Nations, procurement target data from the Food Planning and Monitoring Unit (FPMU) of the Ministry of Food and actual procurement data compiled from DG Food monthly records.

Rice production and procurement performance (expressed as the ratio of actual procurement to target), have a negative correlation value of -0.305 . Apparently, the success of domestic procurement of rice is not related to the contemporaneous production of rice.

DG Food field-level officials are of the opinion that wrong procurement pricing policies followed by the government are the main cause behind procurement shortfalls. Officials claim that procurement prices are typically lower than relevant market price and discourage farmers and millers from selling to DG Food. To investigate the merit of the claim, the ratio of prices – procurement to market – and the ratio of procurement – actual to target – for rice are plotted in figure 2.6.



Figure 2.6 Procurement Price, Market Price, Targets, and Actual Procurements.



Source: Procurement target and procurement prices are from the Food Planning and Monitoring Unit (FPMU) website; output prices are from the Department of Agricultural Marketing, and actual procurement data are compiled from DG Food’s monthly records.

If wrong procurement pricing is the main cause of procurement shortages, then the price ratio (procurement price to market price) would be positively correlated with procurement performance (ratio of actual procurement to target procurement). Figure 2.6, however, shows the lack of a consistent pattern between the two.

The validity of the ‘wrong procurement pricing’ hypothesis is further checked with the correlation coefficients between the price ratio and procurement success rate separately for Aman and Boro coarse and medium varieties. Table 2.6 presents the coefficients and shows the lack of a consistent pattern. The correlation coefficients have low values, and the coefficient for coarse Boro rice, the mainstay of DG Food procurement is negative and thus counterintuitive. Moreover, none of the coefficients is statistically significant.

Table 2.7 Correlations Between the Ratios: Market Price to Procurement Price and Actual Procurement to Target Procurement for Aman and Boro Rice Varieties

	Aman (Correlation Coefficient) (Standard Error)	Boro (Correlation Coefficient) (Standard Error)
Coarse Rice	0.160 (0.950)	-0.140 (0.577)
Medium Rice	0.219 (0.383)	0.005 (0.985)

Source: Author’s calculations and procurement target and procurement prices are from the Food Planning and Monitoring Unit (FPMU) website; output prices are from the Department of Agricultural Marketing, and actual procurement data are compiled from DG Food’s monthly records.

Figure 2.6 and Table 2.7 both suggest that wrong procurement pricing policy is not the reason behind the often-observed shortfall of domestic rice procurement (relative to target). If procurement performance were affected by procurement prices being lower than concurrent market prices, as claimed by field-level DG Food officials and listed millers, creating a disincentive from selling to DG Food, it still remains unanswered: why do millers sell to the government when they claim to be losing money? When millers were asked why they supplied rice at a lower than market price, they attributed it to their love for the country.



Because DG Food follows a non-market, contract-based approach for domestic procurement, any difficulties in the implementation of the system are the likely causes behind procurement shortages. A lack of transparency shrouds the issue of why millers supply rice to DG Food even when they claim to be losing money. The study by Ahmed, Chowdhury, and Ahmed (1993) attributes the phenomenon to the potential of off-the-record bilateral bargaining between millers and DG Food officials. However, if procurement pricing is indeed wrong, DG Food should rely on the market to give the correct price. Switching from a non-market, contract-based approach to a tender-based procurement system must be considered in this regard.

2.7 Distribution

In recent years, DG Food has distributed more than 2.0 million tons of rice and wheat annually. Table 2.7 reports the distribution of public foodgrains between 2009-10 and 2021-22 for monetized and non-monetized channels.

In 2021-22, DG Food distributed 2.29 million tons of foodgrain through monetized and non-monetized distribution channels. A total of 1.99 million tons were distributed through monetized channels while 0.29 tons were distributed through non-monetized channels. Table 2.8 shows that respective shares of monetized and non-monetized channels have fluctuated over time although in recent years, starting from 2018-19, monetized channels have come to dominate the distribution of public foodgrains.

As seen from table 2.8, the share of non-monetized channels has declined secularly since 2009-10. Monetized channels are gaining because of the emergence of the Food Friendly Program (FFP); selected beneficiaries receive 30 kilograms of rice per month for five months for the price of 10 Taka per kilogram. With five million families as beneficiaries, 750,000 tons are distributed under FFP annually. The other dominant monetized channel, Open Market Sales or OMS has lately received a resurgence following the Covid-19 pandemic starting in 2019-20.

Table 2.8 Distribution of Public Foodgrains between 2009/10 and 2021/22.

Year	Quantity (Million Tons)			Shares	
	Total	Monetized	Non-Monetized	Monetized	Non-Monetized
2009/10	1.96	0.59	1.37	30.1%	69.9%
2010/11	2.29	1.48	0.82	64.5%	35.5%
2011/12	2.09	0.86	1.24	41.0%	59.0%
2012/13	2.09	0.64	1.44	30.8%	69.2%
2013/14	2.22	0.82	1.40	36.8%	63.2%
2014/15	1.84	0.61	1.23	33.2%	66.8%
2015/16	2.06	0.85	1.22	41.1%	58.9%
2016/17	2.24	1.40	0.84	62.7%	37.3%
2017/18	2.12	1.02	1.10	47.9%	52.1%
2018/19	2.40	1.35	1.05	56.4%	43.6%
2019/20	2.65	1.59	1.07	59.8%	40.2%



2020/21	2.18	1.52	0.67	69.5%	30.5%
2021/22*	2.29	1.99	0.29	87.1%	12.9%

Source: Author's calculations and FPMU website

Table 2.9 reports quantities distributed under each of the specific monetized and non-monetized channels in 2020-21. The dominance of monetized distribution in recent years is due to the increase in the quantities distributed under the Food Friendly Program and the resurgence of Open Market Sales (OMS). In 2020-21, almost three quarters of a million tons were distributed under FFP whereas total non-monetized distribution in 2020-21 was 0.717 million tons.

Table 2.9 Public Foodgrain Distribution by Channels of Distribution: 2020-21.

Monetized		Non-Monetized	
Channels	Quantity	Channels	Quantity
Essential Priorities (EP)	355,000	Food for Work (FFW)	4,000
Other Priorities (OP)	16,000	Test Relief (TR)	0
Large Employers (LE)	21,000	Vulnerable Group Feeding (VGF)	209,000
Open Market Sales (OMS)	436,000	Vulnerable Group Development (VGD)	368,000
Food Friendly Program (FFP)	741,000	Gratuitous Relief (GR)	41,000
Freedom Fighter (FF)	0	Others	88,000
Total Monetized	1,569,000	Total Non-Monetized	717,000
Total distribution	2.286 million tons		

Source: Compiled from DG Food monthly records.

2.7.1 Distribution through Monetized Channels

i. Food Friendly Program (FFP)

The Food Friendly Program (FFP) is the largest food transfer program handled by DG Food. Under this program, five million rural poor and ultra-poor families are entitled to purchase 30 kilograms of rice each month for five months in a year during the lean seasons (September to November and March to April) at 10 Taka per kilogram. These are the two lean seasons in rural Bangladesh when rice prices increase. Furthermore, job opportunities and agricultural wages also decline during the lean periods in rural areas, putting poor households at risk of seasonal hunger and occasional famine. Through the FFP, a total of 750,000 tons of rice are distributed each year. The subsidized rice is delivered through dealers appointed by the Upazila committee. The rice is stored and delivered from government-owned storages often located in Upazilas under the jurisdiction of the Upazilla Controller of Food.

In the interest of tackling nutrition issues, the Ministry of Food had identified FFP as the strategic entry point to distribute fortified rice to some of the most malnourished households in the country. With support from the World Food Program (WFP), DG Food started distributing fortified rice through the

FFP in early 2018 in two sub-districts and had expanded operations to 25 sub-districts by the end of 2019¹⁰.

ii. Open Market Sales (OMS)

DG Food is also involved in planning and distributing rice and wheat/atta (flour) through Open Market Sales (OMS)—a subsidized food distribution program periodically operated by the MoFood in city corporations, divisional towns, and – less frequently – in secondary towns (Pourashavas) to stabilize prices and control inflation.¹¹ OMS is a policy instrument of the government—introduced in the late 1970s as an alternative to the high-cost rationing system; its purpose was to replace ration sales when the price of foodgrain rose because of constrained supplies, especially in the Statutory Rationing (SR) areas. Presently, the most common commodity sold through the OMS is rice at the rate of Tk. 30 per kilogram. Since, wheat is relatively cheaper in international and domestic markets with nearly equal caloric content to rice, therefore, atta was introduced in OMS at Dhaka city in 2011 extending in district towns. As of September 2022, five kilograms of rice and two kilograms of flour were being sold per person through OMS. The subsidized rice is delivered through dealers appointed by the MoFood.

During crises, the Ministry of Food adapts this program, further subsidizing the price to Tk. 10 per kilo of rice. This adaptation is called the Specialized OMS, and it was activated during the COVID-19 crisis between April and June 2020 in urban areas. It must be noted that the Specialized OMS was operated alongside the regular OMS.

iii. Essential Priority (EP)

The Essential Priority (EP) group was formed in the mid-1950s to supply ration to a number of state institutions which included the army, navy, air force, police, prison staff, hospitals, and the railway. With the abolishment of the rationing system in the early nineties, the civil departments—hospitals and railway, were removed keeping only the personnel in uniform among the beneficiaries. At present, the beneficiaries' group consists of the Armed Forces, Border Guard of Bangladesh (BGB), Bangladesh Police, and other law enforcing agencies including National Security Intelligence (NSI), Bangladesh Ansar and VDP, Bangladesh Fire Service and Civil Defence, Cadet College, Anti-Corruption Commission and Mukti Joddhas (Freedom Fighters). The last two entities are recent additions.

Foodgrains are supplied to the EP beneficiaries on a monthly basis. The role of DG Food is limited to making the best foodgrains available to the EP beneficiaries at the depots; it does not issue ration cards or appoint dealers. During FY 2017-18, 199,000 tons of rice and 129,000 tons of wheat were supplied to the group. Excepting Mukti Joddhas (Freedom Fighters), rice and wheat are issued to most of the sub-groups under the EP group at highly subsidized prices: at Tk 2.10 per kilogram for rice and Tk 1.78 per kilogram for wheat. The rates for the BGB are slightly higher at Tk 2.55 for rice and Tk 2.15 for wheat. The EP channel is the only monetized channel with very high levels of subsidy.

2.7.2 Distribution through Non-Monetized Channels

i. Vulnerable Group Feeding (VGF)

In the wake of the famine in 1974, the Government of Bangladesh, in partnership with the World Food Program (WFP), launched the Vulnerable Group Feeding (VGF) program. However, the VGF program was reoriented from relief to development with focus on women, to become VGD in 1982.¹² VGF is a

¹⁰ How WFP supported the Government of Bangladesh to Introduce and Scale up Rice Fortification: A Case Study on Reducing Micronutrient Malnutrition. 2019.

¹¹ Hebbbar, M., Muhit, S., & Marzi, M. (2021). *Towards shock-responsive social protection systems: lessons from the COVID-19 response in Bangladesh - Policy Brief*. Socialprotection.Org. <https://socialprotection.org/discover/publications/towards-shock-responsive-social-protection-systems-lessons-covid-19-response-1>

¹² <https://pubdocs.worldbank.org/en/804111520537796819/SSLF18-Building-Resilience-Bangladesh.pdf>



humanitarian assistance program to distribute 10 or 20 kg rice per family among 100 thousand poor households before Eid festivals. VGF is regularly operated to give rice to poor fishermen during the period of ban on catching, selling, and transporting the *hilsha* fish. VGF was initiated to supply rice to people affected by natural disasters such as floods, cyclone and other calamities. Families living in *Ashrayan Prokolpo* are entitled to receive VGF rice for the first 3 months of their settlement.

In terms of the distribution process, the Department of Disaster Management (DDM) issues Allotment Orders to the Food Controllers of the Ministry of Food; and actual food deliveries are received by Union Chairmen from local food depots of the PFDS. The entire process following the allotment from DDM is overseen by District Commissioners and Upazila Nirbahi Officers (UNOs).

ii. Vulnerable Group Development (VGD)

The Vulnerable Group Development (VGD) program was first initiated by the United Nations World Food Programme (WFP) in 1974 as a relief operation for vulnerable population of a war-ravaged country that was being hit by a famine as well. It was initially called the VGF (Vulnerable Group Feeding) program under the Ministry of Disaster Management and relief (MoDMR) and later the program was transferred to the Ministry of Women and Children Affairs (MoWCA) in 1996. VGD is one of the largest safety net programs assisted by the World Food Programme (WFP). Participants of VGD programs are all women enrolled for a period of two years. They receive 30 kg of rice per month with a package of development activities. The Chairman of Union Council takes delivery of foodgrains from the local LSD and the beneficiaries collect rice once a month on a pre-specified date from the Union distribution center. To prevent system loss and deception in weight, a mouth-sewn-bag of 30 kg rice lifted from a local depot has been supplied to each woman since 2015.

The program has undergone further transformations. In order to achieve the SDGs, the National Social Security Strategy (NSSS) proposed programmatic reforms for existing safety net programs targeted to vulnerable women. The existing VGD program run by the Department of Women Affairs (DWA) has been renamed as Vulnerable Women's Benefit (VWB) program. The GoB will gradually consolidate VGD and other existing allowance programs for women under the VWB to serve as an umbrella program. MoWCA is responsible for designing the VWB program. Department of Women Affairs (DWA) under MoWCA will be ensuring that each beneficiary will receive 30kg rice per month under the program. The government is eyeing to lift 15 lakh women from acute poverty through VWB by 2025-26.

In terms of the distribution process, the DWA issues Allotment Orders to the Food Controllers of the Ministry of Food. The representative of the program or the local authorities collect the food deliveries from the nearest LSDs.

2.8 Storage

DG Food has 646 traditional godowns, one modern warehouse, and six silos for foodgrains. On paper, the total stocking capacity of DG Food is 2.137 million tons. Based on a 2019 IFPRP study, the total national functional capacity is 1.931 million tons (Kabir et al. 2019). A measure of the stock stored at DG Food facilities can be obtained from the value of average opening and closing stocks. In 2021-22, DG Food maintained average monthly opening and closing stocks of rice and wheat (combined) equal to 1.657 million tons and 1.650 million tons, respectively. The data reveals that at a given point in time, DG Food utilizes almost 90% of its functional capacity for maintaining the average monthly opening (or closing) stocks.

In spite of DG Food not utilizing its full storage capacity with respect to storing the average monthly stock, storage facilities in surplus rice growing areas are exposed to tremendous pressures during the post-harvest procurement period. LSDs then often have to turn over their total stocks four or five times

over a short period of time to accommodate procurement. Given the lack of temperature and humidity control in DG Food’s traditional warehouse facilities, it is difficult to store foodgrain over a long period. Stocks of a given vintage are usually stored for six months.

However, in spite of having to store in traditional warehouses without the benefit of temperature and humidity controls, DG Food has a good record for the quality of stored gains. An earlier IFPRP study shows the absence of aflatoxin, arsenic, and mold in PFDS stocks (Rashid and Kabir, 2021). The internal quality control unit, i.e., the Inspection, Development, and Technical Services (IDTS) division of DG Food performed well. IDTS used to provide services related to internal construction as well as other technical services. Recently, a separate Maintenance and Construction Unit has been created.

Given the demand for foodgrain distribution, the storage capacity of the existing warehouses needed to be maintained. DG Food assessed that the existing technical posts (civil engineering) in the organizational structure of the Food Directorate were not sufficient for smooth implementation of construction work of various ongoing projects as well as for quantitative/quality supervision. Therefore, DG Food felt the need for establishing a separate unit—the Construction and Maintenance Unit (CMU). The unit was established by the end of 2020.

CMU was created to ensure that civil engineers are engaged properly in terms of developing projects for DG Food. Previously, Silo Engineering Officers of the DG Food coordinated work of a small number of technical officials posted at the district-level field offices. However, because construction or repair work falls under the responsibility of professional structural engineers i.e., Civil Engineers, a separate unit – CMU – was created in which Civil Engineers are responsible for designing and supervising construction of infrastructure. Prior to the formation of the CMU, similar work was assigned to external consultants by the Directorate of Food under the Ministry of Food.

Currently, there are 15 employees engaged in the CMU under the office of the Director General. The officials are primarily responsible for construction, repair and maintenance of silos, warehouses and godowns. This also includes designing the facilities and purchasing the raw materials for said facilities. The unit consists of four categories of Non-cadre officials: one Superintending Engineer (Grade 4), one Executive Engineer (Civil) (Grade 5), one Sub-Divisional Engineer (Civil) (Grade 5) and one Assistant Engineer/Regional Maintenance Engineer (Civil) (Grade 9). Additional officials serving mostly at the field level belong to the Class II category: one Sub-Assistant Architect (Grade 10), one Sub-Assistant Engineer (Electrical) (Grade 10) and two Sub-Assistant Engineer/Regional Maintenance Officer (Civil) (see Table 2.10).

Table 2.10 Distribution of CMU Officials and Employees.

Designations	Grades	Number of sanctioned posts	Number of filled posts	Proposed Posts
Chief Engineer	-	-	-	1
Superintending Engineer	4	1	1	1
Executive Engineer (Civil)	5	2	1	1
Sub-Divisional Engineer (Civil)	6	4	1	10
Sub-Divisional Engineer (Electrical)	6	-	-	1
Sub-Divisional Engineer (Architect)	6	-	-	1



Assistant Engineer / Regional Maintenance Engineer (Civil)	9	8	1	15
Assistant Engineer / Regional Maintenance Engineer (Electrical)	9	-	-	1
Assistant Engineer / Regional Maintenance Engineer (Architect)	9	-	-	1
Sub-Assistant Engineer / Regional Maintenance Officer (Civil)	10	18	2	25
Sub-Assistant Engineer (Architect)	10	1	1	-
Sub-Assistant Engineer (Electrical)	10	1	1	-
Steno Typist cum computer operator	14	1	1	-
Driver	16	5	1	34
Office Assistant cum Computer typist	16	9	2	29
Surveyor, Drafts man & Estimator each @2 person		-	-	6
Office Assistant	20	9	3	73
Electrician		-	-	4
Plumber		-	-	4
Total Manpower	20-4	59	15	207

Source: DG Food.

According to a census of storage facilities conducted by IFPRP (Kabir *et al.* 2019), there are 2,743 warehouses across all LSDs and CSDs in Bangladesh. Of the 2,743, 2,123 warehouses are located at the LSDs and the remaining 620 are at the CSDs. The census also identified that there was a total of 2,615 functional warehouses with 2,023 of them functional LSDs and the remaining 592 functional CSDs. The CMU is tasked with repair and maintenance of civil buildings every 8-10 years, while rehabilitation works are conducted every 20 years. If the CMU conducts rehabilitation of functional warehouses every 20 years—approximately, 131 warehouses would need to be restored annually on average over the 20 years in question. Furthermore, CMU would need to conduct maintenance works on approximately 262 civil buildings annually on average over 10 years. The above begs the question—does the CMU has enough manpower to handle such massive rehabilitation and maintenance projects?

Based on DG Food internal documents, outsourcing to external firms brings its share of challenges. In the case of outsourced work, there are various complications regarding implementation, quality control, the extension of project period, and difficulties in bill payments after the expiry of the project period. Furthermore, due to the lack of sufficient number of technical (civil engineering) posts at in the organization, it is difficult to complete new construction, repair, maintenance, and rehabilitation work within the stipulated timeframe (typically a particular fiscal year). As a result, new projects cannot be

undertaken in the following fiscal year until unfinished work from the previous year has been completed and necessary payments have been made. As a result, problems related to construction/repair of warehouse facilities are on the rise. During the consultations, it was found out that the unit has proposed for additional manpower, as table 2.10 shows the proposal for an additional 207 posts. DG Food needs to identify key positions from the list of proposed additions.

2.9 Movement

The management of PFDS requires moving large quantities of foodgrains around the country. Because almost half of the total domestic rice procurement is from the two northern divisions, Rajshahi, and Rangpur, and distribution is mostly even among the divisions, DG Food needs to move large quantities of foodgrains around the country. The hectic nature of domestic procurement during the two post-harvest (paddy) periods also necessitates movements of foodgrains. Officials at the local storage depots (LSD) or the central supply depots (CSD) in the surplus northern districts are required to procure between four and five times their respective godown capacities during the post-harvest Boro and Aman procurement periods, necessitating large-scale movements.

Initial movement decisions are made by DG Food field level officials; District and Regional Controllers have the authority to move grains within their respective jurisdictions. When needing movements across jurisdictions, the requests arrive at the Director of movements in the head office who in turn is expected to prepare a plan based on the requests and regulations contained in the manual for movement. An optimal plan, however, should be based on the solution of a complicated programming problem. Lacking the necessary software, hardware, and the necessary data, manual solutions are expected to be utilized. Our conversations, however, reveal that movement plans, even those manually solved, are not usually provided from the head office to the field offices.

The most important question concerns the efficiency of movement. Could identical goals regarding a given series of movements be achieved at a lower cost? This report cannot answer the question because of the lack of detailed movement data. However, an important question on movement suggests inefficiencies, especially in wheat. Table 2.11 reports total distribution, total movement of foodgrains and the ratio of the two variables separately for rice and wheat. The data are presented for 2016-2018, and 2020-2022. The ratio of movement to distribution essentially answers the question: how much foodgrains need to be moved for delivering a ton of foodgrains? Table 2.10 shows that the ratio for rice varies between a low of 0.6 tons in 2021 to the maximum of 0.82 in 2016. In other words, DG Food needed to move more than 0.6 tons of rice among its warehouses for distributing 1 ton of rice. For wheat, the picture is quite different. During the selected years, distributing a ton of wheat required moving a minimum of 0.91 tons of wheat in 2017 and the maximum of 1.47 tons in 2020. A major weakness in the use of the ratio in measuring inefficiency is the lack of distance measures associated with the movement. However, the numbers still raise questions especially about the efficiency of the movement of wheat when almost 50% more grains are required to be moved for distributing a ton of grain.

Table 2.11 Distribution, Movement, and their Ratio for Rice and Wheat for Selected Years.

Year	Rice			Wheat		
	Distribution	Movement	Movement/ Distribution	Distribution	Movement	Movement/ Distribution
2016	1,518,851	1,246,224	0.82	553,722	536,210	0.97
2017	1,613,331	1,087,792	0.67	637,832	582,039	0.91
2018	1,709,609	1,173,461	0.69	419,820	544,007	1.30
2020	2,207,056	1,749,922	0.79	579,717	852,379	1.47
2021	1,770,977	1,067,754	0.60	520,818	669,330	1.29
2022	2,406,815	1,789,825	0.74	668,696	867,409	1.30

Source: Compiled from multi-year data on movement and distribution provided by DG Food.

2.10 Challenges: Difficulties in Implementation

Given that DG Food is essentially an implementation agency, it is logical to consider shortcomings or gaps regarding the actual operations in the field including procurement, distribution, movement, and storage.

2.10.1 Challenges to Procurement

Procuring from husking mills is a field level problem. Once a big source of procurement, husking mills are a dying breed now but still receiving 40% of total procurement allocation. Current DG Food specifications require procured rice to be of uniform color. However, not having color sorters, husking mills must purchase from automatic mills to meet their allotted quota, an inefficient business at best. District Controllers of Food, however, still need to verify mills and their capacities before allocations are made. The absurdity of the situation is evident from the case of Dinajpur, a major rice producing district: District Controllers must inspect and certify approximately 750 husking mills who must purchase from automatic mills for fulfilling government quota whereas 23 automatic mills supply the remaining 60% of procurement directly to DG Food.

The other part of procurement is paddy. DG Food uses a pilot mobile application called Krishak App for procuring paddy. The steps of an elaborate arrangement involve obtaining a list of farmers – 50% marginal, 30% moderate, and 20% large (by landholding) – from the Department of Agricultural Extension (DAE) of the Ministry of Agriculture and verification by a three-member committee comprising the Upazilla Controller of Food (UCF), the Upazilla Nirbahi Officer (UNO), and the Upazilla Agriculture Officer (UAO). From the verified list is drawn a set of farmers selected by a lottery. The location of delivery, the date, and bank information, etc. are conveyed to the farmers through SMS. Farmers can sell a minimum and the maximum of five bags and three tons of paddy, respectively. Paddy procurement, however, has not been much of a success for DG Food (see figure 2.4 in section 2.6 of this chapter). Major field-level problems with paddy are many-fold. First, there is the failure on the part of the farmer to bring paddy that complies with the 14% moisture content rule and the lack of paddy dryers at the LSDs complicates the situation. Second, even the maximum purchase quota of three tons of paddy forces DG Food field officials to purchase from an extremely large number of farmers to meet the million-ton target. DG Food officials also blame a wrong procurement pricing policy. In addition to the problems faced by the DG Food officials, farmers themselves often do not have proper

incentive for supplying to DG Food on account of uncertainties regarding grain moisture and transportation costs, etc.

2.10.2 Challenges to Movement

Movement plans are necessary for ensuring the efficiency of operations. When movements are not planned, decisions are at best improvised and adhering to the concepts of least-cost or least-distance movements is not guaranteed. DG Food has recently introduced software for movement apparently to solve the problems of inefficient operations. Officials were expecting the algorithm of the software to solve complex programming problems and provide them with movement plans consistent with least-cost or least-distance goals. However, the software, currently in operation, does not provide any plan; it only records the source facility, the destination facility, and the times of departure and arrival. In short, the software appears to be a record-keeping device.

2.10.3 Challenges to Distribution

The Division of Supply, Distribution and Marketing (SDM) is the hub of all distribution activities undertaken by DG Food. The division essentially channels distribution orders from all programs to the warehouses where designated officials receive deliveries earmarked for distribution to beneficiaries and the physical act of delivering grains is performed by contracted laborers. In recent years, however, DG Food field level officials have faced problems with newly introduced or revamped programs such as the Food Friendly Program (FFP) or the Open Market Sales (OMS) program. OMS and FFP are both operated by a network of dealers who receive the difference between the purchase and the sale price. DG Food, however, has not created the necessary workforce to serve in those programs. Rather the old system of attachment is used in the fields to facilitate. The OMS program, for example, is helped by the network of now-defunct rationing activities; officials from other areas are assigned on attachment to posts associated with the old rationing system. This is an improvised mechanism at best. Moreover, often times officials on attachment duties lack the most basic facilities at their newly assigned positions. The net result is the shortage of manpower and facilities to exercise proper monitoring of the dealers. The problem is especially serious in urban areas without the benefit of rationing in the 1990s.

2.10.4 Challenges to Storage

According to DG Food officials, traditional warehouses have been operated by skeletal structures although LSD or CSDs operate under labor-intensive systems. Although loading, stack building, and unloading are physically carried out by contracted laborers, the warehouses require considerable effort for record keeping, monitoring, supervision, fumigation, and spraying of pesticides. Because the key-posts of Assistant sub-Inspectors are often vacant, the bulk of the work at the facilities is done by employees designated as security guards. Recent government decisions on phasing out security guards, therefore, poses challenges for the future.

2.10.5 Other problems

Reporting: The two major types of stock accounting reports prepared by DG Food are the weekly report and the daily report. DG Food completes its annual physical inventory on June 30 of a given year; the actual opening stock of the first day of the following year is obtained from the inventory. The accounts are then maintained daily by adding all new arrivals such as procurement, imports, and receipts, and deducting all distributions consisting of delivery, dispatch and godown shortage from total stock to arrive at closing balance of the day which is again the opening balance for the next day.

The preparation for the weekly report starts at the end of work on Thursday. Officers in-charge at the local warehouses compile daily records from the previous seven days and pass it on to the District Controllers of Food (DCF). The DCFs, in turn, combine the data from all godowns in the district, and send the consolidated report to the Regional Controllers of Food (RCF). The RCFs compile the regional data and send it to the Management Information System (MIS) at the head office. MIS prepares the final weekly report that shows the national stock for the previous week (see **Appendix C**). This report is subsequently aggregated to obtain the monthly and the annual stock accounts for the nation. The data for the weekly report goes through multiple steps of scrutiny and correction and is quite valuable. Unfortunately, the preparation schedule of the report renders it less valuable as MIS at the head office can produce the report on Tuesdays, by when four days of activities in the following week have taken place. The weekly report, as a result, is not of much use for management level decision-making for the next week.

The timing issue perhaps created the need for the daily report. Similar to the sequence of preparation for the weekly report, the daily report starts at the local warehouse level, and travels through various stages of compilation at the district and the regional offices to the head office MIS which makes the daily report available the following day. Unlike the weekly report, the content of the daily report is not scrutinized. However, its timing makes it valuable for quick decisions by management although there are discrepancies in the stock accounting numbers between the weekly and daily reports.

Stock in Transit: Keeping track of foodgrains in transit is an important responsibility of DG Food. The mechanism to watch foodgrains in transit, however, suffers from important issues. DG Food currently does not have a system to monitor the passage of shipment and the acknowledgement copy of V-invoice (2nd copy) from the destination warehouse is the only confirmation of the receipt of the shipment. Importantly, the 2nd copy of the V-invoice can only be mailed using the Bangladesh postal service, requiring approximately 15 days to reach the sending warehouse (consignee) from the destination warehouse.

In the absence of real-time monitoring, the concept of stock-in-transit is used by DG Food as a checking tool for its shipments. Stock-in-transit is calculated on a weekly basis. Using the weekly report from the network of warehouses all over the country, MIS at the head office calculates stock-in-transit as parts of weekly dispatches that are not confirmed to have reached their destinations within the week. Specifically, stock-in-transit is calculated by deducting weekly receipts and transit losses from dispatches. It is important to note that while data are reported by individual warehouses, the calculation uses aggregated nationwide data. In other words, there is no correspondence between foodgrains shipped out of a warehouse and shipment received by the destination warehouse.

Stock-in-transit, therefore, is the part of the agreement shipment considered to be with the contractor by the end of the week— either on the way to destinations or awaiting unloading at destinations.

Estimates of weekly stock-in-transit of rice generally varies between 3,000-5,000 tons. However, the quantity of wheat estimated as stock-in-transit is approximately 70,000 tons. Admittedly, stock-in-transit is likely to be overestimated because of the accounting system in use. For example, shipments made on Wednesdays or Thursdays are less likely to reach destination warehouses by Thursday, especially when the mode of transportation is railway. However, such errors are likely to bias estimates for both rice and wheat.

DG Food views stock-in-transit as a virtual stock generated by a fault in the accounting system and treats it as an output of multiple counting at stages of dispatch, unloading, loading, reloading or transshipment of wheat especially from Silos, Ports or Ghats. Unfortunately, the previous attempt by DG Food to solve the problem – the hiring of a consulting firm in 2013 – was not a success. It is important to note that carrying contractors who hold the foodgrains called ‘stock-in-transit’ have never been included in the information flow regarding shipments.

Electronic monitoring and real-time tracking of shipments would solve the problem. As such, the introduction of the new technology under the Modern Food Storage Facilities Project (MFSP) would be valuable. However, accurate estimates of stock-in-transit can be obtained even under the current technology. A proposed solution would include the following steps:

1. Bringing in carrying contractors into the system, requiring them to report the location of the shipment to the officer-in-charge at sending warehouses by the end of the week.
2. Requiring officers-in-charge in sending warehouses to communicate with destination warehouses regarding the receipt of shipments by the end of the week.
3. Once the officer-in-charge from the sending warehouse obtains information on shipment received and shipment in transit, s/he can account for the entire shipment from his warehouse. The officer-in-charge will report the stock-in-transit values for shipments from his/her warehouse to higher authorities and the information will be passed on to the MIS.
4. MIS will be able to calculate the aggregate stock-in-transit value for the week in question. Continuing with the new system for a trial period of at least three months will provide a clear idea of the extent of stock-in-transit. If stock-in-transits are indeed found to be large, the source can be identified, and proper measures can be used to address the problem.
5. Unfortunately, the proposed solution cannot identify the source of the current estimates of the large values of stock-in-transit estimates, as the numbers have built over time.

Hardship with reporting requirements at the field offices: Increasing reporting requirements are a common problem for field level officials. Without the benefit of a centralized automated reporting system, DG Food's current system of reporting utilizes a combination of government and personal email delivered data to the head office. Saved in individual desk-top computers, the daily data are not processed for subsequent multiple uses. Rather, field level officials are required to submit additional worksheets with weekly information or special reports with specific information required from their superiors in the head office. Novel requirements without appropriate technological skill and resource often put pressure on field level officials.

Problems with tenders: DG Food uses an open tender system to appoint two types of contractors for key activities in storage and movement operations: Carrying Contractors and Handling Contractors. Carrying contractors transfer foodgrain from one location to another using vehicle/vessels/wagon at source warehouses, taking loads from there, and transporting grain to destination warehouses. Handling Contractors help with uploading and downloading grains at destination and source warehouses, respectively. Handling Contractors essentially provide the manpower for doing the specialized work mentioned above.

As stated, contractors are appointed through an open tender method. The current system for appointing contractors is plagued with significant challenges. To understand those challenges, it is instructive to consider the tender system that was in effect prior to the enactment of the Public Procurement Regulation (PPR) in 2003. For ease of understanding, the case of Carrying Contractors is used as an example.

Before the formulation of PPR, carrying contractors were selected through an open tender system every two years. Tender committees at the district and the division levels, headed by the Deputy Commissioner and the Commissioner, respectively, held tenders in two stages. Tenders were initially invited for 'Enlistment' and then for 'Quotation' from those selected for enlistment. For nationwide carrying contractors – road, railway, and waterway – the Director of Movement, Storage, and Silo (MSS) served as the member secretary of the tender committee headed by the Director General and followed the same enlistment and quotation procedure.



In the second stage, contractors with documents satisfying 'enlistment' conditions were invited to submit 'quotation tenders'. The authorities provided what was known as the 'fair price' to those enlisted contractors. The fair price represented the average cost of transportation based on previous contracts and going market rates. Enlisted contractors with offers within a 5.0% band of the fair price were considered valid. The final part of the process was to select the winner based on the lowest price quotation or through a lottery if there were multiple winners.

With the enactment of the Public Procurement Rule (PPR) in 2003, individual tender documents and procedures in use by different government entities were abolished. In the new system, PPR assigns the responsibility of appointing contractors to the District Controller of Food, the Regional Controller of Food, and the Director of Movement, Storage, and Silos for their respective jurisdictions. PPR requires the formation of a tender evaluation committee; the goal is to assess submitted tenders. PPR also requires the committee to obtain a 'reserve price' for each tender; price quotations above the reserve price are not accepted (for transport and handling). The reserve price, kept confidential during the tender process, is subsequently used for the evaluation of quoted prices.

PPR 2003, however, did not have any rule for transport and handling services, and DG Food appealed to the Central Procurement Technical Unit (CPTU), the nodal agency for PPR, for alternative arrangements, submitting a proposal to make rules for directorate. A section under the 'framework contract' was later inserted in the revised PPR framed in 2008.

The modified system currently used by DG Food, however, is a medley as it does not conform to either the old or the new systems. The current system requires contractors to submit two simultaneous proposals, one technical and the other financial. The evaluation committee selects winners by comparing price quotes among contractors who satisfy technical requirements. However, the tender documents do not specify the number of eventual winners of the contract and keep the number of winners flexible. As a result, a large number of contractors can be selected although only a few of them with serious intentions of honoring the contract.

The following are major anomalies from CPTU requirements: Carrying contracts must be route specific. Moreover, for each route, there must be a single contractor, and for each route, there must be a single reservation price. However, route-specific contracts are not in use in the current system. Importantly, route specific contracts were not developed because such contracts are apparently not feasible given apprehensions that movement needs could be unpredictable and uncertain. Instead of route specific quotes, a single rate system is in place, and multiple contractors can also be appointed for the same route.

Carrying out the tender process has become extremely difficult. DG Food officials are reluctant to initiate the process because of its contradictions with CPTU recommendations. The process also allows collaboration among potential contractors. Successful completion of the tender process faces challenges in locations with market concentration; Chittagong is an example in this case. Moreover, given the potential of giving contracts to an unlimited number of contractors a priori, the potential for lawsuits is ever present. The difficulty in completing the tender process is evident in the fact that DG Food has not successfully awarded carrying contracts since 2012.

Communication: Field level offices do not have ample communication hardware. Officials themselves have to pay for internet services.

Alienation from the head office: Field level officials often feel alienation from the head office especially with respect to promotion delays.

Protocol: High-level government and political officials often visit prominent procurement areas. The responsibility of providing protocol to them falls on the local DG Food officials although there is no



official allocation of funds, manpower, or resource and local DG Food officials have to step in. The failure to take proper care of high-ups from Dhaka can lead to unfavorable job situations.

2.11 Transparency Issues

Three major transparency issues, all related to field level operations are highlighted in this section. As discussed earlier in this chapter, meeting the annual domestic procurement target of rice in a consistent manner is not assured. While DG Food has achieved 100% success in 2014, 2015, and 2016, actual procurement has fallen short of the target in recent years. DG Food field level officials often blame the wrong government policy for procurement shortages; they claim that the procurement price set by the government is often below the prevailing market price, affecting DG Food's ability to procure rice from millers who prefer to sell to the market. If wrong procurement prices were indeed the case, procurement shortages would be more pronounced because millers all over the country would suffer losses by selling to the government. It should be noted that rice prices in Bangladesh are strongly integrated across the regions (Minot et al. 2021). Why do millers sell to DG Food while they are losing money? Millers claim it is because of their love of the country.

DG Food employs handling contractors for physical deliveries of foodgrains to and from warehouses. DG Food often finds itself in a precarious situation as handling contractors file successful lawsuits for injunctions against the awarding of new labor contracts when old contracts end, forcing DG Food to continue with the old contracts. However, because prices in the old contracts are dated, the contractors lose money. Although government revises the price schedules intermittently, labor contractors remain at a disadvantage. Why are labor contractors so intent on continuing with the old contract even when they are losing money? DG Food field level officials admit that there are arrangements involving labor contractors, DG Food officials, and representatives of millers (for procurement) or beneficiaries (for distribution). The exact nature of the unofficial mechanism, however, remains nontransparent.

The extension of old contracts is observed for carrying contractors as well. In a manner resembling the labor contract situation, carrying contractors force the continuation of contracts even when they lose money – another case of a lack of transparency.

2.12 SWOT (Strength, Weakness, Opportunities and Threat) Analysis

SWOT analysis is employed to allow organizations abstract from daily practices and take a fresh perspective of their activities. SWOT analysis allows organizations to break away from their usual habits to develop a new approach. The four elements of SWOT analysis, arranged in two groups – strengths and weaknesses, and opportunities and threats, describe internal and external factors, respectively, affecting the performance of an organization.

SWOT analysis is conducted against the backdrop of the goal of the organization. As such, business concerns are the most appropriate subjects of SWOT because their goals are essentially the maximization of profits. Any factor related to variations in revenues or costs of the organization can be considered as indicators of internal strengths or weaknesses or as indicators of external opportunities and threats. Because DG Food is a public organization, the maximization of profits is not the objective of the organization. The purpose of the SWOT analysis in this study is to identify the strengths, weaknesses, threats, and opportunities of the overall organization so that the report can cast a clear-eyed, balanced view of the future role of DG Food as the country transitions to a middle-income status in 2040.

From its current set of mandates and the four core functions, the most prominent goal of DG Food appears to be the provision of sufficient foodgrains for meeting distributional needs of the Social Safety Net Program of the Government of Bangladesh (GoB). In contrast to a business concern, DG



Food does not face any competition in fulfilling its goal. The organization also does not suffer from financial constraints because GoB always provides funds for procuring required quantities grains from domestic and international sources. DG Food also has a countrywide network of people and facilities consigned to carrying out the responsibility. Importantly, DG Food does not face any constraints regarding paying salaries for its workforce either. These are all DG Food's strengths.

The organization, however, suffers from considerable weaknesses as well. The foremost weakness is the huge vacancy present in the workforce; out of its sanctioned 13,722 posts, only 7,303 posts are filled, creating serious gaps in important positions. Furthermore, due to potential adverse conditions such as receiving a daunting number of applications, complaints about test conduct, and political influences etc., DG Food suffers from the slow pace of the recruitment process. The other weakness of the organization is its culture of improvisation. From procurement to distribution, storage, movement of grains, the management of the workforce, and important cross-cutting issues such as technology or training, DG Food operations are often managed by improvised decisions. From a bird's-eye view of DG Food operations, it appears that the organization is managed almost in a day-to-day fashion without a perspective on long-term management.

The other serious weakness of DG Food is its inability to take a fresh look at itself. Officers and employees appear fixed in their ways of work and are opposed to implementing programs or procedures that could change on-going practices.

When considering external factors – opportunities and threats – the most important threat to the organization is the probability of a crop failure (domestically) or a tightening of the international grain market due to crop failures or political changes in grain exporting countries. The recent Russia-Ukraine war, for example, has affected the ability of DG Food to procure wheat from the international market. Adverse effects of climate change on agricultural production are another important external threat that could affect both domestic and international sources of procurement.

The final piece of the SWOT analysis is opportunities external to the organization. The implementation of the Modern Food Storage Facilities Project (MFSP) and its contribution to DG Food can be considered as a tremendous new opportunity for DG Food. MFSP promises to increase DG Food storage capacity by almost 25%; importantly, the addition to the storage space would feature temperature and humidity control, increasing shelf-life of grains to two years, enabling DG Food to keep strategic reserves for emergency situations.

Table 2.12 SWOT Analysis

		Internal		
		Strengths	Weaknesses	
Positive		1. A huge number of officers and employees are distributed all over the nation.	1. Large-scale long-term vacancies in the workforce, some in key positions.	
		2. A sprawling network of warehouses across the nation.	2. Improvised decision-making is the norm.	
		3. Strong partnerships with a network of rice millers all over the country.	3. Substantial promotion delays affect employee morale.	
		4. Almost unlimited budget for procuring necessary quantities of foodgrain (for distribution).	4. Leadership and mid-level management set in their ways and are resistant to change.	
		5. The government pays salaries to DG Food officials and employees. As a result, DG Food is not constrained by salary needs of the workforce.	5. Learning of officials and employees affected by inadequate resources for the training department.	
			Because of weather conditions, traditional warehouses cannot store grains for more than six months.	
			Opportunities	Threats
			1. The implementation of the Modern Food Storage Facilities Project (MFSP) is expected to increase DG Food's storage facilities by almost 25%.	1. Occasional tightening of the international rice markets is a serious threat to fulfilling procurement needs given DG Food's dependence on imports. Wheat also suffers from the same threat when logistical problems such as the Russia-Ukraine war affect international trade.
			2. The additional storage space (from MFSP) is equipped with temperature and humidity controls, giving DG Food the ability for strategic reserve keeping. The addition is particularly important against external threats such as climate change or international conflicts.	2. Extreme weather conditions related to the deepening long-term climate change are a serious threat as Bangladesh is likely to be affected in a very substantial by the crisis.
			3. The agency can leverage advancements in technology, such as automation and data analytics, to improve its regular operations and increase efficiency through the Food Stock and Market Monitoring System under the MFSP.	
		External		
	Negative			



CHAPTER 3. WORKFORCE: NUMBERS, VACANCIES, AND PROMOTIONS

3.1 Introduction

This chapter considers aspects of the DG Food workforce. The analysis digs deep into the types of workers – officers and employees divided into groups of Class I, Class II, Class III, and Class IV workers – and the nature of their work. Class I officers provide leadership of the directorate as they make important implementation decisions. Inspectors, Sub-Inspectors, and Assistant Sub-Inspectors drawn from groups of Class II and Class III employees, on the other hand, serve as the backbone of DG Food field level implementation. Finally, clerical staff, office attendants, and security guards, etc., ranging from Class III and Class IV employee groups provide essential service for the everyday running of the agency.

Widespread vacancies are an important feature of the DG Food workforce. Based on current statistics, approximately half of all sanctioned posts at DG Food are vacant. The analysis reports on the vacancy numbers, investigates the reasons behind the persistent problem, and details the consequences of vacancies for the agency and its workers.

Promotions, and placements in head office or in the field are important aspects for consideration. This chapter ends with details of these two aspects.

3.2 Workforce Structure

DG Food began its operations in 1943 with a very small number of staff and gradually increased its personnel strength. In the early years, it had a decentralized setup with regional deputy directors (DDs) drawn from the administrative cadre assisted by the required number of deputy magistrates. Deputy Directors in a region consisting of one or more districts could appoint inspectors and adjust the procurement price of foodgrain. Thus, during these early years, the administration of DG Food was largely decentralized.

Over time, however, as DG Food operations grew, the workforce greatly expanded and the decentralized character of the directorate gave way to a centralized structure, especially with respect to recruitment and key decisions. DG Food currently has a sanctioned workforce of 13,722. In contrast to the decentralized management system of the early years, key decisions regarding procurement, distribution, movement, and storage are currently taken either at the head office or by even higher authorities such as the Food Planning and Monitoring Committee (FPMC), a ministerial committee chaired by the Minister of Food.

The 13,722 sanctioned posts in the directorate are divided into four groups: Class I officers – 903 (6.6%), Class II employees – 1,763 sanctioned posts (12.8%), Class II employees – 5,443 (39.7%) sanctioned posts, and Class IV employees – 5,613 (40.9%) sanctioned posts.



Table 3.1 Officer and Employee Groups

Class	Grades	Sanctioned posts	Proportion
Class I (Cadre)	Grade 9 – Grade 1	227	1.7%
Class I (Non-Cadre)	Grade 9 – Grade 4*	676	4.9%
All Class I officers		903	6.6%
Class II	Grade 10	1,763	12.8%
Class III	Grade 16 – Grade 13	5,443	39.7%
Class IV	Grade 20 – Grade 17	5,613	40.9%
Total:		13,722	

Note: The current highest non-Cadre officer post is that of the Superintendent Engineer, grade 4.

Source: DG Food

3.2.1 Class I posts

Grade 9-grade 1 positions are considered Class I. The DG Food leadership team is made up of Class I officers; they are the coordinators and overseers of the four main functions of DG Food – procurement, distribution, storage, and movement. Heads of all divisions and units are from the rank of Class I officers.

Class I officer posts are divided into two groups: Cadre and non-Cadre. There are 227 Cadre officer posts, approximately a fourth of all Class I officers, and 676 non-Cadre officer posts.

Cadre officers at the DG Food – also known as Food Cadre officers – are recruited as a part of the Bangladesh Civil Service (BCS) by the Bangladesh Public Service Commission (BPSC), the main policy setting and recruitment body of BCS. Recruitments to various civil service cadres, 26 in total – 10 general, 12 professional, and four with elements of both general and professional – are accomplished through BPSC-conducted nationwide competitive examinations participated by university graduates. BSC Food Cadre is one of the four cadres with elements of general and professional cadres. Food Cadre recruits are thus classified into two groups: General – university graduates with an entry position of Assistant Controller of Food (ACF), and Professional – with an entry position of Assistant Maintenance Engineer.

Class I Cadre officers are the top brass of the DG Food hierarchy. Although the topmost position of the Director General is usually filled by a Civil Servant with the rank of Additional Secretary, usually from the BCS Administration Cadre, Food Cadre officials are placed at the next highest position, that of the Additional Director General. The positions of Directors (6), Additional Directors (5), Deputy Directors (20), etc., are all filled by Class I officers placed at the head office in Dhaka. Class I officers such as Regional Controllers of Food (RCF) – 8 positions, District Controllers of Food (DCF) – 64 posts, Assistant Controllers of Food (ACF) – 49 posts, etc. are posted in field offices.

Among non-Cadre Class I officers, Upazilla Controllers of Food (UCF) are the largest group; they account for almost three quarters of all non-Cadre Class I positions – 492 of the 676 sanctioned posts – and are posted almost entirely in field offices. Each Upazilla in Bangladesh is expected to have a UCF.

Like their Class I officer counterparts, employees who receive promotion to Class I posts are also divided into general and professional groups. While Upazilla Controllers of Food are general line employees, class II employees belonging to the professional line, civil engineers by training, are promoted to positions of Assistant Maintenance Engineers. The current highest non-Cadre Class I officer position is that of the Superintendent Engineer (grade 4), followed by posts of the Executive Engineer and Systems Analyst, both grade 5 posts.

Promoted non-Cadre Class I officers can subsequently become Cadre officers through a process called encadrement; according to existing recruitment rules, vacant Class I Cadre posts are to be filled in a 50:50 ratio by direct recruitment and from the group of non-Cadre officers. Although encadred officers may rise along the DG Food hierarchy, their promotion potentials are limited on account of being late entrants into the system and because of the dominance of Food Cadre officers in the hierarchy.

3.2.2 Class II posts

Grade 10 positions are considered Class II employees. Of the 13,722 DG Food posts, 1,763 (12.8%) are for Class II employees. Food Inspectors, with 1,585 posts, account for almost 90% of Class II employee posts.

Food Inspectors are the major group implementing DG Food actions in the field. Food Inspectors are either assigned to Local Supply Depots (LSD) or to Upazillas. When assigned to LSDs, Food Inspectors operate as Officers in Charge (OC) of LSDs. They are responsible for maintaining the facility and running everyday operations. When assigned to Upazillas, they perform a variety of duties including market monitoring, recording foodgrain prices, inspecting rice mills, conducting license enquiries, and helping with Open Market Sales (OMS) operations.

3.2.3 Class III posts

Grade 16-grade 13 positions are considered Class III. With a total of 5,443 sanctioned posts, Class III posts account for almost 40.0% (39.7 %) of the DG Food sanctioned workforce. There are three major types of jobs among class III (grade 16 – grade 13) positions.

- a. Food Inspectors (Sub-Inspectors and Assistant Sub-Inspectors)
- b. Clerical positions
- c. Technical positions

Under the two inspector categories, there are a total of 2,357 sanctioned posts – 43.3% of all Class III posts; 1,323 are Sub-Inspectors and 1,034 are Assistant Sub-Inspectors. Along with the Class II post of Food Inspector, Sub-Inspectors and Assistant Sub-Inspectors form the backbone of DG Food field-level implementation.

Assistant Sub-Inspectors, for example, are assigned to LSDs as assistants to the Officers in Charge. On the direction of their superiors, Assistant Sub-Inspectors receive and distribute foodgrains, record loading and unloading quantities, and complete the Loading and Unloading Advise known as LUA.

Next comes the clerical jobs; there are 1,157 such jobs, accounting for 21.2% of all Class III positions. Clerical posts include office assistants and computer operators. Overall, there are 846 Office Assistant Cum Computer Typists, 204 Upper Division Assistants, and 107 Data Entry/Control Operators.

Technical positions are the third largest group among Class III posts. There are 494 Silo Operatives, 106 Operators, 389 Drivers of heavy vehicles, and 192 Mill Operatives. As their names suggest, these positions are mostly involved in silo and mill operations, along with drivers for vehicles owned by DG



Food. A large portion of the technical Class III positions are vacant; the analysis of vacancies is presented later in this chapter.

3.2.4 Class IV posts

Grade 20-grade 17 jobs are considered Class IV posts. Class IV posts are the largest component of the DG Food workforce – 5,613 posts, 40.9% of all sanctioned posts. Security Guards (Darwans and Night Guards) are the majority of Class IV positions; out of 5,613 Class IV sanctioned posts, 4,604 (82.0%) are Security Guards. Most Security Guards are posted in Local Supply Depots (LSDs), Central Storage Depots (CSDs), and Silos. In addition to providing security to the facilities, Security Guards perform important chores in godowns. DG Food has a specialized workforce for godown operations consisting of cleaners, pesticide sprayers, or manpower for fumigation. However, whenever some of those posts are vacant, security guards step in to complete the task. Moreover, in LSDs with vacant Assistant Sub-Inspector posts, Security Guards complete even Loading and Unloading Advises (LUA).

3.3 Issues with Vacancies and Redundant Posts

The most prominent feature of the DG Food workforce is the huge number of vacancies in sanctioned posts. There are a total of 13,722 sanctioned posts, of which only 7,303 (53.2%) are currently filled. In other words, 46.8% of all sanctioned posts are vacant.

Vacancies are the most pronounced among Class III employees; 2,186 of 5,443 (almost 60%) of all Class III employee posts are vacant. Among Class II and Class IV employees, vacancy rates are 40.2% and 38.9%, respectively. Class I Non-Cadre posts have the lowest rates of vacancy (26.3%).

Table 3.2 Vacancies in DG Food: By Classes of Officers and Employees.

Position Classification	Number of sanctioned posts	Number of vacant posts	Proportion of vacant posts
Class I (Cadre): Grade 9 – Grade 1	227	98	43.2%
Class I (Non-Cadre): Grade 9 – Grade 1	676	178	26.3%
Class II: Grade 10	1,763	708	40.2%
Class III: Grade 16 – Grade 13	5,443	3,249	59.7%
Class: Grade 20 – Grade 17	5,613	2,186	38.9%
Total:	13,722	6,419	46.8%

Source: Statistics of Civil Officers and Staff, 2022, of the Government of Bangladesh.

Widespread vacancies in the DG Food are due to the combination of two factors:

1. Failure to abolish potentially redundant vacant posts.
2. Failure to fill vacant posts.

Not abolishing redundant posts is a cause for widespread vacancies. Prior to the 1990s, DG Food was heavily involved in rationing activities. However, during the early 1990s, rationing was permanently closed as the government closed down Statutory Rationing (SR) in 1990-91 and Modified Rationing (MR) in 1991-92. Closing rationing, however, did not result in the abolishment of the related posts. As a result, the DG Food workforce retains 23 posts of Area Rationing Officers; nine of those



posts are filled although rationing has been discontinued for more than 30 years. On a similar note, DG Food has dismantled its fleet of trucks or riverine transports once used for moving foodgrains, but posts of drivers and motorized vehicle operators are still in the system – for example, there are 18 sanctioned posts of Launch Drivers, Sukhanis, and Sarengs. Although a total of 347 redundant posts have been abolished since the publication of the Enam Committee report in 1983, many redundant posts remain.

DG Food's own report shows that there are 2,000 posts, all vacant, for which there are no activities. Current records of vacant posts from the Statistics of Civil Officers and Staffs (2022) also show that there are 48 different job categories with 244 posts that do not have a single filled position. The same document shows that another category has 20 sanctioned posts but exactly one employee. Overall, for those 49 different categories of jobs, DG Food has 265 sanctioned posts but one filled post. The almost 100% rate of vacancy implies that those posts are redundant.

Among potentially redundant posts, vacancies are concentrated around two types of jobs:

1. Clerical-plus-office support
2. Technical

Among clerical positions, the job of Office Assistant cum Computer Typist, a grade 16 (Class III) post has a total of 846 sanctioned posts and 93 filled positions, yielding a vacancy rate of 89.0%. There are similar other positions – Office Support Staff, a grade 20 position (237 posts, 67 employed, vacancy rate of 71.7%), Data Entry Control Operator (107 positions, 37 employed, 65.4% vacancy).

Vacancies in clerical jobs may indicate redundancies created by the reduced need for specialized typists because of the spread of computers. The other reason for the high vacancies could represent failures of direct recruitment. Standard tests for recruiting typists have proved difficult hurdles for applicants for those jobs for the 2010 announcement (recruited in 2014); of the of the advertised 503 Office-Assistant cum Computer Typist posts, only 146 could be filled as 353 failed (70.2% failing rate) the practical examination.

Among vacant posts for technical jobs, the foremost category is that of Supervisors, a grade 10 (Class II) job in a silo with 69 sanctioned posts, all vacant. Silo Operatives, a grade 16 position, has 494 sanctioned posts but only 264 filled positions. Similarly, the Mill Operative Category, a grade 16 job, has 192 assigned posts but only 24 filled positions and a vacancy rate of 87.5%.

Vacancies in technical jobs are likely to have persisted because of a lack of need for those posts in the past. There were times in the early 2000 when silo operations were deemed redundant. Given the enhanced importance of the public food distribution system following the 2008 crisis, silo operations have become more important. Importantly, when the seven additional silos being constructed under the Modern Food Storage Facilities Project (MFSP) become operational, there will be a considerable increase in the need for filling the technical posts.

A natural consequence of the vacancy problem is that along with vacancies in redundant posts, there are vacancies in posts that are rather important. Consider the three Inspector categories:

1. Inspector of Food (grade 10; 1,585 sanctioned posts, 977 filled; vacancy rate of 38.4%)
2. Sub-Inspector of Food (grade 13; 1,323 sanctioned posts, 710 filled; vacancy rate of 46.3%)
3. Assistant Sub-Inspector of Food (grade 15; 1,034 sanctioned posts, 454 filled; vacancy rate of 66.1%).

The three Inspector categories form the backbone of DG Food's field-level implementation workforce, serving in LSDs or the Upazillas. High rates of vacancy for the combined categories (3,942 positions, 2,141 filled) are a cause for concern.

Vacancy rates in the DG Food workforce are expected to decline in future because four different categories of jobs with many sanctioned posts and relatively high rates of vacancies are being phased out. The Government of Bangladesh (GoB) has decided to outsource those positions.

1. Security Guards (Grade 20, sanctioned posts: 4,604, filled positions: 2,965, vacancy rate: 35.8%)
2. Cleaner (Grade 20, sanctioned posts: 294, filled positions: 240, vacancy rate: 18.4%)
3. Attendant (Grade 20, sanctioned posts: 288, filled positions: 59, vacancy rate: 79.5%)
4. Office Support Staff (Grade 20, sanctioned posts: 237, filled positions: 67, vacancy rate: 71.7%)

Security Guards are important because they often step in to fill the void of either the specialized workforce including cleaners and sprayers, or even Assistant Sub-Inspector posts in LSDs.

Failing to abolish redundant posts is only a partial reason behind the massive 'vacancy' problem; the other factor is the failure to fill vacant positions. Other than a few senior positions in the organization which are filled by promotion, DG Food follows a combination of promotions and new recruitments to fill vacancies.

The Bangladesh Public Service Commission (BPSC) is responsible for direct recruitments of Class I (Cadre and non-Cadre) and Class II posts, and DG Food is responsible for direct recruitments of Class III and Class IV posts. Recruitment, however, appears to be a problem for both DG Food and the Public Service Commission. Between 2014 and 2022, for example, a total of 33 applicants were nominated for the Food Cadre by the Bangladesh Public Service Commission – 30 for the General line and 3 for the Professional line. The recruitment process for the BCS Cadre officers, however, takes a long time, and the process has become even more drawn out in recent years. Initial advertisements for the 2014 BCS recruitments, for example, were made in 2012, and actual recruitment took two years to complete. For the 2016 BCS batch, the length of time increased to three years, and for the 2022 batch, it increased to four years.

Direct recruitment conducted by DG Food also takes four years or more. Advertisement for direct recruitment from 2010 and 2014, for example, led to hiring in 2014 and 2018, respectively. Advertisements from 2018 did not result in hiring in 2022, and the process has spilled into the fifth year. Moreover, DG Food direct recruitment efforts are not uniformly successful across types of jobs. The 2014 results show that although recruitment was successful for nine of the 10 categories, only 146 of the 503 posts of Office Assistant Cum Computer Typists were filled.

Filling vacant positions by promotion from within DG Food appears to be more successful. Consider the case of Upazilla Controllers of Food. The Class I non-Cadre job has 492 sanctioned posts and 366 employed individuals with a vacancy rate of 25.6%, much lower than the overall rates of vacancy approximating 50%. The relatively lower vacancy rate could be because of the stipulation of filling vacancies by a combination of 90% promotion and 10% direct recruitment.

Not abolishing vacant positions allows DG Food leadership some flexibility regarding administration. Because the creation of new posts takes time, the leadership may be inclined to continue with redundant positions and exercise the attachment practice.

Attachment is a long-running practice in DG Food. Consider the example: an officer/employee is required at the port in Khulna but there is no corresponding vacant post although there is a comparable (grade) vacant post in the now-defunct rationing office in Khulna. DG Food assigns an official/employee to serve at the Khulna port who draws his/her salary from the rationing post. This practice is known as attachment.

Attachment is typically practiced in two situations. First, when there is a need for an employee/official at a particular location, but no sanctioned posts exist at that location. Second, being posted in a particular location is an attractive proposition but there are not enough sanctioned posts in that location. Consider the first case: given the recent resurgence of Open Market Sales (OMS), Upazilla level DG Food jurisdictions must have more officials and employees. Because there are no sanctioned posts to accommodate additional employees, DG Food sends equivalent grade officials/employees from other locations; the Sadar Upazilla of a district in North Bengal, for example, has four assigned Food Inspectors although there are provisions for only one. Because office facilities have not been expanded, the four Food Inspectors are forced to share facilities including office space and desks meant for one. The second example for attachment is observed for the Central Storage Depot in Dhaka. Although the facility has been completely dismantled, the posts exist, and none of the posts are vacant.

3.4 Recruitment Challenges

The slow pace of the recruitment process is a difficult problem to overcome. At least three different ministries of the government of Bangladesh are involved in recruitment: the Ministry of Food (line ministry), the Ministry of Finance, and the Ministry of Public Administration. For the creation of new posts for Class I Cadre Officers, the decision must be approved by the Office of the Prime Minister as well. Any query or request for clarification from any of the involved offices can delay the recruitment process substantially.

For Class III and Class IV employees, recruitment is carried out by DG Food. Those direct recruitments suffer from the long process involving the three ministries as well and are subject to additional difficulties.

Although large-scale recruitment efforts are likely to be within their skillset, such efforts are an additional burden for DG Food officials. The processing of a very large number of applications itself is daunting. Table 3.3 reports the distribution of advertised posts and the number of job applications received for selected categories from recruitments completed in 2018 (initial advertisements were made in 2014). There was a total of 1,378,923 applications for 1,166 jobs, i.e., 1,182 applications for each post. The job to applicant number ratios were the highest for Sub-Inspectors and Assistant Sub-Inspectors. Because DG Food does not use secondary screening mechanisms to reduce the number of applications from the list of candidates clearing the first-stage screening, recruitment efforts must consider each application clearing the initial screenings. As a result, conducting written examinations for Sub-Inspector (411,896 applications for 250 jobs) or Assistant Sub-Inspectors (633,952 applications for 274 jobs) present considerable difficulties, to say the least. Although processing of applications has been outsourced in recent years, the workload of DG Food remains substantial.

Officials are also wary of recruitment responsibilities because of potential adverse consequences. In recent years, applicants taking tests for especially government jobs have often filed complaints regarding the conduct of tests, prompting investigations by anti-corruption authorities. Dealing with the interference of political influence is another challenge. Although DG Food officials are likely to welcome a separate government agency like the BPSC to handle recruitment of Class III and Class IV employee posts, the reversion to an earlier system comprising two public service commissions, one for class I and class II, and the other for class III and class IV employees may not be a possibility. The earlier two-commission system was integrated into the current single commission system in 1977.



Table 3.3 Distribution of the number of Posts: 2018 Recruitment by DG Food.

Name of posts	Number of posts	Number of Applicants	Applicant to Job number ratio
Total	1,166	1,378,923	1,182.6
Sub-Inspector	250	411,896	1,647.6
Assistant Sub-Inspector	274	633,952	2,313.7
Office Assistant cum Computer Typist	402	224,630	558.8
Other categories	240	108,445	451.9

Source: DG Food

3.5 Appointment of the Director General

The Director General of DG Food is typically appointed from outside of the organization. Usually, an additional secretary of the government of Bangladesh is appointed to the position of Director General, a grade 1 post.

The practice of appointing Director Generals from outside DG Food has three distinct potential impacts. First, the external appointment effectively rules out their chances of advancing to the top for Food Cadre Officials. Second, in addition to the demoralizing effect, the external appointment blocks the upward mobility of high-level Food Cadre officials. Although the position of Additional Director General, a grade 2 position, is theoretically open, the usual highest positions of retirement for Food Cadre Officials are Division Directors, grade 3 positions. In contrast, their batchmates from the Administration Cadre generally reach the position of Additional Secretary, if not that of a full Secretary, grade 2 and grade 1 positions, respectively.

Third, understanding the requirements of the four main functions of DG Food – distribution, procurement, movement, and storage – takes time. Although an Additional Secretary appointed to the position can have quick learning experience, the practice ignores the existing skill and knowledge of senior Food Cadre officials. As a result, every two years, the usual length of appointment of the Director General, the organization repeats the phase of learning at the very top.

3.6 Other Barriers to Promotion

In addition to having upward mobility blocked at the top, Food Cadre officials face promotion delays throughout their careers. Food Cadre officials of the general line typically start as Assistant Food Controllers (ACF), a grade-9 position, and are promoted to the position of District Controller of Food (DCF) – grade 6 – in a matter of two years. The quick promotion is due to the shape of organogram; there are only 49 posts of ACFs but 64 posts of DCFs. However, the next step up is difficult: there are only eight positions of Regional Controllers (grade 5 officers). As a result, officials must serve as DCFs for a long time, often more than 10 years, before being promoted again. Likewise, although the DG Food head office has five additional grade 5 positions (Additional Directors), the number of available slots is simply too few to allow a smooth and timely promotion from DCS to a grade 5 position. Regional Controllers also face an upward mobility battle because the next step up is that of a Division Director of which there are only five positions; two of the seven Director positions are generally earmarked for Food Cadre officers of the Technical (Professional) line.

Technical Cadre officials face a different profile of promotion difficulties. They join as Assistant Maintenance Engineers and the next step up is that of Maintenance Engineer. There are 15 positions for Assistant Maintenance Engineers (grade 9) and only five positions for Maintenance Engineers (grade 6). Consequently, their first promotion can take many years, although the subsequent steps are easier since there are seven grade 5 positions – five Silo Superintendents and two Additional Directors at the headquarters.

In addition to the relative scarcity of higher-level positions, the current situation with many vacant positions also contributes to the delayed promotion problem. Whenever a sanctioned position remains vacant, a deserving candidate from a lower ranked position is not allowed to be promoted. The problem is the most severe among Class II and Class III employees. Class II employees such as Food Inspectors wait a very long time before they are promoted to the non-Cadre Class I officer position of the Upazilla Controller of Food. Similarly, Sub-Inspectors and Assistant Sub-Inspectors also face long waiting periods because the higher position of Food Inspector is blocked by current serving officials or because vacant positions cannot be filled by DG Food because of recruitment difficulties.

It should be noted that when an officer has served more than 10 years in a post, s/he can receive the salary of the next higher post (selection grade salary). If the same officer has served another seven years in the same post, another selection grade – salary from the next higher post would be made available to him/her.

3.7 Placement of Officers

The head office in Dhaka is the coordination hub of the DG Food, whereas the implementation of domestic procurement, storage, movement, and distribution are carried out from field offices. Field office officials – Regional Controllers, District Controllers, Assistant Regional Controllers, and Assistant Controllers of Food are involved in carrying out day-to-day tasks. Silo officials including Silo Superintendents, Maintenance Engineers, and Assistant Maintenance Engineers are also involved in day-to-activities including the storage of foodgrains. Because of the Dhaka-centric development of the country, the incentive to work and live in Dhaka is overwhelming among government officials; DG Food officers are no exception in this regard. However, there are only 45 Class I officer positions in the head office in Dhaka whereas four times as many posts are in field offices. Consequently, only one out of four field level officials can theoretically move to the head office. Moreover, because most of the sanctioned officer positions in the head office are ranked higher than officer-posts in field offices, moving from the field to the head office often requires a promotion.

The forced tenure in field offices naturally causes some dissatisfaction among officers although some small measures including attachment are taken to help the situation. Consider the example: although the Dhaka CSD has been dismantled, most of the sanctioned posts remain and are also filled. Officers and employees draw their salaries from the (defunct) CSD related posts but are obviously assigned to other responsibilities.

CHAPTER 4. CROSS-CUTTING ISSUES

4.1 Introduction

Chapter 4 focuses on important cross-cutting issues including technology, training, management practices, and perhaps the most important of all, the potential impacts of the Modern Food Storage Facilities Project (MFSP), a large and expensive project of the DG Food that is expected to make momentous changes along multiple dimensions including aspects of storage, movement, technology, and the workforce. Chapter 4 provides a brief description of DG Food’s role in food safety, a rapidly growing concern in the country.

With respect to technology, this section focuses on the working of the specialized unit called the Computer Network Unit (CNU). Technology in DG Food is the jurisdiction of the CNU; the unit was created in the late 1990s to address the need for technological improvement in DG Food.

Following a brief discussion of DG Food’s role in the expanding issue of food safety, this chapter provides detailed analyses of the MFSP’s impacts on DG Food, and finally considers a rather common cross-cutting issue for DG Food – management practices best described as improvised.

Another important cross-cutting issue is Training. Training with respect to manpower, planning, and facilities remains a weak point for DG Food. A short section describes the major problems with the training department.

This chapter ends with a section on ad-hoc practices in the organization. Improvised practices have their roots in DG Food’s mandate; the current mandate is dated, and DG Food’s main work does not derive from the mandate. However, the mandate, prepared in 1983, has not been modernized, DG Food performs tasks that are necessary for the country but have been chosen in an ad-hoc manner. Improvised practice runs in workforce management, taking up new programs, and managing contracts with external vendors, for example.

4.2 The Computer Network Unit

The Computer Network Unit (CNU) was started as a project within DG Food in 1997. Subsequently, five Class I (grades 9-5) posts and three Class II (grade-10) posts were created in 2006. The posts were made permanent in 2007 when salaries were stipulated to be drawn from the revenue budget. CNU was officially added to the DG Food organogram in 2013.

Table 4.1 Distribution of CNU Officials and Employees.

Designations	Grades	Number of sanctioned posts	Number of filled posts
System Analyst	5	1	1
Programmer	6	1	0
Assistant Programmers	9	3	0
Deputy Assistant Programmers	10	3	0
Total	10-5	8	1

Source: Computer Network Unit, DG Food



4.2.1 CNU: Charter of Duties

The Charter of Duty for the Computer Unit specifies the following:

- i. Determining ICT Policy for the DG Food.
- ii. Taking initiative and helping efforts for digitizing the food management system.
- iii. Developing computer networks in DG Food/preparing overall maintenance plans.
- iv. Create and update the DG Food web portal.
- v. Develop and maintain applications based on web, desktop, and mobile systems.
- vi. Determining up to date IT training curricula for officials and employees in DG Food.
- vii. Preparing an annual ICT budget and arranging it to be approved.
- viii. Monitoring ICT activities at the field level.
- ix. Taking stock of DG Food IT related assets and maintaining the stock.
- x. Following directives from the Director General and other higher officials.

After consolidation, the 10 elements of the Charter of Duties can be considered as the following four:

- i. Leading the digitization effort of the (public) food management system.
- ii. Being the custodian of DG Food IT resources: Responsibilities include developing and maintaining the computer network, monitoring ICT activities at the field level, developing IT training curricula, taking stock of, and maintaining DG Food IT related assets, and preparing ICT budget.
- iii. Preparing the IT policy for DG Food.
- iv. Providing key services including the creation and maintenance of the DG Food web-portal, and various web, desktop, and mobile based applications.

4.2.2 Current State of CNU

With a single IT professional in its rank, CNU cannot perform many of its required functions by itself. Among those required functions fall DG Food's digitalization effort, preparation of DG Food's long-term IT policy, etc. CNU also cannot, by itself, prepare any software – desktop, mobile, and web-based for the same manpower constraint. Instead, in its current state, CNU is a service management entity heavily reliant on external vendors.

Importantly, since inception in the early 2000s, CNU has been heavily engaged in project-based work. For example, CNU is involved in the implementation of the large-scale digitalization effort of the public food management system in progress under the auspices of the Modern Food Storage Facilities Project (MFSP). An enterprise resource planning (ERP) software is being prepared under the same MFSP. Although CNU appears to be an active contributor to the preparation of the ERP now, vendors and consultants preparing the ERP had not initially sought input from CNU.

The lack of manpower is the foremost constraint for CNU. The unit is sanctioned to appoint eight IT professionals but has managed to fill only one such post even 16 years after the posts were made permanent. An unresolved legal issue appears to have affected the appointment of programmers; there was a lawsuit filed by one disgruntled applicant after the selection of successful candidates for three posts for Assistant Programmers. A court issued stay order for that post has caused DG Food to refrain from hiring for the other two positions as well.

4.2.3 Achievements of CNU

Because it does not have the necessary manpower, CNU serves as the overseer of contractors and vendors assigned to do its mandated tasks. The following is a partial list of the work completed by external vendors under the supervision of CNU:

1. Installing computers, related equipment, and network in all DG Food offices
2. Setting up a computer lab for the Training Department, setting up laptop computers obtained to implement the electronic government procurement (e-gp) program in collaboration with the Central Procurement Technical Unit (CPTU)
3. Krishak App – Paddy procurement in 79 Upazilla for the 2020 Aman harvest, Digital Rice Procurement Management, Determination of Milling Capacities, Information System on on-going legal cases, Audit Management System
4. Arrange for training to a workforce trained in the use of information technology.

4.2.4 What does the future hold for CNU?

CNU in its current role is a service management entity heavily reliant on external vendors (and consultants). DG Food must decide whether to let CNU continue in this role or to enable the unit to be directly involved in carrying out its mandated responsibilities.

Even if only maintenance and regular operations are to be conducted by CNU, the unit must acquire the necessary manpower to support those activities.

Although on-going developments under MFSP are expected to create new posts of eight IT engineers /programmers, eight assistant IT engineers /programmers, and 24 data entry /control operators, those posts will be under individual silo authorities and will not be a part of CNU. Moreover, operations and maintenance of the enterprise resource planning (ERP) software would be overseen by the provider of the software for the first two years, DG Food has not considered how operations and maintenance would be conducted when the post-sales service period is over.

Stepping outside of the role of CNU and considering the use of technology in DG Food, a divide is visible in which one group of officials and employees is isolated from the use of modern technology and another group is retained for performing basic computer related work. Although DG Food offices do not suffer from a shortage of computers and software, the mindset of some officials and employees creates an obstacle to the use of technology.

Whether DG Food becomes a leaner, more efficient organization depends crucially on the choices that are made now. The organization needs to eliminate the role of lower-level IT technical operators and incentivize the use of computers by all officers and employees.

4.3 Role of DG Food in food safety

1. The role of DG Food in terms of ensuring and implementing food safety practices is limited.
2. Currently, the quality of the domestically procured food grains are inspected by the food inspectors at the field level with the inspection of the quality of foodgrains limited to the determination of grain size, signs of discoloration, and moisture levels. Any chemical analyses of the grains (such as presence of adulterants, mycotoxins, heavy metals etc.) are not conducted by DG Food.
3. The protein content of the internationally procured wheat grains are conducted at the port level. This is only done in the Chittagong port facilities.
4. From recent consultations, it has been evident that DG Food has been trying to emphasize its stance on food safety.
 - Under the MFSP, six new regional food testing laboratories are being constructed. Those laboratories could serve important food safety roles in collaboration with the Bangladesh Food Safety Authority (BFSA) under the Ministry of Food. However, correspondence with DG Food officials indicates that the new laboratories would be confined to testing foodgrains only for DG Food.

4.4 Modern Food Storage Facilities Program (MFSP)

The Modern Food Storage Facilities Project, when fully implemented, will bring in important changes to the Directorate General of Food, perhaps the most significant set of changes since the implementation of the recommendations of the Enam Committee Report more than four decades ago. Changes brought in by MFSP will touch upon all aspects of DG Food operations including storage, manpower, operations, and Technology.

Storage: Eight new silos were to be built under MFSP, with expectations of an additional 535,500 metric tons to DG Food's existing capacity of 2.0 million tons. Since the construction of one of the eight silos (capacity of 48,000) has recently been cancelled, the expected additional storage to be made available by MFSP stands at 487,500. Of the seven silos, five will store rice and two will be used for storing wheat. Table 4.2 provides a description of the silos to be constructed under MFSP.

Table 4.2 Distribution of Planned Silos under the Modern Food Storage Facilities Project (MFSP).

Location	Capacity (Metric Ton)	Grain Type
Barisal	48,000	Rice
Narayanganj	48,000	Rice
Dhaka*	48,000	Rice
Ashuganj	105,000	Rice
Mymensingh	48,000	Rice
Maheshwarpasha	76,200	Wheat
Chittagong	114,300	Wheat
Madhupur	48,000	Rice

Note: *Dhaka silo has been cancelled.

Source: MFSP

The new silos would have modern features including temperature and humidity control, improving DG Food's ability to store grain for a longer period, up to two years. Unlike DG Food's current network of 635 storage facilities – local and central storage depots (LSD and CSD) – lacking humidity and temperature control, the new silos would allow keeping strategic reserves of grains for use in emergencies.

DG Food's current procurement, storage, and movement activities are all geared to meeting current or immediate distribution needs. Moreover, managing short-term storage and movement rather than keeping any strategic reserve is the fundamental concern. For example, because capacity constraints force typical LSDs in grain-surplus regions to turnover their entire stocks four or five times during the hectic harvesting period, the foremost task during the procurement season is to move quantities to nearby or distant storage facilities. The addition of modern storage facilities will force DG Food to decide regarding the use of the new storage capacity. In general, DG Food must decide whether to add new facilities to the existing network and use them for meeting immediate distribution needs or if the newly available storage capacity would form a part of strategic reserves.

4.4.1 Manpower under MFSP

As per the MFSP proposal, a total of 630 new posts were to be created for the seven silos. There would be 56 BCS Food Cadre officers, all belonging to the Technical line with bachelor's degrees in mechanical or electrical engineering or in information technology. There would also be 21 positions for non-Cadre Class I officers, Chemists and Security Professionals. Overall, there would be 79 Class I positions.

The proposal also calls for creating 35 Class II posts, 357 Class III posts, and 162 Class IV posts. The total number of new positions in the proposal stands at 718, almost 10% of the number of currently filled posts in DG Food.

DG Food organogram needs to be modified when the new posts are filled. There will be 56 new Class I Cadre official positions. Importantly, each of those 56 positions would be from the Technical line. Among the current number of Class I Officers in DG Food, there are 39 specific posts for Technical line recruits and two of the seven Director posts in the head office are usually appointed from the rank of Technical officials. Overall, there are 39 current Technical line posts and 186 General line Food Cadre official posts. When an additional 56 Class I Cadre officers from the Technical line are included, the ratio of Technical to General line Food Cadre officials will change from 39:186 to 95:186. With the substantial change in the ratio, there would be demands for an even distribution of higher positions in the head office between Technical and General line officials. Currently, only two of the seven director positions are (unofficially) reserved for Technical line officials. Increases in the demand for additional posts for Technical line Food Cadre officials are also likely to happen.

The proposal for the large-scale expansion of the DG Food workforce as a part of the implementation of MFSP was with the Ministry of Public Administration (MoPA) during the writing of the report. Once the review by the MoPA has been completed, the proposal will be moved to the Ministry of Finance (MoF). Once approved, the proposal will move forward; for BCS Cadre officers, the approved proposal would be sent to the Office of the Prime Minister (PMO) from where it would move to the Ministry of Food. For non-Cadre officers and employees, the proposal will be sent directly to the Ministry of Food. Public advertisements for recruitments by the Bangladesh Public Service Commission or the DG Food will be made only after the completion of all formalities. Currently there is a four-year wait period between the first advertisement and recruitment (for both BPSC and DG Food recruitments). Based on the current situation, the first posts under the MFSP proposal could be filled in 2026 or 2027.

Because the silos are expected to be operational by 2025, extra manpower will not be available before 2026 at the earliest. The Modern Food Storage project authority believes that there are enough filled technical posts in the system to fill the necessary technical positions for the new silos without the creation of new posts. In other words, the need for manpower can be met by the common practice of attachment. However, a detailed comparison of the number of vacant posts and the number of personnel needed, described in table 4.3, suggests that attachment practices may not be able to solve the problem.

Table 4.3 Newly Proposed Posts Compared with Existing Sanctioned and Filled Posts (modified).

Class/Designations	Number of sanctioned posts	Number of filled posts	Number of proposed new posts
Class I posts			
Silo Superintendents	5	4	7
Maintenance Engineers (Mechanical)	6	5	7
Maintenance Engineers (Electrical)	-	-	7
Maintenance Engineers (Information Technology)	-	-	7
Assistant Maintenance Engineers (Mechanical)	15	6	7
Assistant Maintenance Engineers (Electrical)	-	-	7
Assistant Maintenance Engineers (Information Technology)	-	-	7

Source: DG Food

4.4.2 Digitalization under MFSP

Digitalization will affect all four aspects of DG operations: procurement, storage, movement, and distribution. All activities and tasks under the four major operations would be available online with Enterprise Resource Planning (ERP) software being at the heart of it. According to MFSP authorities, the ERP software, based on a product of the German multinational company SAP is being developed now, and vendors have followed the following process.

Vendors first conducted the software requirement specification, also known as SRS, assessing the operations system of DG Food. Subsequently, vendors designed inputs and outputs as a part of the feature driven development process (FDD). Two additional independent vendors were assigned to assess the FDD; one of them supervised the FDD process and the other reviewed the process.

Once completed and implemented, the ERP software will put the Public Food Distribution System (PFDS) online, enabling DG Food to combine and run core processes – procurement, movement, distribution, and storage from a single system for the head office and field offices. Critical operations would be run in real-time from on-site or remote places. However, access to the ERP software would not be granted for all; for officials and employees needing to use the system, web-based input and output portals would be available. The operation has already been piloted in a few locations. Some work will be app-based and will be launched at the local level.

Procurement: For procurement, the current practice is for the Food Planning and Monitoring Committee (FPMC) to determine procurement prices and targets. Procurement orders subsequently follow down the DG Food hierarchy to millers from whom rice is purchased. For purchasing paddy from farmers, DG Food relies on the Krishak app.

Once the ERP software is in place, procurement prices and targets will be logged onto the system. Millers, contractors, dealers will be immediately informed through the system to begin preparations



for delivering their allocated deliveries. The Krishak app, used for procuring paddy from farmers will be integrated into the system.

Labor and carrying contractors are a critical component of the PFDS. Contracts for contractors and dealers would also be available in the ERP software.

Activities such as record-keeping, bank transaction, WQSC, loading-unloading advice, Krishak app etc. will be integrated into the software.

1. The system will ensure transparency at all stages.
2. The system will handle Special Activities of DG Food
3. Currently, piloting is being done in a few key places.

Distribution: The largest distribution program of DG Food, the Food Friendly Program (FFP) will be integrated with the system. Currently, the FFP beneficiary lists are cross-checked against the list of beneficiaries from the VGD/VGF beneficiaries' lists.

Movement: Digitalization of DG Food operations would bring the most important change regarding the movement of foodgrains. Currently, RC Foods compile requests from their DC Foods regarding the quantity to be moved, and the source and the destination for the movements. Compiled requests from RC Foods reach the Director of Movement at the head office who in turn is expected to prepare a national plan using information from the eight Regional Controllers to meet distribution needs. The movement plan, a critical document for DG Food, is expected to be based on considerations such as minimization of costs (of movement) or alternative criteria including the minimization of distance, etc. However, based on our consultations with RC Foods, countrywide movements of foodgrains are not based on optimized plans at the head office. Admittedly, the objective of cost minimization (or distance minimization) would need to solve a programming problem with many constraints, and it would be difficult if not impossible for the Director of Movement to solve the problem without the help of customized software. This is where the ERP software would bring in a significant change; The software would solve the movement plan, specifying each detail of nationwide movement of foodgrains at the minimum of costs. MFPS will also install 15 weighing scales in key locations to help the tracking of foodgrains being transported.

In addition to the important software, MFSP has been providing training and hardware to DG Food. Basic computer training, for example, has been given to approximately 3,000 officials and employees. They were also given computers. LSDs, CSDs, and field offices would be equipped with internet connectivity under the project. The addition of computers and training for officials and employees would eliminate time-consuming tasks such as multiple reporting of similar data records on a daily or weekly basis. Instead, once data is recorded and transmitted, a central server will save the data and make it available to concerned officials either as a routine activity or on request.

According to the Project Director of MFSP, full-scale implementation of the electronic monitoring system would be completed by the end of 2023.

4.5 Training

DG Food does not have a published mandate for its Training Division that specifies goals and responsibilities. However, DG Food appears to follow a Training Policy document prepared by the Ministry of Food (2017). The document specifies the major activities and goals of training as: 1) conducting departmental training, both local and foreign; 2) setting up a training institute; and creating a skilled workforce to implement the modernization of the Directorate General of Food. The policy document is yet to be implemented by the Ministry of Food, however, and the objectives expressed in the document including the creation of multiple training institutes remain to be fulfilled.



Nonetheless, DG Food officials and employees participate in substantial training, about 60 hours of training per year on average (totaling approximately 420,000 hours for the 7,000 DG Food officials and employees), thanks to the innovation of decentralized training conducted in field offices. DG Food currently does not have the resource to manage year-round training programs for its entire workforce and the *Instructor to Trainee* ratio is extremely high. Seven Class I officials currently oversee the training of 6,062 officials and employees, a ratio of 866 individuals per officer in the Training Division. Moreover, although the division has a good facility for training small batches at the head office, given the extremely large number of individuals in need of training, the facility is simply inadequate; there are only 28 computers in the classroom.

Another major challenge of training is the variety of jobs performed by DG Food staff: approximately 143 different categories of officials and employees. Although there are some common core elements of training objectives and content, more specialized training material tailored to the requirements of various positions would likely substantially enhance the effectiveness of the training. A first step would be to analyze the needs of different levels of officers and employees at different levels of career paths.

In short, the training division does not have sufficient skilled manpower to adequately fulfill its mandated task. Moreover, the 14 positions of officers and employees of the training division are temporary in nature and need to be renewed every year. Although the positions are routinely renewed, the lack of permanency of the positions discourages cadre and non-cadre officers from working in the training division. As a result, DG Food arranges officials and employees from other divisions or departments to be attached to the training division.

4.6 Improvised Management Practice

Improvised management with respect to policy and practice is a common feature of DG Food.

1. An example of improvisation in policy is the detachment of DG Food's current set of tasks from those included in the mandate. The DG Food mandates, written exactly four decades ago, represent an era that is long gone. The mandates state that it is DG Food's responsibility to manage and operate the country's overall food system. Because DG Food works only with rice and wheat, and its operations involve less than 10% of the total annual production of rice, managing the overall food system of the country is not a realistic goal. Similarly, procuring and distributing non-cereal items such as sugar and edible oil, or operating rationing systems are long-defunct operations of DG Food.
 - a. Despite the disassociation of the mandate from DG Food's current responsibility of managing the public food distribution system (rice and wheat, only), authorities have not revised the mandate, preferring to keep the option of engaging in operations/activities in the mandates open.
2. The organization has failed to fill its vacant posts. Although at least 2,000 posts are redundant by its own account, DG Food has not abolished those posts, preferring to carry redundant posts forward, some for more than 30 years.
3. Because DG Food has found it difficult to create new posts, the organization has widely used the practice of attachment. Attachment allows DG Food to fill vacant posts with current workers and assign them to locations where additional manpower is needed but no available posts exist.
4. Of late, DG Food management has not assigned additional manpower or financial resources when taking on additional large programs. The Food Friendly Program (FFP), potentially the largest new distribution program in the country has an annual distribution of 775,000 tons of rice. Without new manpower, FFP is managed by officers and employees undertaking additional responsibilities along with those assigned by attachment.

5. Open Market Sales (OMS), the urban anti-poverty program has expanded tremendously since 2020. In large urban centers, OMS is operated by officers and employees assigned to the now defunct rationing system, perhaps the most visible illustration of improvisation. In smaller urban areas without the remnants of the rationing system, OMS is operated by assigning employees from other areas on improvised basis. An example, previously cited in chapter 3, mentions the Sadar Upazilla of a district in the north having four officials with the rank of Food Inspectors although there are provisions for just one.
6. DG Food has contracts with labor and carrying contractors for loading and unloading, and the movement of grains, respectively. However, because of weaknesses in tender documents after the introduction of the Public Procurement Rules (PPR) of 2003, DG Food has found it difficult to implement new contracts. The most recent carrying contract is from 2012, more than a decade ago. Because of the failure to have new contracts, DG Food relies on existing contracts and increases rates of remuneration for the contractors through intermittent administrative orders.
7. The lack of a movement plan is an indication of improvisation in the system. Without a nationwide plan optimized to minimize the costs of movement with details of the origin, the destination, and mode of movement, DG Food relies on a series of improvised steps.
8. Godown operations are carried out by security guards. There are various sanctioned posts to handle numerous warehouse related tasks including supervision of stacks, fumigation, cleaning, loading, unloading, and record-keeping, etc. However, vacancies are a persistent problem and in the absence of Assistant Sub-Inspectors in LSDs in particular, security guards are assigned to perform important tasks including computer-based record keeping and completing the Loading and Unloading Advice (LUA).
9. It is unclear as to whether the silos being built under the Modern Food Storage Facilities Project (MFSP) will be used to store grains for meeting immediate distribution needs or if they would be used for keeping strategic reserves. Also, it seems that at least some of the manpower for the new silos in will be pulled from the current crop of existing silo officials in the beginning.
10. The Enterprise Resource Planning (ERP) software, when implemented, will become the heart of DG Food operations. With digitalization of the entire system to be implemented soon, core functions including storage, procurement, movement, and distribution will become parts of a large automated system. Given the importance of the software, it is important to prepare the organization for operations and maintenance. However, it seems that DG Food is yet to make the important decision on operations and maintenance for the eventuality when the two-year post-sale service period is over.

CHAPTER 5. SUMMARY, RECOMMENDATIONS AND CONCLUSIONS

The introductory chapter 1 provides a brief history of the organization and its mandate. Chapter 2 considers the structure, conduct, and performance of the organization, and chapter 3 focuses on the workforce, vacancies, and promotion related concerns. Finally, chapter 4 considers a host of cross-cutting issues. Recommendations from the four chapters include revising DG Food's mandate, addressing persistent failures in meeting domestic procurement targets, streamlining and reforming the workforce, integrating new technology and modern storage space in DG Food's core functions, and doing away with improvised practices.

Although some of the recommended actions can be implemented readily, taking care of many of the problem-spots would need additional knowledge. As such, this report recommends that DG Food undertakes studies to find ways of implementing a subset of the recommended actions.

5.1 DG Food's Mandate

DG Food's mandate was written 40 years ago. Many parts of it are outdated.

First, DG Food, according to the mandate, is the agency for operating and managing the food system of the country. Leaving aside the enormity of the task, DG Food's current responsibility, in stark contrast, is focused solely on the public food distribution system for rice and wheat. However, the mandate specifies that DG Food should distribute a range of commodities including salt, sugar, edible oil, etc. Moreover, programs for the distribution of these other commodities to disadvantaged people are carried out by agencies under the Ministry of Commerce, the Trading Corporation of Bangladesh (TCB), for example.

Second, the mandate confers DG Food the responsibility of implementing the National Food Policy. DG Food is involved in food policy implementation but only with respect to ensuring food security for vulnerable population through public sector distribution.

Third, the mandate does not include the storage of strategic reserves as a goal. With the expected addition of modern food storage space of almost half a million tons, DG Food will expand its current capacity by approximately 25%. The new storage space will have temperature and humidity controls, enabling it to extend the shelf life of grains to two years. The extra capacity and quality of storage facilities opens the possibility of larger strategic reserves of foodgrain.

Fourth, the introduction of modern storage space will also bring in large-scale technological improvements; procurement, storage, movement, and distributions processes would be digitalized under the customized enterprise resource planning (ERP) software, and all aspects of DG Food's work except human resources would be brought under it.

Finally, the changed economic reality of the country is contradictory to the current mandate. Classified as a lower-middle income country since 2015, Bangladesh envisions achieving the high-middle income status by 2031. With rising income, the need for public distribution of foodgrains will likely diminish. Strategic reserve capabilities along with expected smaller distributions and electronic record keeping, mixed cash and in-kind transfers as opposed to exclusive in-kind distributions could become a reality.

5.1.1 Recommendations: Mandate

The following changes to the mandate of the DG Food are proposed:

Include clear statements that:

1. The DG Food emphasizes that DG Food's primary role is to be the custodian of the public food distribution system for rice and wheat. It is not responsible for the management and operation of the overall food system of the country, but it does have an important role in the implementation of the national food policy through the Public Foodgrain Distribution System.
2. The storage of strategic reserves of rice and wheat is an essential part of the public food distribution system.
3. The government should use both in-kind and cash transfers as a means of ensuring food security.
4. DG Food will implement a digitalized management system to provide increased accountability of grain storage and distribution throughout the PFDS.

5.2 Operations of the DG Food

5.2.1 Summary: Procurement

Its distributional needs are generally met by DG Food. However, the management of domestic and international procurements of paddy and rice shows significant gaps between targets and realizations, and there are numerous improvised adjustments to procurement plans.

Domestic procurement of paddy and rice often fails to meet the targets. Meeting the paddy target has been particularly problematic because of the need to dry the paddy to a moisture content of 14% or below and the difficulties involved in procuring paddy from farmers in relatively small quantities. As a result, procurement targets for paddy often prove to be over-optimistic. If needed investments are made in drying facilities, and the cost of aggregating products from multiple small holders into large batches can be lowered, meeting paddy procurement targets may become easier.

DG Food has often failed to meet procurement targets for rice, as well, though procurement typically meets targets when the procurement price of milled rice is at or above market prices. In this case, many millers are willing to sell rice of the specific quality at the official procurement price, and DG Food allocates its purchases to established millers through a non-market administrative process.

Rice procurement targets were increased substantially in 2016, the year the Food Friendly Program (FFP), the largest distribution program with annual distributions of 775 thousand tons was introduced.

DG Food uses two different modes for international procurement. The first is non-market, negotiation-based Government-to-Government (G2G) arrangements implemented by the Ministry of Food and senior DG Food officials. Under G2G, the government of Bangladesh enters negotiations with foreign governments or their nominated private traders. The second mode, implemented by the procurement department of DG Food, is based on direct tenders. In recent years, G2G negotiations have been more common than tender-based purchases. According to recent media reports, the government has paid prices that are substantially higher than contemporaneous international prices for G2G purchases. Data also show that international procurements, in general, are undertaken in periods of low monthly opening stocks, rather than during periods of low international prices, suggesting that there may be opportunities for cost savings through better advanced planning.

5.2.2 Recommendations: Procurement

1. Domestic procurement of rice by contract, as currently practiced, is apparently difficult to implement. Given the apparent difficulties in setting competitive procurement prices, the government should consider greater use of tenders for domestic procurement of rice.
2. To minimize risks of a failure to procure sufficient paddy and rice, DG Food can introduce tender-based procurement as a pilot program.



3. Husking mills should be eliminated from the list of eligible providers of rice because they cannot produce rice to the specification of DG Food.
4. Appropriate investments are needed to reduce moisture content of paddy and reduce the costs of aggregation. Until these investments are made by the private sector, targets for paddy procurement should be revised downwards and be based on realistic prospects of success.
5. The government should consider tender-based international procurement as the dominant method. Contract-based G2G arrangements can be used as needed in emergencies.
6. The process for international procurement contracts should be well documented, with transparency regarding prices paid, names of international suppliers, current market prices, and the presence of any foreign or local intermediaries in the negotiations.

5.2.3 Summary: Distribution

DG Food has a good record with respect to meeting targets for the distribution of foodgrain. The combination of domestic and international procurement helps meet distribution needs. However, there are constraints and gaps and the use of improvised practices.

DG Food currently provides foodgrains for 16 separate distribution programs. Two of the 16 programs – the Food Friendly Program (FFP) and Open Market Sales (OMS) – are DG Food’s own, meaning that distributions under the two programs, both based on dealer participation, are overseen by DG Food officials. FFP and OMS are two of the largest distribution programs; in 2021-22, those two accounted for 52.1% of total DG Food distribution (1,652,000 tons of 3,169,000 tons). For distribution programs of other ministries, DG Food’s responsibility is to hand over requested quantities of foodgrains to officials or dealers for those programs. This study focused on constraints and gaps of DG Food’s own distribution programs.

FFP is a relatively new program, introduced in 2016. The introduction of the large program was not accompanied with the creation of new posts in the organization. The responsibilities were assigned to the department of Supply, Distribution, and Marketing (SDM). DG Food assigns personnel to FFP operations through the ‘attachment’ system -- the same system used for assigning personnel to help run OMS.¹³

OMS has a large number of dealers and DG Food personnel strength is not sufficient to supervise and monitor all OMS operations. From basic calculations, the price difference – between DG Food price to dealers and approved price for sale to recipients, 2 taka per KG of rice – is not sufficient to cover costs of operations for dealers although the demand for dealerships is very high, raising the suspicion of malfeasance by dealers.

Ministry-appointed dealers are in charge of distributing OMS packages of rice and flour to beneficiaries, and DG Food field-level officials are in charge of monitoring OMS operations. While it is true that as a temporary operation during periods of emergency, OMS does not need a regular workforce, field-office officials, nonetheless, are hard-pressed to monitor operations. The problem with effective monitoring is the most acute in urban areas where now-defunct rationing activities were never operational. It is no wonder that DG Food sends officials and employees as attachments to busy OMS areas to help with monitoring. Without adding to permanent workforce, the effectiveness of OMS operations can be improved through application of technology. DG Food has already introduced a pilot program for correctly identifying genuine beneficiaries of OMS.

¹³ The SDM division used to operate countrywide rationing programs before they were discontinued in the early 1990s. DG Food uses vacant posts of rationing operations to run OMS operations through attachment operations. However, district towns without the benefit of the old rationing setup suffer from a lack of personnel even with attachment practices.



Under the Essential Priorities (EP) program, the DG Food provides subsidized foodgrains to personnel from defense, police, and similar other agencies. Much of this grain is immediately sold by the recipients. Substantial cost savings could be achieved by replacing this channel with a food allowance paid as part of the salary to the personnel served by the program.

5.2.4 Recommendations: Distribution

1. DG Food should introduce increased accountability of OMS distributions. Although recent pilot programs operated by external organizations have implemented electronic record keeping of OMS distributions, there is a need for additional studies. How can DG Food introduce electronic record keeping of distributions without affecting the “open” nature of Open Market Sales.
2. Discontinue distributions for Essential Priorities categories and replace the program with direct cash transfers to the recipients.

5.2.5 Summary: Storage

Storage, one of the four major functions of DG Food, encompasses a sprawling network of more than 600 facilities with functional capacities of 1.93 million tons of foodgrain. Because current storage facilities do not have effective means of controlling temperature and humidity, DG Food must distribute grains within six months of storage to avoid serious deterioration in foodgrain quality.

In addition to concerns with the timely distribution of foodgrain stocks, storage facilities often lack key officials, such as the Assistant Sub-Inspector, who works under the supervision of the Officer in Charge of the facility, (usually an Inspector of Food). The Assistant Sub-Inspector oversees the procedures of storing and disbursing grains along with record keeping. In their absence, security guards are given this responsibility.

Another problem with storage concerns labor contracts. DG Food engages contractors for supplying laborers to individual facilities. Unfortunately, those contractors often file successful lawsuits and put in injunctions preventing new contracts from coming into effect at the expiration of existing contracts. As a result, these old contracts remain in place and improvised arrangements are undertaken to adjust the terms of contract intermittently. Similar improvised intermittent arrangements are also made with carrying contractors.

5.2.6 Recommendations: Storage

1. The inclusion of modern storage facilities will allow DG Food to store food grains for up to two years, allowing storage as strategic reserve. DG Food management need to plan to make use of this longer storage capacity for strategic reserves.
2. Security guards are currently being used for carrying out tasks that are the responsibilities of Assistant Sub-Inspectors. However, the government of Bangladesh has made the decision to discontinue the employment of security guards. Security responsibilities would be outsourced. DG Food must plan for the eventual withdrawal of security guards.
3. DG Food must consider ways of signing new contracts with labor and carrying contractors. Modern warehouses, with longer storage capacity, would allow DG Food to operate with fewer staff, and not employ outside laborers at all.

5.2.7 Summary: Movement

Movement is undertaken through a series of orders issued from the head office. The recently introduced DG Food software was expected to optimize movement. However, to date, the software has



only been used as a record-keeping device. Current movement data show room for improving efficiency. From 2022-23 data, for example, it is observed that, on average, delivering one ton of rice involves moving 0.7 tons of rice from one storage facility to another. For wheat, the ratio is much higher; delivering a ton of wheat requires moving 1.13 tons from one storage facility to another. If foodgrain was distributed directly from the facility in which it was stored, this additional movement would not be necessary.

5.2.8 Recommendations: Movement

1. DG Food should make use of the modern enterprise resource planning (ERP) software it has recently acquired to optimize movement plans.

5.3 Workforce Issues

5.3.1 Summary: Workforce

Wide-spread and persistent problem of vacancies exist in the organization. DG Food has not abolished redundant positions and faces hurdles recruiting for vacant posts as well, leading to vacancies in key positions. Employees and officers in the organization face substantial promotion delays, as well.

5.3.2 Recommendations: Workforce

1. DG Food should undertake a comprehensive study to reform its workforce. The focus of the study would be on determining the number of officers and employees needed for each position for running an efficient and technologically up-to-date organization.
2. Identify redundant posts to be eliminated. DG Food has a list of 2,000 long-term vacant and redundant posts. There are additional sanctioned posts that need to be assessed for current usefulness.
3. Increase efforts to fill key posts such as Inspector of Food, Sub-Inspectors, and Assistant Sub-Inspectors.
4. Reconsider the role of computer typists in the organization. Similar positions such as specialized typists, data entry or control operators, and office assistants should also be evaluated. DG Food should mount efforts to train officers and Class II and Class III employees in computer operations.
5. Expedite the hiring of officers and employees for technical posts for operating silos currently being built under the Modern Food Storage Facilities Project (MFSP). Given the usual long delay between the first public announcement and the final selection of individuals for both centralized and DG Food direct recruitment, recruitment should begin as soon as possible.
6. Design a new organogram that reflects current positions in the organization.
7. The Government of Bangladesh should form a centralized recruitment agency for Class III and Class IV employees for government directorates. Similar to the Bangladesh Public Service Commission tasked with the hiring of Class I and II posts, this proposed agency for the recruitment of Class III and IV posts would eliminate the pressure on DG Food officials regarding recruitment.
8. Expedite promotion procedures within DG Food. Long delays for promotion result in a loss of morale for Class I and Class II officers and employees. Delays in promotion can be reduced by filling up current vacant positions within the HQ.

9. The Director General should be promoted from within the ranks of DG Food.
10. The practice of attachment should be reduced to a minimum.

5.4 Cross-Cutting Issues

5.4.1 Summary: Computer Network Unit

The Computer Network Unit started out with a well-planned structure comprising sanctioned posts of a System Analyst, and a group of programmers, assistant programmers, and technical employees. However, the CNU has managed to recruit only one person since these posts were initially filled. Class I, II, and III officers working for the unit do not have the necessary technical (IT) background and have been placed there on attachment.

5.4.2 Recommendations: Computer Network Unit

1. The Computer Network Unit name should be renamed the Information Technology Department or the Information Technology Unit in order to reflect its responsibilities as specified in the Charter of Duties.
2. The CNU should recruit skilled IT personnel for all positions assigned for the Unit in order to meet the DG Food's IT requirements.
3. The mandate of the CNU should be clarified to specify that it should: oversee DG Food's IT resources, administer day-to-day IT operations, and devise medium and long-term IT policies.
4. Overseeing the operations of Enterprise Resource Planning (ERP) software requires a team of sophisticated IT professionals. It should be mentioned that the current operations of the CNU are based on external vendors/ consultants.
5. CNU should work with the Department of Training for planning specialized technology training for officers and employees.
6. DG Food should eliminate the posts of lower-level IT technical operators and incentivize the use of computers by all officers and employees.

5.4.3 Summary: Modern Food Storage Facilities Project (MFSP), Training, Food Safety

The Modern Food Storage Facilities Project is perhaps the most consequential event for DG Food since the publication of the Enam Committee Report in 1982/83 that reformed DG Food and gave its current mandate. MFSP was designed to increase storage capacity by almost half a million tons of temperature and humidity-controlled space, implement a comprehensive Enterprise Resource Plan (ERP), digitalize the four core functions – distribution, storage, procurement, and movement – and add almost 1,000 extra personnel to the workforce, all belonging to the technical stream.

However, it is unclear whether DG Food has taken ample notice of the wide spectrum of changes MFSP is just about to bring to the organization. There has not been a discussion regarding the potential use of the new silos and the implications for strategic foodgrain reserves. Similarly, the Enterprise Resource Planning (ERP) software, when implemented, will be the driving force of DG Food operations. Given the importance of the software, it is important to prepare the organization for operations and maintenance, and plan for the changes.

5.4.4 Recommendations: Modern Food Storage Facilities Project

1. DG Food should design a plan for the modern silos regarding how they would be used, particularly with regard to strategic reserves.

2. DG Food should plan how to train officials and employees in the operation and maintenance of the Enterprise Resource Planning (ERP) software.
3. DG Food must decide how operations and maintenance for the Enterprise Resource Planning will be covered when the two-year post-sale service period is over: whether the operations of the ERP software will be managed by experienced IT officials assigned to CNU or if this ask will be assigned to hired vendors or IT experts.

5.4.5 Summary: Food Safety

The Bangladesh Food Safety Authority (BFSA), an agency of the Ministry of Food lacks facilities, manpower, and an appropriate legal structure for undertaking the complex yet extremely important task of ensuring the safety of food in Bangladesh. Although DG Food is involved with the public food distribution system of rice and wheat, the Modern Food Storage Facilities Project (MFSP) is building six regional state of the art food laboratories that would be transferred to DG Food. As such, DG Food could play an important role in food safety.

5.4.6 Recommendations: Food Safety

1. DG Food should collaborate with BFSA to arrange for BFSA to use the food laboratories. Moreover, DG Food should work with BFSA and other agencies to write a policy manual to devise the physical and chemical testing processes to be implemented in the regional labs.

5.4.7 Summary: Training—Manpower and Resources

DG Food does not have a mandate for the Training Division specifying goals and responsibilities for officials in the division. The positions for the Training Division are not permanent. Instead, the personnel in the division are assigned through attachment from other divisions, departments, and units. The department of training, however, has a huge responsibility: under the agreement signed with the Ministry of Food, all officers and employees of the organization are required to complete a minimum number of hours of training.

5.4.8 Recommendations: Training—Manpower and Resources

1. DG Food should prepare a mandate for the department of training.
2. DG Food should assess the training needs of its officials and employees. The assessment should include an analysis of the needs of officers and employees of all levels.
3. The posts in the training department should be made permanent.
4. Facilities in the training department are inadequate for even simple training for the more than 7,000 employees and officers of DG Food. The current facility has computers and seating space for only 28 individuals. The department of training should be upgraded to a proper Training Institute managed and operated by either DG Food or the Ministry of Food.

5.5 Improvised management practices

5.5.1 Summary: Improvised management practices

DG Food has a long-standing tradition of relying on improvised decision making and practices in procurement and movement operations. Some adjustments in the plans are needed to deal with



changing foodgrain market supply, demand and price conditions. Nonetheless, reducing the frequency and magnitude of improvised adjustments and practices in workforce management in storage, movement, procurement, and distribution would improve the efficiency of foodgrain operations.

5.5.2 Recommendations: Improvised management practices

1. DG Food and the Ministry of Food should consider a large role of tenders for international procurement. Recent trends show the government increasingly favoring negotiation-based contracts. There are likely to be considerable cost savings if tenders are more frequently used for international procurement.
2. DG Food management must assign additional resources to monitor large distribution programs such as the Food Friendly Program (FFP) and Open Market Sales (OMS).
3. DG Food must come up with a plan to address the vacancy issues. The agency must stop relying on the practice of attachment in order to assign qualified officials for specific tasks and operations.

5.6 Future role of the DG Food

1. Manager of strategic reserves
 - i. Addition to new silos would add half a million ton to storage capacities, increasing capacities by more than 25%.
 - ii. The new facilities will have humidity and temperature control features, allowing storage of foodgrains for two years, allowing DG Food the ability to keep strategic reserves.
 - iii. Because DG Food's current role is mostly confined to being the manager of procurement, storage, and movement to meet current and immediate distribution needs, planning for strategic reserves would be a major important future role for DG Food.
2. New economic reality of the country
 - i. With the elevation to a middle-income economy, there may eventually be less need for a food-based safety net. Potential cost savings from a shift from food-based transfers to direct cash transfers and/or direct benefit transfers [i.e., availability of goods and services at subsidized prices (as in India)]
3. Additional role in food safety
 - i. Avoid expanding role of DG Food to other commodities; for rice and wheat. Coordinate with Ministry of Health and the Food Safety Authority of the Ministry of Food to promote food safety in PFDS (especially important given expansion of rice and wheat fortification).
4. Role in fortification
 - i. Promote increased adoption and consumption of fortified rice by expanding the scale of rice fortification in the PFDS (adding colored pellets).
5. Opportunities for cost-cutting
 - i. Improve efficiency of movement through digitalization of information and record-keeping. This requires effective management to utilize information for reducing unnecessary movement (and thereby reduce costs)
 - ii. Utilize block-chain technology to verify transfers to intended beneficiaries and reduce leakages.
6. International best practices



- i. Following the rules and regulations of the department.
- ii. Administrative best practices (e.g., in India, Indonesia).
- iii. International standards.
- iv. Invest in early warning systems to better anticipate and respond to weather, price and other shocks.
- v. Use SMS messages to inform potential OMS buyers of timing and location.

5.7 Comparison with international practices

In many ways, the Bangladesh Public Foodgrain Distribution System and the associated policies of the Ministry of Food compare favorably with the policies and practices of other countries with large scale government foodgrain programs.

In particular, investments in agricultural research and extension that have enabled continued increases in yields, maintenance of adequate price incentives for farmers, an open trade regime with minimal import tariffs and restrictions on wheat (and in most years on rice) that have enabled private imports to respond to excess domestic demand, along with increased distribution in periods of production shortfalls have all contributed to stable supplies and food security at both the national and household levels in Bangladesh. Current investments to improve management of information related to public foodgrain storage and distribution, as well as construction of modern storage facilities to reduce losses and achieve economies of scale in storage. The Government of India adopted similar policies following the 2015 Report of the High-Level Committee on Re-orienting the Role and Restructuring of Food Corporation of India¹⁴.

As shown in Table 5.1 and Figure 5.1, Bangladesh was able to increase its per capita domestic consumption of rice by 14.1 percent between 2000 and 2023, compared to an increase of only 10.2 percent in India and declines in per capita consumption of rice in Indonesia and Pakistan. In Bangladesh, this increase was made possible largely because of investments in agricultural research and extension, as well as adequate price incentives for farmers (in part due to government procurement and import policies), that have led to increases in rice yields. Percentage changes in domestic consumption of wheat (including use of wheat for animal feed) was much higher in Bangladesh (75.6 percent) and Indonesia (96.5 percent), due almost entirely to large increases in private sector imports.

Table 5.1 Per Capita Domestic Consumption of Foodgrains in Selected Countries, 2000 and 2023.

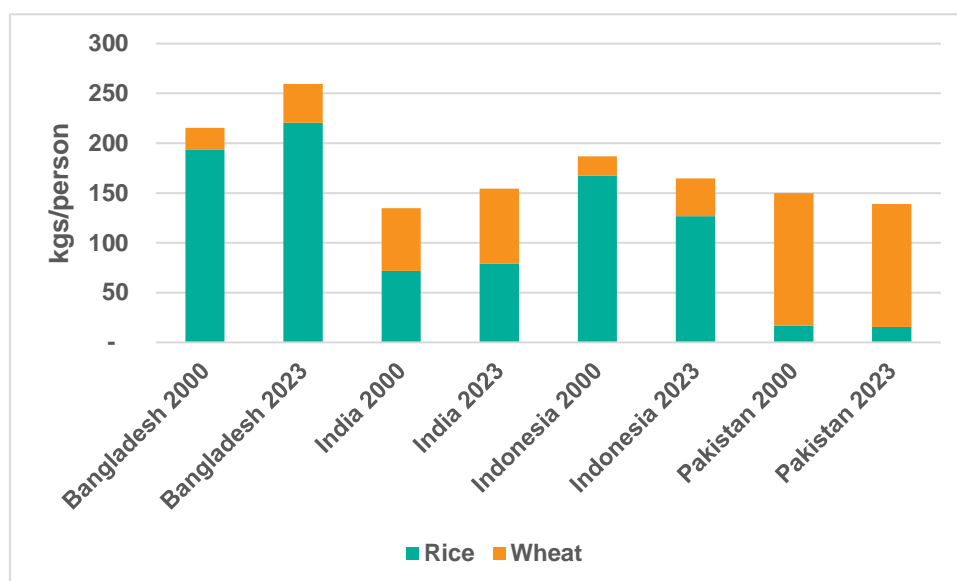
	2000	2000	2023	2023	% change	% change
	Rice	Wheat*	Rice	Wheat*	Rice	Wheat*
Bangladesh	193.2	22.2	220.4	39.0	14.1%	75.6%
India	71.7	63.1	79.0	75.2	10.2%	19.3%
Indonesia	167.6	19.2	126.8	37.8	-24.3%	96.5%
Pakistan	16.9	132.8	15.6	123.3	-7.8%	-7.1%

Source: Authors' calculations and FAOSTAT (2023) data.

¹⁴ Report of the High Level Committee on Re-orienting the Role and Restructuring of Food Corporation of India. 2015. Indian Journal of Agricultural Economics, 70 (2): (April-June).



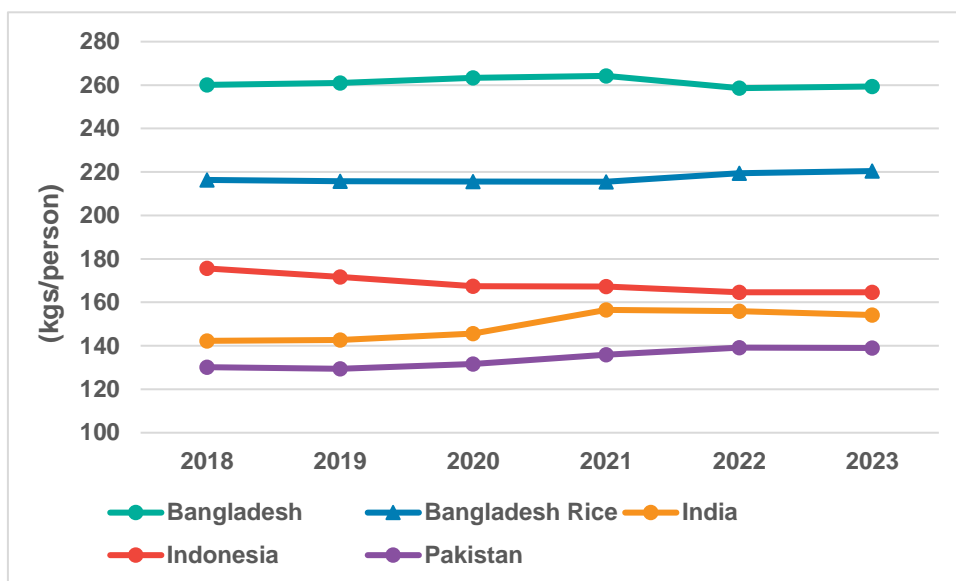
Figure 5.1 Per Capita Domestic Consumption of Foodgrains in Selected Countries, 2000 and 2023.



Source: Authors' calculations and FAOSTAT (2023) data.

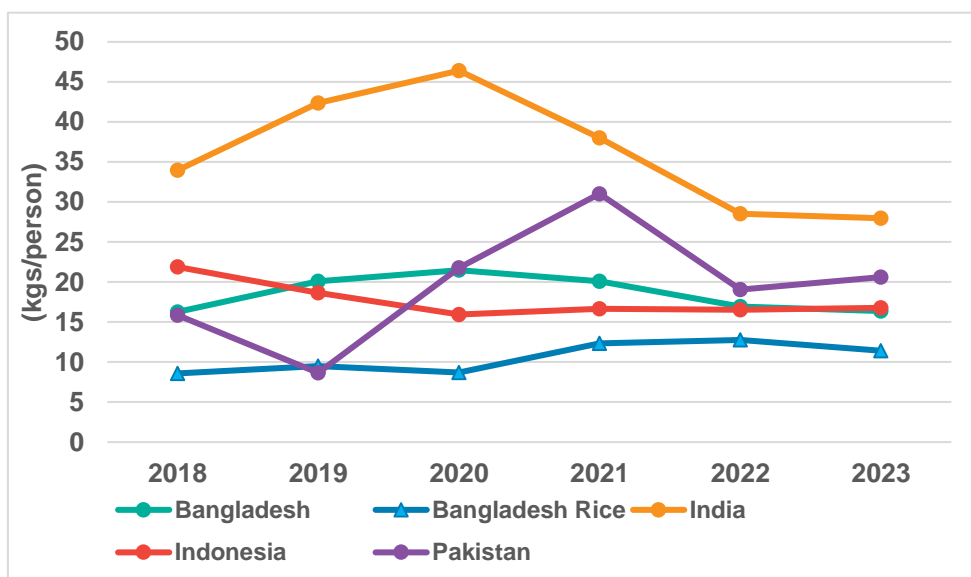
All four countries were able to avoid large fluctuations in per capita domestic consumption of foodgrains (rice and wheat) over the 2018 to 2023 period, despite major shocks to domestic and international markets related to Covid-19 disruptions and the Russia-Ukraine war (Figure 5.2). Although per capita domestic consumption of foodgrains fell slightly in 2022 and 2023, it remained slightly higher than in 2018. Although per capita domestic consumption of wheat in Bangladesh fell in this period, per capita domestic consumption of rice actually increased in 2022 and 2023 relative to 2021. This stability in supply of rice reflects both a resilient rice production system with highly reliable irrigated water supply in the Boro season, adequate supplies of fertilizer and seed, and favorable price incentives. Only in Indonesia did foodgrain domestic fall, but this decline was part of a steady downward trend in rice and wheat consumption over the entire six-year period.

Figure 5.2 Per Capita Domestic Consumption of Foodgrains in Selected Countries, 2018 to 2023.



Source: Authors' calculations and FAOSTAT (2023) data.

Figure 5.3 Per Capita End Public Stocks of Foodgrains in Selected Countries, 2018 to 2023.



Source: Authors' calculations and FAOSTAT (2023) data.

As shown in Figure 5.3, drawdown of public stocks played a major role in stabilization of foodgrain supplies in India and Indonesia. India reduced its stocks from 45 kgs/person in 2020 to 28 kgs/person in 2022. Similarly, Pakistan, which built up its stocks between 2019 and 2021, drew down stocks from 30 kgs/person to 20 kgs/person in 2022. Bangladesh actually increased rice stocks slightly in 2021 and maintained per capita rice stocks at nearly constant levels between 2021 and 2023.

5.8 Conclusions

Over the past three decades, Bangladesh policy and investments have contributed to substantial economic growth, poverty reduction and increases in food security. Ministry of Food policies and DG



Food interventions have played a significant role in these achievements. Moreover, in recent years, Bangladesh has been able to stabilize foodgrain supplies despite major shocks in the domestic and international economies from Covid-19 and the Russia-Ukraine war. Planned investments in modern bulk storage have the potential to reduce losses and facilitate longer-term storage and make an effective strategic grain reserve possible, thereby increasing the quality of foodgrain in the distribution system and further increasing stability of supply. Establishment of a computerized system of planning and tracking the movement of foodgrain is also expected to reduce costs and further improve the performance of the DG Food. Achieving the full potential of these investments, however, will require further improvements in management of food stocks and distribution and administration, as suggested by the recommendations outlined in this report.

APPENDIX - A. SUPPLEMENTARY TABLES AND FIGURES

Table A.1 Statistics of the Civil Officers and Staff (2022) for the Directorate General of Food

Name of the Post	Class	Grade	Number of Sanctioned Posts	Total Existing Man-power	Number of Vacancies
Director General, Food	Class-I (Cadre)	1	1	1	0
Additional Director General		2	1	1	0
Law Advisor		3	1	0	1
Director		3	7	6	1
Chief Miller		4	1	1	0
Additional Director		5	5	5	0
Additional Director (Technical)		5	2	2	0
Regional Controller of Food		5	8	8	0
Chief Controller of Dhaka Rationing		5	1	1	0
Silo Superintendent		5	5	4	1
District Controller of Food		6	64	34	30
Controller of Movement and Storage		6	2	0	2
Deputy Director		6	17	7	10
Deputy Director (Technical)		6	3	3	0
Assistant Regional Controller of Food		6	10	0	10
Maintenance Engineer		6	5	4	1
Senior Instructor	6	2	0	2	

Assistant Controller of Food		9	49	33	16
Manager CSD		9	13	4	9
Executive Officer		9	1	1	0
Administrative Officer, Silo		9	4	2	2
Assistant Chief Miller		9	1	0	1
Assistant Maintenance Engineer		9	15	6	9
Assistant Director		9	4	2	2
Manager (Technical)		9	3	1	2
Instructor		9	2	1	1
		Total	227	129	98
Superintending Engineer	Class-I (Non-cadre)	4	1	1	0
Executive Engineer (Civil)		5	2	1	1
System Analyst (Computer Network)		5	1	1	0
Sub-Divisional Engineer (Civil)		6	4	0	4
Programmer		6	1	0	1
Chemist		9	1	1	0
Assistant Engineer/ Regional Maintenance Engineer (Civil)		9	8	4	4
Assistant Programmer		9	3	0	3
Area Rationing Officer		9	23	9	14
Upazilla Controller of Food		9	492	366	126
Storage & Movement Officer		9	14	14	0

Accounts Officer		9	2	2	0
Administrative Officer		9	2	2	0
Private Secretary to Director General		9	1	1	0
System Analyst (MIS & Monitoring Office)		9	1	1	0
Deputy Controller of Movement & Storage		9	2	2	0
Security Officer		9	4	3	1
Assistant Controller (Movement & Storage)		9	14	13	1
Assistant Controller of Dhaka Rationing		9	2	2	0
Wheat Officer		9	1	0	1
Statistician (MIS & Monitoring Office)		9	2	1	1
Assistant Manager		9	25	22	3
Town Rationing Officer		9	5	0	5
Training Officer		9	2	2	0
Assistant Deputy Director		9	31	29	2
Upazilla Controller of Food (Technical)		9	22	14	8
Accounts Cum Budget Officer		9	1	1	0
Assistant Chemist	9	9	6	3	
		Total	676	498	178
Sub-Assistant Architect	Class- II	10	1	0	1
Sub-Assistant Engineer (Electrical)		10	1	0	1
Sub-Assistant Engineer/ Regional Maintenance Officer (Civil)		10	18	11	7

Inspector of Food		10	1585	977	608
Technical Inspector of Food/Operator (Pest Control)		10	88	67	21
Supervisor		10	69	0	69
Maintenance Superintendent		10	1	0	1
		Total	1763	1055	708
Stenographer cum Computer Operator	Class-III	13	9	0	9
Head Assistant		13	71	55	16
Head Assistant Cum Accountant		13	8	2	6
Accountant		13	122	48	74
Superintendent		13	20	14	6
Sub-Inspector of Food		13	1323	710	613
Assistant Sub-Inspector of Food		15	1034	454	580
Laboratory Technician		14	14	10	4
Upper Division Assistant (UDA)		14	204	127	77
Nazir Cum UDA		14	1	0	1
Auditor		14	93	42	51
Accountant Cum-Cashier		14	30	3	27
Office Assistant Cum Computer Typist		16	846	93	753
Data Entry/Control Operator		16	107	37	70
Record Keeper		16	1	0	1
Steno Typist cum Computer Operator		14	19	0	19
Foreman	14	20	1	19	

Mechanical Foreman		14	11	6	5
Electrical Foreman		14	6	1	5
Assistant Foreman		15	21	10	11
Shift Foreman		16	6	0	6
Operator		15	106	59	47
Assistant Operator		16	83	41	42
Head Electrician		15	1	0	1
Electrician		15	38	19	19
Vehicle Electrician		15	2	2	0
Mill Wright		15	21	11	10
Assistant Mill Wright		16	21	14	7
Welder		15	1	1	0
Driver (Heavy)		15	389	115	274
Driver (Light)		16	5	0	5
Store Keeper		15	4	0	4
Head Mechanic		15	1	0	1
Senior Mechanic		16	1	0	1
Mechanic		16	6	0	6
Vehicle Mechanic		16	43	13	30
Roll Grover		16	1	0	1
Turner		16	2	0	2
Laboratory Assistant		16	10	9	1

Stevedore Sarder		16	16	8	8
Mill Operative		16	192	24	168
Fitter		16	3	0	3
Master-1		11	1	0	1
Statistician		12	6	0	6
Launch Driver-1		12	6	0	6
Master-2		12	5	0	5
Sareng		15	2	0	2
Compounder		15	5	0	5
Launch Driver-2		16	4	0	4
Carpenter- i + ii		16	3	0	3
Silo Operative		16	494	264	230
Doctor Part Time		-	5	1	4
		Total	5443	2194	3249
P.U.P Operative	Class-IV	17	9	0	9
Sprayman		19	136	103	33
Security Guard (Darwan & Night Guard)		20	4604	2956	1648
Office Support Staff (MLSS)		20	237	67	170
Attender/Helper		20	288	59	229
Despatch Rider		19	1	1	0
Cleaner (Sweeper)		20	294	240	54
Sukani		18	6	0	6

Scalemán		18	1	0	1
Saleman		18	1	0	1
Sarder (Intake & Delivery)		17	2	1	1
Oiler		18	3	0	3
Oilman		19	4	0	4
Laskar		19	10	0	10
Cash Sarker		19	1	0	1
Silkman		19	3	0	3
Rollerman		19	6	0	6
Head Darwan		19	1	0	1
Screenman		20	6	0	6
Total			5613	3427	2186

Source: DG Food

Table A.2 Description of the employees allocated for 8 modern steel silos

Sl No.	Posts	My-mensingh	Ashuganj	Madhupur	Barishal	Chattogram	Dhaka	Ma-heshwarpa-sha	Narayan-ganj	Total Posts	Class	Grade
1	Silo Superintendent	1	1	1	1	1	1	1	1	8	BCS Food (Technical)	5
2	Maintenance Engineer (Mechanical)	1	1	1	1	1	1	1	1	8	BCS Food (Technical)	6
3	Maintenance Engineer (Electrical)	1	1	1	1	1	1	1	1	8	BCS Food (Technical)	6

4	Maintenance Engineer/Programmer (IT)	1	1	1	1	1	1	1	1	8	BCS Food (Technical)	6
5	Asst. Maintenance Engineer (Mechanical)	2	2	2	2	2	2	2	2	16	BCS Food (Technical)	9
6	Asst. Maintenance Engineer (Electrical)	1	1	1	1	1	1	1	1	8	BCS Food (Technical)	9
7	Asst. Maintenance Engineer/Asst. programmer (IT)	1	1	1	1	1	1	1	1	8	BCS Food (Technical)	9
8	Chemist	1	1	1	1	1	1	1	1	8	1 st Class, Non-cadre	9
9	Security officer	1	1	1	1	1	1	1	1	8	1 st Class, Non-cadre	9
10	Asst. Chemist	1	1	1	1	1	1	1	1	8	1 st Class, Non-cadre	9
11	Supervisor	5	5	5	5	5	5	5	5	40	2 nd Class	10
12	Head Assistant	1	1	1	1	1	1	1	1	8	3 rd Class	13
13	Electrical Foreman	1	1	1	1	1	1	1	1	8	3 rd Class	14
14	Mechanical Foreman	1	1	1	1	1	1	1	1	8	3 rd Class	14
15	Accountant cum Cashier	3	3	3	3	3	3	3	3	24	3 rd Class	14
16	Lab technician	2	2	2	2	2	2	2	2	16	3 rd Class	14
17	Electrician	3	3	3	3	3	3	3	3	24	3 rd Class	15
18	Asst. Foreman/ Millwright	2	2	2	2	2	2	2	2	16	3 rd Class	15
19	Operator	5	5	5	5	5	5	5	5	40	3 rd Class	15



20	Data Entry/ Control Operator	3	3	3	3	3	3	3	3	24	3 rd Class	16
21	Asst. Operator	7	7	7	7	7	7	7	7	56	3 rd Class	16
22	Driver	2	2	2	2	2	2	2	2	16	3 rd Class	16
23	Asst. Millwright	3	3	3	3	3	3	3	3	24	3 rd Class	16
24	Silo Operative	18	17	18	18	18	18	18	18	143	3 rd Class	16
25	Office Asst.	4	4	4	4	4	4	4	4	32	4 th Class	20
26	Darwan (Night guard)	13	20	13	13	19	13	15	13	119	4 th Class	20
27	Cleaner	4	4	4	4	4	4	4	4	32	4 th Class	20
Total		88	94	88	88	94	88	90	88	718		
Total storage capacity		48,000 MT	1,05,000 MT	48,000 MT	48,000 MT	1,14,300 MT	48,000 MT	76,200 MT	48,000 MT	5,35,500 MT		

Source: DG Food

Table A.3 Description for the IT personnel proposed by MFSP

Sl No.	Existing posts	Number	Proposed posts	Number	Created Post	Number	Grade	Number of Posts
1			Senior System Analyst	1	Senior System Analyst	1	4	1
2	System Analyst	1	System Analyst	1			5	1
3	Programmer	1	Programmer	1			6	1
4			Maintenance Engineer	9	Maintenance Engineer	9	6	9
5	Assistant Programmer	3	Assistant Programmer	3			9	3
6			Assistant Maintenance Engineer	39	Assistant Maintenance Engineer	39	9	39
7	Deputy Asst. Engineer	3	Deputy Asst. Engineer	65	Deputy Asst. Engineer	65	10	65

8			Computer Operator	76	Computer Operator	76	13	76
9			Steno typist cum Computer Operator	1	Steno typist cum Computer Operator	1	13	1
10			Office Assistant cum Computer Typist	4	Office Assistant cum Computer Typist	4	16	4
11			Office Assistant	79	Office Assistant	79	20	79
	Total	8		279		271		279

Source: MFSP

Table A.4 Manpower assigned for the Dhaka Rationing Office

No. of approved posts	No. of Filled posts	No. of Empty posts
183	94	89

Source: CCCR, DG Food

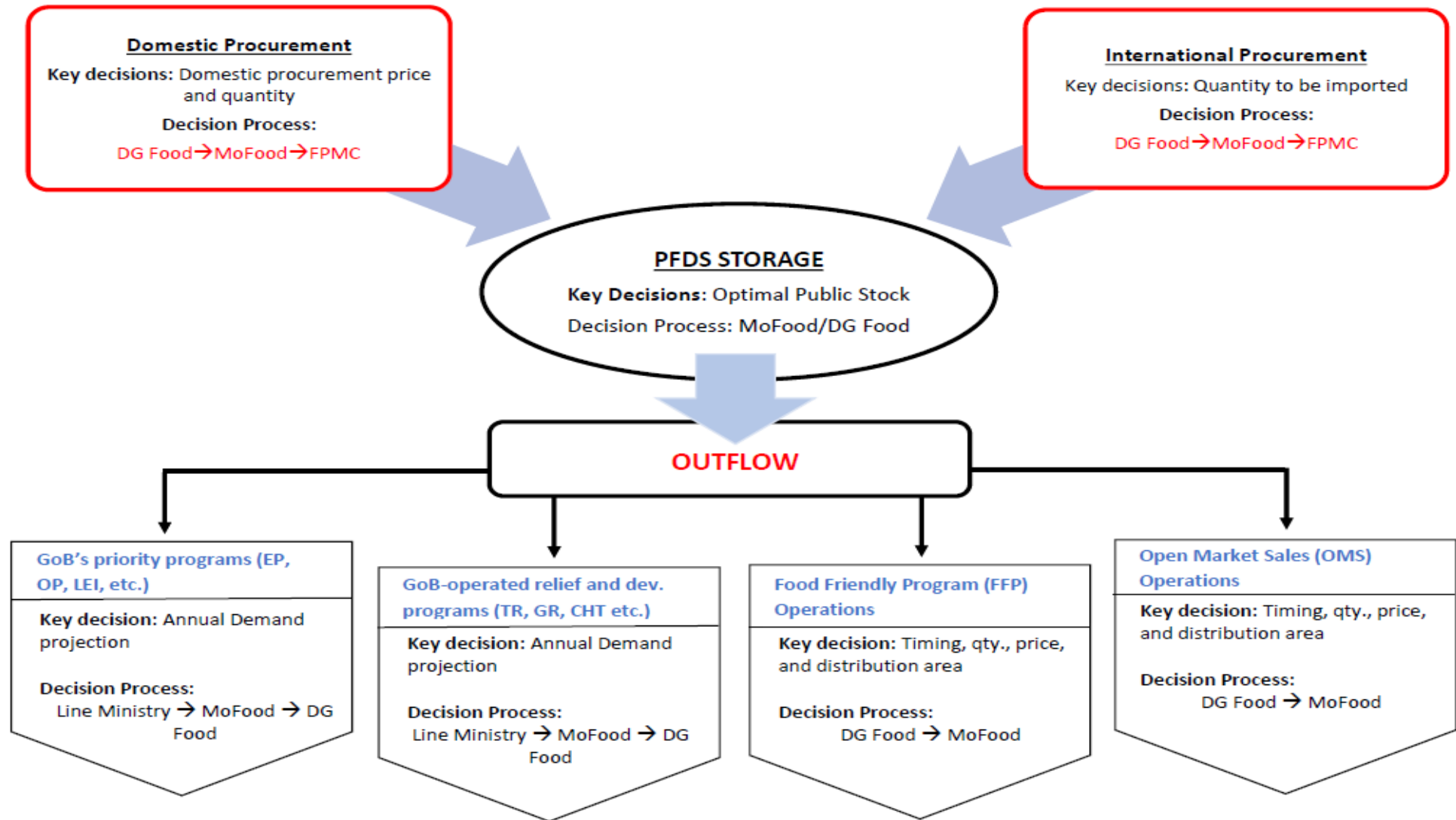
Figure A.1 OMS Process Map for Dhaka City.



Source: CCDR, DG Food

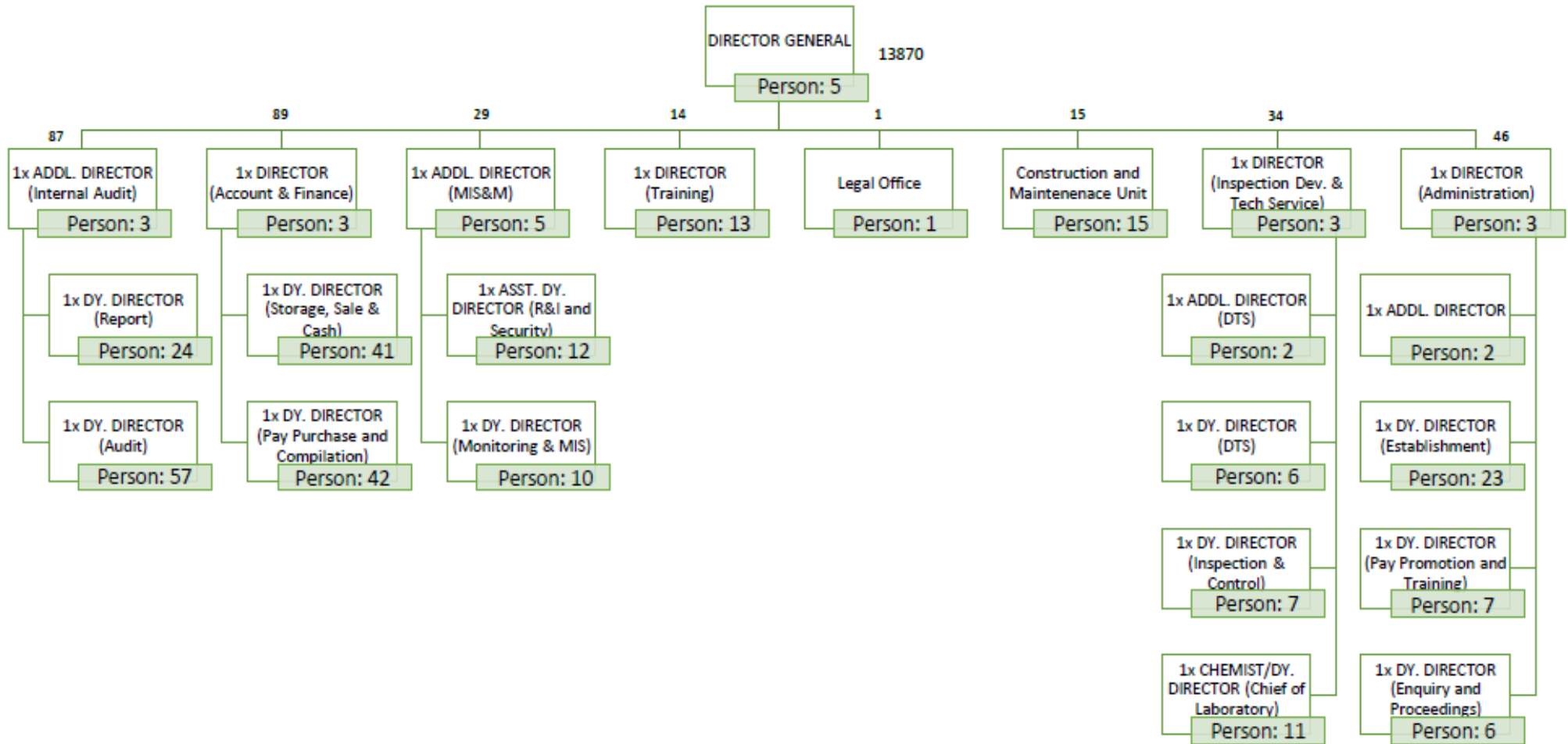


Figure A.2 The Operation Plan and decision-making process in PFDS.



APPENDIX - B. ORGANOGRAMS

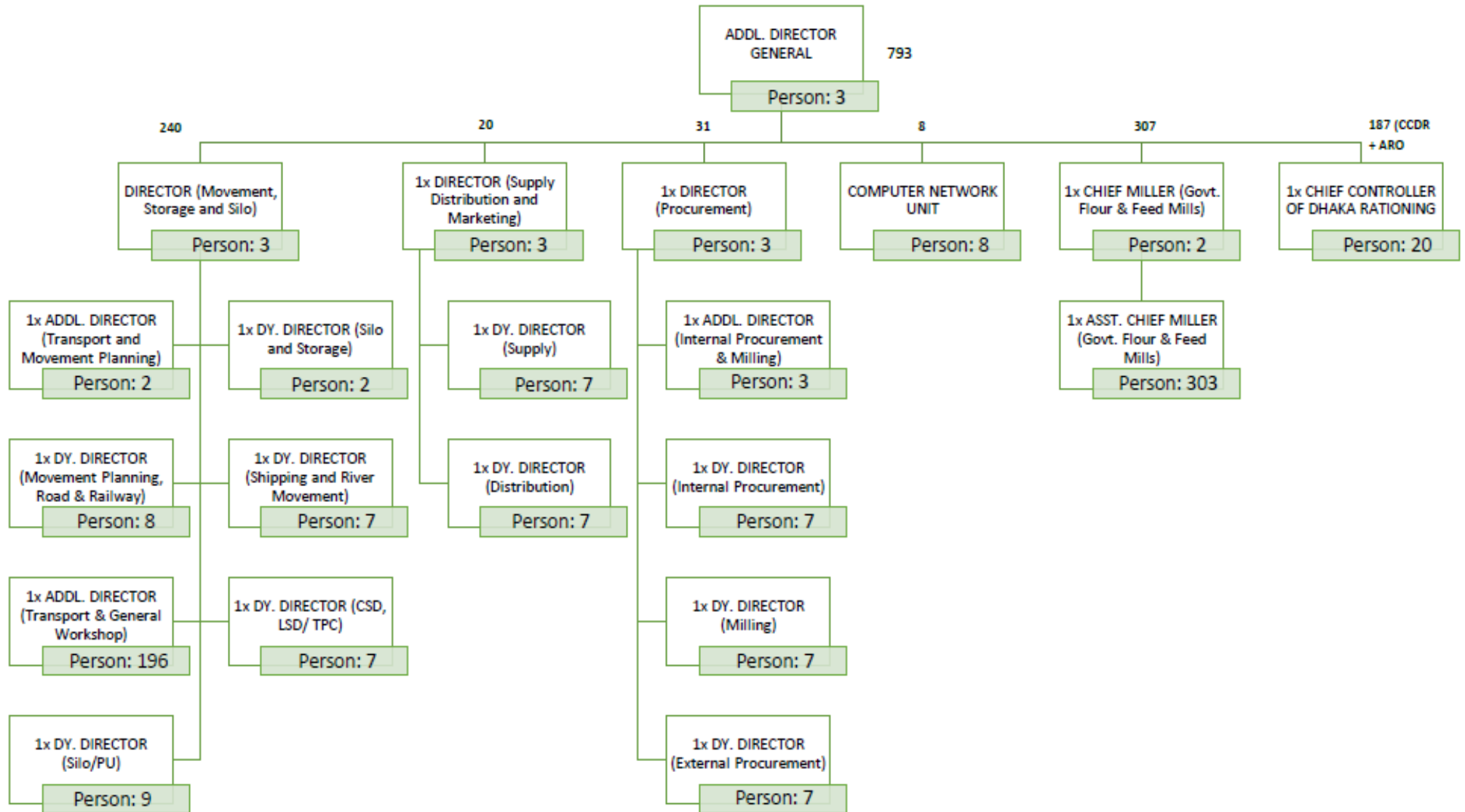
Figure B.1 Divisions and Departments directly reporting to the Director General.



Source: DG Food



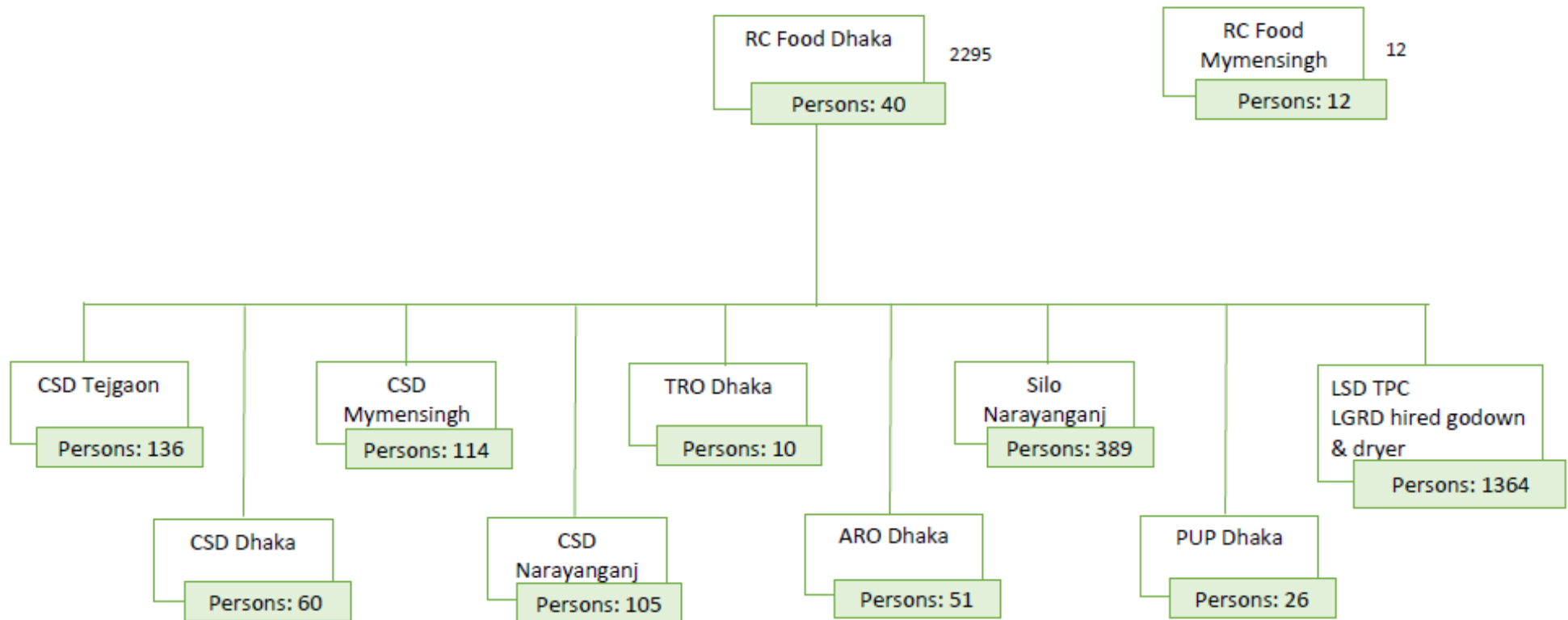
Figure B.2 Divisions and Departments directly reporting to the Additional Director General.



Source: DG Food



Figure B.3 Organogram of the RC Food Dhaka and Mymensingh Offices.



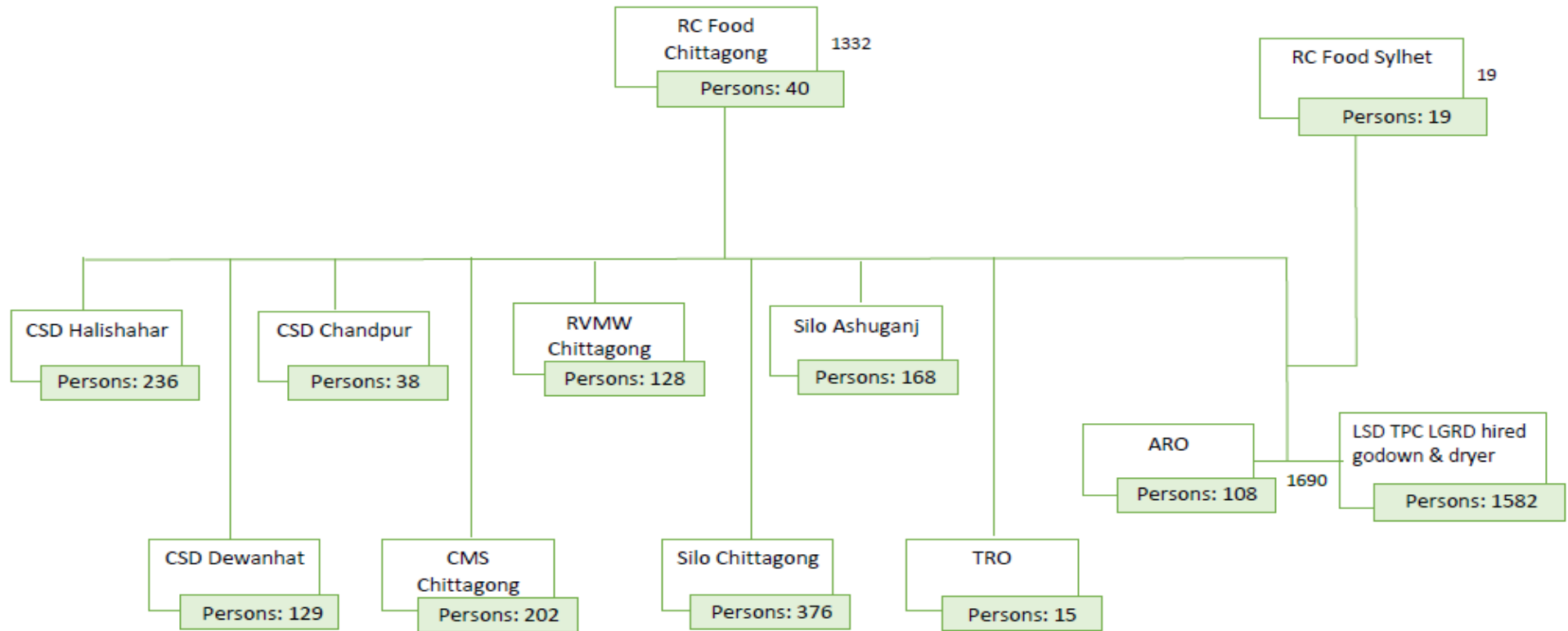
ABBREVIATION

- ARO : Area Rationing Officer
- CSD : Central Storage Depot
- LGRD : Local Government and Rural Development
- LSD : Local Supply Depot
- PUP : Pneumatic Unloading Plant
- TPC : Temporary Procurement Centre
- TRO : Town Rationing Officer

Source: DG Food



Figure B.4 Organogram of the RC Food Chittagong and Sylhet Offices.



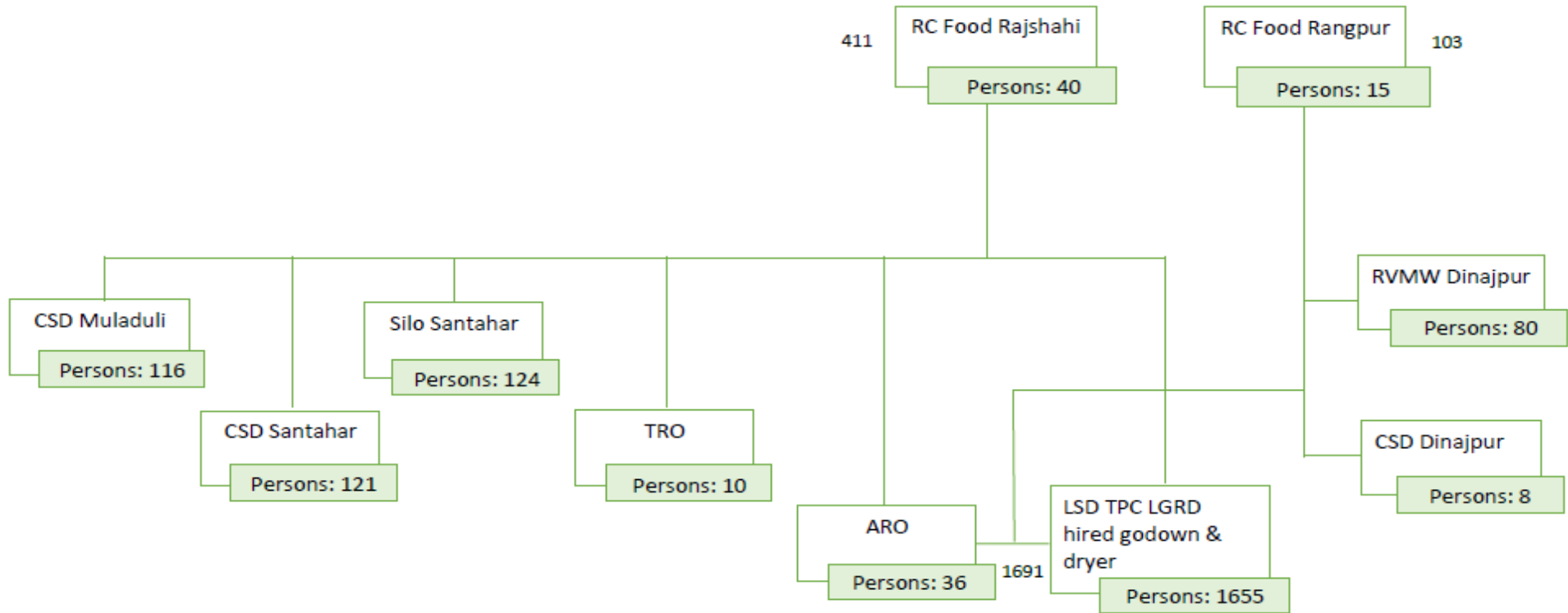
ABBREVIATION

- ARO : Area Rationing Officer
- CMS : Controller of Movement and Storage
- CSD : Central Storage Depot
- LGRD : Local Government and Rural Development
- LSD : Local Supply Depot
- RVMW: Regional Vehicle Maintenance Workshop
- TPC : Temporary Procurement Centre
- TRO : Town Rationing Officer

Source: DG Food



Figure B.5 Organogram of the RC Food Rajshahi and Rangpur Offices.



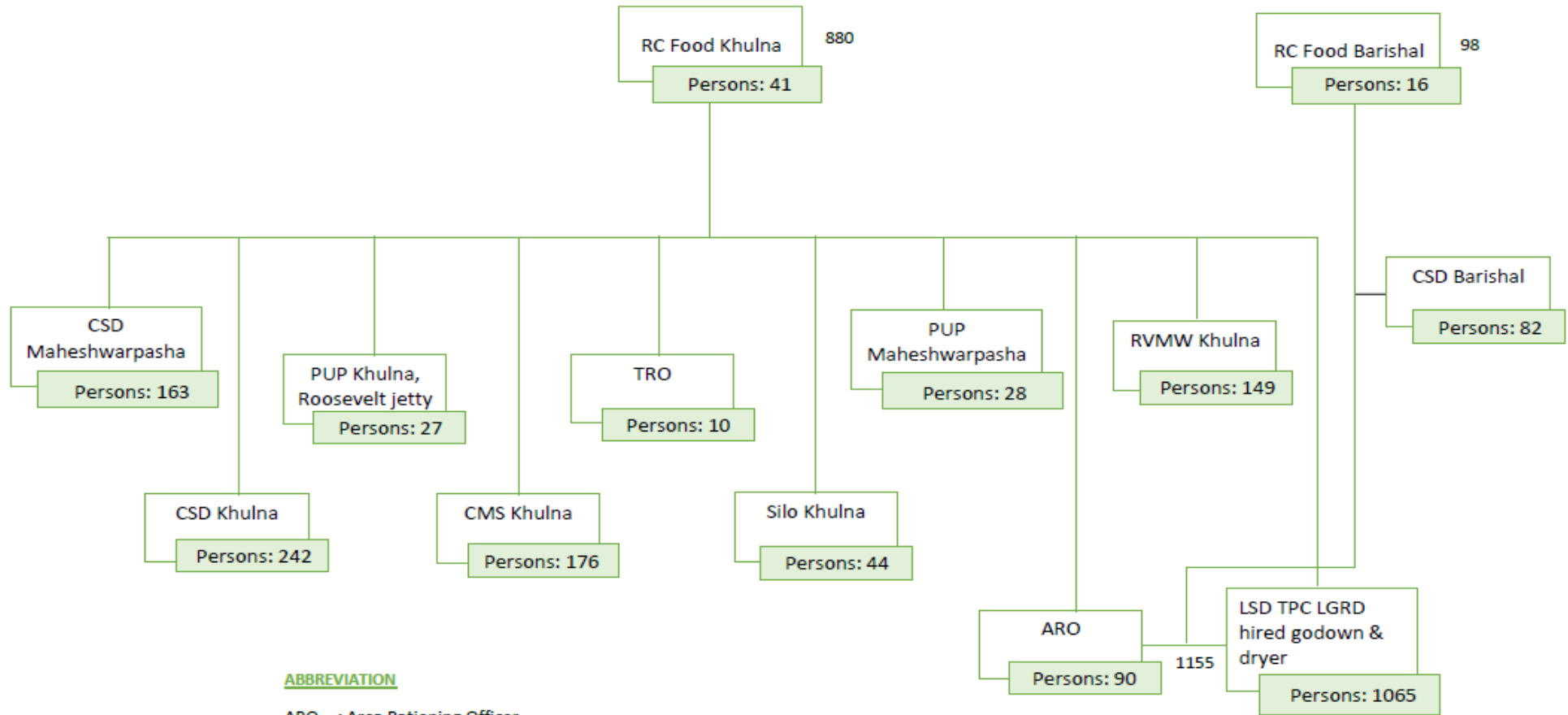
ABBREVIATION

- ARO : Area Rationing Officer
- CSD : Central Storage Depot
- LGRD : Local Government and Rural Development
- LSD : Local Supply Depot
- RVMW: Regional Vehicle Maintenance Workshop
- TPC : Temporary Procurement Centre
- TRO : Town Rationing Officer

Source: DG Food



Figure B.6 Organogram of the RC Food Khulna and Barishal Offices.



ABBREVIATION

- ARO : Area Rationing Officer
- CMS : Controller of Movement and Storage
- CSD : Central Storage Depot
- LGRD : Local Government and Rural Development
- LSD : Local Supply Depot
- PUP : Pneumatic Unloading Plant
- RVMW: Regional Vehicle Maintenance Workshop
- TPC : Temporary Procurment Centre
- TRO : Town Rationing Officer

Source: DG Food



APPENDIX - C. REPORTING SYSTEM

Figure C.1 Sample of the Daily Stock Report.



Govt. of the People's Republic of Bangladesh
 Directorate General of Food
 MIS&M Unit
 16, Abdul Gani Road, Dhaka.
 www.dgfood.gov.bd

Source: All R.C Food

As on : 10-08-2021

Date : 11-08-2021

NATIONAL PUBLIC STOCK OF FOODGRAIN

Region	Rice	Wheat	Total Stock	Remarks
1	2	3	4(2+3)	5
DHAKA	155309	44531	199840	Paddy Total 164713 Mt. In Terms of Rice is 107063 MT Ratio is 60:39
MYMENSING	120676	1217	121892	
RAJSHAHI	250030	50544	300574	
RANGPUR	209452	25228	234680	1. Internal procurement of Rice and Paddy is going on well and progress is much satisfactory.
CHITTAGONG	317367	51301	368668	
SYLHET	47777	2564	50341	2. 37 ships of foreign procured rice and wheat are being unloaded at Chattagram and Mongla sea port. Another 31 ships are waiting to be discharged.
KHULNA	150115	50210	200325	
BARISAL	46234	1204	47438	3. Present food grain stock is satisfactory. However, after the completion of internal procurement and discharging of ships/wagons a secured stock will be formed.
Sub Total	1296959	226798	1523757	
Paddy (In terms of Rice)	107063	0	107063	
National Physical Stock	1404022	226798	1630820	

REGIONAL AVERAGE RETAIL MARKET PRICE OF RICE & ATTA

Fig in Per Kg. Taka

REGION	RICE (Coarse)	RICE (Medium)	RICE (Fine)	ATTA
DHAKA (Regional Average)	42.67	49.12	58.46	28.31
MYMENSING (Regional Average)	41.38	46.17	59.68	30.25
RAJSHAHI (Regional Average)	41.39	47.58	56.26	28.47
RANGPUR (Regional Average)	40.03	43.00	55.48	28.01
CHITTAGONG (Regional Average)	43.29	50.41	61.10	27.98
SYLHET (Regional Average)	42.10	47.80	58.80	27.60
KHULNA (Regional Average)	41.90	48.30	57.70	27.40
BARISAL (Regional Average)	43.56	49.58	59.08	28.21
NATIONAL AVERAGE	42.04	47.74	58.32	28.28
NATIONAL AVERAGE LAST YEAR ON THE DAY	38.34	44.03	52.08	27.08

(Md. Obaidur Rahman)
 Inspector of Food
 (MIS&M)

(Riza Akter)
 Inspector of Food
 (MIS&M)

(Ismot Ara Shirin)
 System Analyst
 (MIS&M)

Source: MIS&M, DG Food

Figure C.2 Sample of the Daily OMS report.

As on : 10.08.2021
Published on : 11.08.2021

1. Daily Open Market Sale 2021-22 (Rice) :

A. Daily Open Market Sale(@ 30 taka per kg)

Division	Total Appointed Dealer	Operating Dealer	Rice Sales (2021-22)		Cum Sales (2020-21)	Budget (MT)	Lifting (MT)	Balance MT
			Daily Sales	Cum Sales				
1 Dhaka City	376	89	163.850	5519.795	31718.455	150000	24698	125302
2 Dhaka Div.	245	138	126.460	3772.025	20405.575			
3 Rajshahi	114	53	59.325	1685.450	10593.325			
4 Rangpur	192	77	57.000	1614.900	10978.004			
5 Khulna	187	101	76.000	2144.000	14469.050			
6 Barisal	69	53	35.500	1084.890	7126.340			
7 Chittagong	178	119	117.850	3188.280	20404.782			
8 Sylhet	51	25	30.000	875.000	5599.350			
9 Mymensingh	32	32	11.000	987.050	5922.955			
Total	1444	687	676.985	20871.390	127217.836			

B. Sales of Food Friendly Program

Event Name	Operating Dealer	Daily sale	Cumulative Sale		Budget	Cumulative Lifting		Balance	Cum. Sale (2020-21)
			Monthly (June)	Yearly		Monthly (June)	Yearly		
1 Food Friendly Program	0	0	0	0	760000	0	0	760000	739761

2. Daily Open Market Sale (ATTA) (@ 18 taka per kg)

City/Division	Total Appointed Dealer	Operating Dealer	Atta Sales (2021-22)		Cum. Sale (2020-21)	Budget (MT)	Lifting (MT)	Balance MT
			Daily Sales	Cum Sales				
1 Dhaka City	376	90	100.890	3463.103	31525.277	263157.89	23137	240021
2 Dhaka Div.	271	176	310.290	8819.335	98517.205			
3 Rajshahi	114	53	53.000	1555.643	15180.273			
4 Rangpur	192	84	52.000	1549.455	14609.715			
5 Khulna	187	85	66.000	2008.000	18861.040			
6 Barisal	69	48	29.760	973.111	8687.959			
7 Chittagong	178	134	111.240	2995.035	25952.085			
8 Sylhet	51	23	20.130	710.480	6323.690			
9 Mymensingh	32	32	15.000	746.350	8329.010			
Total	1470	725	758.310	22820.512	227986.254			


3. Sale at a glance

SL NO	Sale Programme	Daily Sales(MT)		Cumulative Sales(MT)		Budget(MT)		Lifting (MT)		Balance (MT)	
		Rice	Atta	Rice	Atta	Rice	Atta	Rice	Atta	Rice	Atta
1	OMS Rice@ TK 30/kg	677		20871		170000		48135		121866	
2	OMS (Special)	1559		22413							
3	OMS (Atta) @ Tk 18/kg		758		22821	273684		37933		235751	
4	OMS (Special)		1023		14413						
4	FFP	0		0		760000		0		760000	

* The allocation of special OMS activities will be executed from the annual budget allocation as per memo no. 284 dated 05.08.2021 of the MoF


(Md. Obaidur Rahman)
Inspector of Food
(MIS&M)


(Riza Akter)
Inspector of Food
(MIS&M)


(Ismot Ara Shirin)
System Analyst
(MIS&M)

Source: MIS&M, DG Food



Figure C.3 Sample of the Daily Internal Procurement Report for Boro rice and Wheat.



DAILY INTERNAL PROCUREMENT REPORT OF WHEAT & BORO-2021

Published on : 11/08/2021

Report As on : 10/08/2021

RAJSHAHI REGION:

(Figure in MT)

SL.	DISTRICT	TARGET					Days Procurement					Cum Procurement					% of Achievement						
		Wheat	Paddy	B.Rice	A. Rice	Int. of rice	Wheat	Paddy	B.Rice	Atap	Total (B+A)	Int. of rice	Wheat	Paddy	B.Rice	Atap	Total (B+A)	Int. of rice	Wheat	Paddy	B.Rice	Atap	Int. of rice
1	Rajshahi	8515	9399	11981	992	19082	0	0	141	0	141	141	8177	1430	8841	154	8995	9925	96	15	74	16	52
2	Natore	7052	6058	13374	683	17995	0	3	300	0	300	302	6748	2634	18002	193	18195	19907	96	43	135	28	111
3	Naogaon	7105	25697	49261	3985	69949	0	17	383	187	570	582	7005	3493	39646	1584	41230	43501	99	14	80	40	62
4	Nowabgonj	7201	4575	22659	4915	30548	0	0	107	0	107	107	6896	2594	19396	2062	21458	23144	96	57	86	42	76
5	Palna	7684	8051	24616	315	30164	0	53	131	0	131	166	7454	5186	17371	0	17371	20742	97	64	71	0	69
6	Sirajgonj	1518	19376	21936	838	35368	0	0	150	0	150	150	1518	9170	18110	252	18361	24322	100	47	83	30	69
7	Bogra	543	25186	60490	2111	78972	0	70	863	40	903	949	290	12953	44940	993	45933	54352	53	51	74	47	69
8	Joypurhat	654	9004	19327	691	25871	0	36	101	0	101	125	654	4887	19010	691	19701	22877	100	54	98	100	88
Regional Total		40272	107346	223644	14530	307949	0	179	2177	227	2404	2522	38741	42347	185315	5930	191245	218770	96	39	83	41	71

RANGPUR REGION:

SL.	DISTRICT	TARGET					Days Procurement					Cum Procurement					% of Achievement						
		Wheat	Paddy	B.Rice	A. Rice	Int. of rice	Wheat	Paddy	B.Rice	Atap	Total (B+A)	Int. of rice	Wheat	Paddy	B.Rice	Atap	Total (B+A)	Int. of rice	Wheat	Paddy	B.Rice	Atap	Int. of rice
1	Rangpur	635	17403	34136	671	46119	0	0	503	7	511	511	217	7074	24272	577	24849	29447	34	41	71	86	64
2	Gaibandha	923	18302	27970	1203	41069	0	60	298	0	127	338	482	15341	23133	1127	24261	34232	52	84	83	94	83
3	Kurigram	2199	13733	24867	985	34778	0	6	190	0	190	194	4569	12315	20311	468	20779	28784	208	90	82	47	83
4	Lalmonirhat	400	6800	14193	244	18857	0	0	127	0	127	127	378	5343	11381	59	11441	14913	95	78.6	80	24	79
5	Nilphamari	1428	11956	19390	684	27846	0	0	250	8	258	258	1426	8659	16078	453	16531	22160	100	72	83	66	80
6	Dinajpur	1473	24152	100102	8498	124298	0	0	1262	129	1390	1390	2413	22113	84338	3445	87783	102156	164	92	84	41	82
7	Thakurgaon	15765	8214	27845	333	33517	0	8	290	0	290	295	27324	7767	24523	0	24523	29571	173	95	88	0	88
8	Panchagarh	5543	4439	15395	207	18487	0	94	74	0	74	136	7734	3428	12544	172	12717	14945	140	77	81	83	81
Regional Total		28366	104999	263897	12825	344971	0	168	2094	144	2967	3250	44543	82039	216581	6302	222883	276208	157	78	82	49	80

KHULNA REGION:

SL.	DISTRICT	TARGET					Days Procurement					Cum Procurement					% of Achievement						
		Wheat	Paddy	B.Rice	A. Rice	Int. of rice	Wheat	Paddy	B.Rice	Atap	Total (B+A)	Int. of rice	Wheat	Paddy	B.Rice	Atap	Total (B+A)	Int. of rice	Wheat	Paddy	B.Rice	Atap	Int. of rice
1	Khulna	0	8957	18241	1795	25858	0	64	168	0	168	211	0	3552	16752	891	17643	19952	0	40	92	50	77
2	Bagerhat	0	8530	6166	426	12137	0	65	64	80	143	187	0	5851	4317	112	4429	8232	0	69	70	26	68
3	Satkhira	254	10902	14039	968	22093	0	78	168	0	168	219	0	9288	11274	55	11329	17366	0	85	80	6	79
4	Jessore	213	21879	24594	1058	39873	0	74	427	0	427	477	150	8515	20492	983	21475	27009	70	39	83	93	68
5	Jhenaidah	1644	11459	17417	464	25329	0	1	415	0	415	416	1080	9607	10008	392	10400	16645	66	84	57	85	66
6	Magura	1348	4095	5359	0	8021	0	0	0	0	0	0	1800	5195	3189	0	3189	6566	134	127	60	0	82
7	Narail	606	6957	4312	275	9109	0	0	0	0	0	0	500	3645	3836	237	4073	6442	83	52	89	86	71
8	Kusthia	3569	4977	34446	911	38592	0	43	400	0	400	429	1106	1278	24440	632	25072	25903	31	26	71	69	67
9	Chuadanga	805	4796	7682	0	10799	0	0	68	0	68	68	323	3754	5781	0	5781	8221	40	78	75	0	76
10	Meherpur	3954	2633	1342	0	3053	0	50	0	0	0	33	2380	2176	1236	0	1236	2651	60	83	92	0	87
Regional Total		12393	85185	133598	5897	194866	0	375	1710	80	1790	2039	7339	52860	101326	3302	104628	138987	59	62	76	56	71

BARISAL REGION

(Figure in MT)

SL.	DISTRICT	TARGET					Days Procurement						Cum Procurement						% of Achievement				
		Wheat	Paddy	B.Rice	A. Rice	Int. of rice	Wheat	Paddy	B.Rice	Atap	Total (B+A)	Int. of rice	Wheat	Paddy	B.Rice	Atap	Total (B+A)	Int. of rice	Wheat	Paddy	B.Rice	Atap	Int. of rice
1	Barisal	0	8144	5445	0	10739	0	60	204	0	204	244	0	3398	3042	0	3042	5251	0	42	56	0	49
2	Jhalakathi	0	1022	1402	0	2066	0	0	0	0	0	0	0	1856	1402	0	1402	2608	0	182	100	0	126
3	Perojpur	0	4884	3332	0	6507	0	0	0	0	0	0	0	4001	3254	0	3254	5855	0	82	98	0	90
4	Bhola	0	7940	4714	0	9875	0	19	0	0	13	0	0	6447	3425	0	3425	7616	0	81	73	0	77
5	Patuakhali	0	1392	4024	0	4929	0	3	0	0	2	0	0	1068	3256	0	3256	3950	0	77	81	0	80
6	Barguna	0	717	974	0	1440	0	30	0	0	20	0	0	527	842	0	842	1184	0	73	86	0	82
Regional Total		0	24099	19891	0	35555	0	112	204	0	204	278	0	17297	15221	0	15221	26464	0	72	77	0	74

SYLHET REGION

SL.	DISTRICT	TARGET					Days Procurement						Cum Procurement						% of Achievement				
		Wheat	Paddy	B.Rice	A. Rice	Int. of rice	Wheat	Paddy	B.Rice	Atap	Total (B+A)	Int. of rice	Wheat	Paddy	B.Rice	Atap	Total (B+A)	Int. of rice	Wheat	Paddy	B.Rice	Atap	Int. of rice
1	Sylhet	0	10515	6090	3912	16837	0	97	0	0	0	64	0	10767	4597	3844	3740	15439	0	102	75	98	92
2	Moulvibazar	0	6723	4216	1986	10572	0	35	63	49	112	135	0	4553	3997	1803	1708	8760	0	68	95	91	83
3	Hakiganj	0	11185	7286	2318	16874	0	122	30	0	30	111	0	10995	6572	2253	2174	15972	0	98	90	97	95
4	Sunamganj	0	29659	15415	9977	44670	0	224	51	39	90	239	0	13626	7688	9184	8269	25729	0	46	50	92	58
Regional Total		0	58082	33007	18193	88953	0	478	144	88	232	550	0	39941	22853	17084	39937	65899	0	69	69	94	74

DHAKA REGION :

SL.	DISTRICT	TARGET					Days Procurement						Cum Procurement						% of Achievement				
		Wheat	Paddy	B.Rice	A. Rice	Int. of rice	Wheat	Paddy	B.Rice	Atap	Total (B+A)	Int. of rice	Wheat	Paddy	B.Rice	Atap	Total (B+A)	Int. of rice	Wheat	Paddy	B.Rice	Atap	Int. of rice
1	Dhaka	0	5655	8541	0	12217	0	0	0	0	0	0	0	691	6154	0	6154	6603	0	12	72	0	54
2	Narayanganj	0	3091	4485	0	6494	0	0	0	0	0	0	0	311	1346	0	1346	1548	0	10	30	0	24
3	Narsingdi	0	4901	3727	177	7090	0	0	0	0	0	0	0	991	3599	75	3674	4318	0	20	97	42	61
4	Gazipur	0	8083	6885	438	12577	0	0	150	0	150	150	0	1768	6437	438	6875	8024	0	22	93	100	64
5	Munshiganj	0	3439	7554	0	9789	0	0	195	0	195	195	0	984	4274	0	4274	4914	0	29	57	0	50
6	Manikganj	435	7074	3690	0	8288	0	0	0	0	0	0	0	1914	3122	0	3122	4366	0	27	85	0	53
7	Kishanganj	481	23346	15999	828	32002	0	246	34	0	34	198	0	16796	10630	230	10860	21777	0	72	66	28	68
8	Tangail	1379	23539	32831	976	49107	0	43	70	10	81	109	1214	5356	26728	593	27322	30803	88	23	81	61	63
9	Faridpur	5985	3547	5825	850	8980	0	225	138	20	158	307	5590	3274	4886	554	5440	7568	93	92	84	65	84
10	Rajbari	3232	1790	1753	223	3140	0	0	0	0	0	0	3232	1774	1753	223	1976	3129	100	99	100	100	100
11	Gopalganj	1993	8893	9332	0	15112	0	2	0	0	0	1	1104	2955	5954	0	5954	7874	55	33	64	0	52
12	Madaripur	1595	5387	10495	313	14310	0	0	93	0	93	93	652	726	4415	135	4550	5021	41	13	42	43	35
13	Shariatpur	1318	2438	1273	0	2858	0	0	32	0	32	32	0	774	442	0	442	945	0	32	35	0	33
Regional Total		16418	101183	112391	3805	181965	0	516	712	30	743	1085	11792	38315	79740	2248	81988	106893	72	38	71	59	59

MYMENSINGH REGION :

SL.	DISTRICT	TARGET					Days Procurement						Cum Procurement						% of Achievement				
		Wheat	Paddy	B.Rice	A. Rice	Int. of rice	Wheat	Paddy	B.Rice	Atap	Total (B+A)	Int. of rice	Wheat	Paddy	B.Rice	Atap	Total (B+A)	Int. of rice	Wheat	Paddy	B.Rice	Atap	Int. of rice
1	Mymensingh	499	37027	65615	6389	96072	0	0	875	273	1147	1147	0	7493	56133	3498	59631	64501	0	20	86	55	67
2	Netrokona	181	25249	43738	3743	63893	0	84	320	114	434	490	0	4208	41573	1630	43203	45938	0	17	95	44	72
3	Jamalpur	1126	18421	26741	827	39542	0	0	258	6	264	264	797	7571	20824	145	20969	25890	71	41	78	17	65
4	Sherpur	0	12967	24525	1984	34938	0	0	278	0	278	278	0	3946	24881	1253	26135	28700	0	30	101	63	82
Regional Total		1806	93664	160619	12943	234444	0	84	1731	392	2123	2179	797	23218	143411	8526	149938	165029	44	25	89	50	70

CHITTAGONG REGION:

(Figure in MT)

SL	DISTRICT	TARGET					Days Procurement					Cum Procurement					% of Achievement						
		Wheat	Paddy	B.Rice	A. Rice	Int. of rice	Wheat	Paddy	B.Rice	Atap	Total (B+A)	Int. of rice	Wheat	Paddy	B.Rice	Atap	Total (B+A)	Int. of rice	Wheat	Paddy	B.Rice	Atap	Int. of rice
1	Chittagong	0	5431	2829	5915	12274	0	0	0	0	0	0	0	2097	383	5227	5610	6973	0	39	14	88	57
2	Cox's Bazar	0	4650	2247	3846	9116	0	6	0	0	0	4	0	1046	600	3849	4449	5129	0	23	27	100	56
3	Rangamati	0	704	0	364	822	0	0	0	0	0	0	0	406	0	334	334	598	0	58	0	92	73
4	Khagrachari	0	1590	0	477	1511	0	10	0	0	0	7	0	1256	0	477	477	1293	0	79	0	100	86
5	Bandarban	0	564	0	475	842	0	0	0	0	0	0	0	194	0	444	444	570	0	34	0	93	68
6	Noakhali	0	11735	11516	2259	21403	0	18	270	0	270	282	0	5354	8071	180	8251	11731	0	46	70	8	55
7	Laxmipur	0	3189	3236	0	5309	0	0	0	0	0	0	0	2640	3026	0	3026	4742	0	83	94	0	89
8	Feni	0	2626	2273	1130	5110	0	0	0	0	0	0	0	1168	1679	641	2320	3080	0	44	74	57	60
9	Comilla	451	22151	24685	6478	45561	0	82	70	120	190	245	0	6702	16994	5265	22259	26615	0	30	69	81	58
10	B.aria	294	14716	31375	9804	50744	0	178	457	109	566	684	0	12834	22062	8206	30268	38610	0	87	70	84	76
11	Chandpur	0	8086	7107	1059	13422	0	20	34	34	68	82	0	7124	6600	707	7307	11937	0	88	93	67	89
Regional Total		745	75442	85268	31807	166112	0	315	831	263	1095	1304	0	40819	59415	25330	84746	111278	0	54	70	80	67
National Total :		100000	650000	1032315	100000	1554815	0	2227	10503	1225	11557	13208	103212	338837	823863	66722	890585	1109528	103	52	80	67	71

1) "Wheat", Procurement 2021, Duration : 01/04/2021- 30/06/2021; Reference- MoFood 13.01.0000.091.45.321.21.43; Date-26/03/2021

2) "BORO", Procurement 2021, Duration : Paddy 28/04/2021- 16/08/2021; Reference- MoFood 13.01.0000.043.35.001.21.70; Date-26/04/2021 Convert ratio : 60:39
Rice Duration: 07/05/2021 - 16/08/2021 Reference- MoFood 13.01.0000.043.35.001.21.81; Date-01/05/2021

*সিক চাকের মোট সক্ষমতা ১১.০২ লাখ মে.টন। ১.০২ লাখ মে.টন সিক চাকের দেশা ভিত্তিক বিভাজন রংপুর বিভাগ ব্যতীত অন্য কোনো বিভাগ হতে অন্যান্যি পাওয়া যায়নি।

Price in per Kg. (Taka)

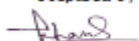
Boil Rice	40.00
Atap Rice	39.00
Paddy (AMAN)	27.00
Wheat	28.00

SUMMARY OF WHEAT & BORO PROCUREMENT-2021

(Figure in MT)

SL No.	Division	TARGET					Days Procurement					Cumulative Procurement					Agreements with Mills Quantity (CUM)					
		Wheat	Paddy	B. Rice	A. Rice	Int. of rice (target)	Wheat	Paddy	B.Rice	Atap	Total (B+A)	Int. of rice	Wheat	Paddy	B.Rice	Atap	Total (B+A)	Int. of rice	No. of Mill (A.Cum)	No. of Mill (B.Cum)	Quantity (A cum)	Quantity (B.Cum)
1	Rajshahi	40272	107346	223644	14530	307949	0	179	2177	227	2404	2522	38741	42347	185315	5930	191245	218770	99	4556	10874	233717
2	Rongpur	28366	104999	263897	12825	344971	0	168	2994	144	3138	3250	44543	82039	216581	6302	222883	276208	175	6491	11009	263897
3	Khulna	12393	85185	133598	5897	194866	0	375	1710	80	1790	2039	7339	52860	101326	3302	104628	138987	121	2076	5658	133330
4	Barishal	0	24099	19891	0	35555	0	112	204	0	204	278	0	17297	15221	0	15221	26464	0	85	0	19149
5	Sylhet	0	58082	33007	18193	88953	0	478	144	88	232	550	0	39941	22853	17084	39937	65899	356	47	18173	31541
6	Dhaka	16418	101183	112391	3805	181965	0	516	712	30	743	1085	11792	38315	79740	2248	81988	106893	20	869	3703	100647
7	Mymensingh	1806	93664	160619	12943	234444	0	84	1731	392	2123	2179	797	23218	143411	6526	149938	165029	147	1527	12793	182721
8	Chittagong	745	75442	85268	31807	166112	0	315	831	263	1095	1304	0	40819	59415	25330	84746	111278	303	312	28661	83547
Total =		100000	650000	1032315	100000	1554815	0	2227	10503	1225	11728	13208	103212	338837	823863	66722	890585	1109528	1221	15963	90871	1048549

Prepared by



Food Inspector
MIS&M Division

Verified by



System Analyst
MIS&M Division

Source: MIS&M, DG Food



APPENDIX - D. CONSULTATIONS

ANNEX – A

Table D.1 Consultation schedule for the DG Food Diagnostic Study at the DG Food Head Office

Sl. No.	Offices	Date (DD/MM/YY)
1	Director General's Office	05-10-21
2	Additional Director General's Office	05-10-21
3	Administration Division	06-10-21
4	Training Department	06-10-21
5	Management Information System and Monitoring Department (MIS&M)	10-10-21
6	Computer Network Unit (CNU)	10-10-21
7	Movement, Silo and Storage Division (MSS)	11-10-21
8	Procurement Division	12-10-21
9	Supply, Distribution and Marketing Division (SDM)	17-10-21
10	Office of the Legal Advisor	17-10-21
11	Inspection, Development and Technical Services Division (IDTS)	03-11-21
12	Construction and Maintenance Unit	03-11-21
13	Accounts and Finance Division	11-11-21
14	Regional Controller of Food Office, Dhaka	26-07-22
15	Chief Controller of Dhaka Rationing Office	26-07-22
17	Chief Miller	26-07-22

Table D.2 Agenda for the trip to Rangpur and Rajshahi for DG Food Study Consultations.

Researchers	Day/Date	Place	Comments
1. Dr. Shoumi Mustafa, Senior Research Coordinator, IFPRI	September 26, 2022: Morning	Flight Details: DAC to SPD	The team leaves by 6:00 AM for the airport. Flight time: 7:30 AM.
	September 26, 2022: Morning	Saidpur Airport	The team reaches Saidpur airport by 8:30 AM. A car will be waiting at the airport by 8:00 AM.
	September 26, 2022: Morning	District Controller of Food Office, Dinajpur.	The team will directly leave for Dinajpur DC

<p>2. Mr. Razin Iqbal Kabir, Senior Research Analyst, IFPRI</p> <p>3. Ms. Nabila Afrin Shaima, Research Analyst, IFPRI</p> <p>4. Mr. Kazi Nurul Islam, Consultant (IFPRI), former Director, DG Food</p>		Pulhat Sadar LSD; Dinajpur CSD	Food office from the airport. Interview with DC Food, UCF, OC LSD, Technical/Food Inspector, Guard, and others.
	September 26, 2022: Afternoon	**Lunch Break**	We leave for Rangpur DC Food office after lunch.
	September 26, 2022: Afternoon	District Controller of Food Office, Rangpur. Rangpur Sadar LSD (time permitting)	Interview with DC Food, UCF, OC LSD, Technical/Food Inspector, Guard, and others.
	September 26, 2022: Evening	RDRS Guest house	Check-in at the hotel. Dinner.
	September 27, 2022: Morning	Regional Controller of Food Office, Rangpur	Breakfast meeting or after-breakfast meet with RC Food, Rangpur.
	September 27, 2022: Afternoon	District Controller of Food Office, Bogura	Interview with RC Food (Rajshahi), DC Food (Bogura), UCF, OC LSD, Technical/Food Inspector, Guard, and others.
	September 27, 2022: Afternoon	**Lunch Break**	
	September 27, 2022: Evening	Mollika Inn	Check-in at the hotel. Dinner.
	September 28, 2022 Morning	Mollika Inn	Check-out, Breakfast. Leave for Santahar.
	September 28, 2022 Morning	Santahar CSD/ Naogaon LSD; Santahar Silo (time permitting)	Interview with OC LSD, Manager CSD, Sub-Inspector, and others.
September 28, 2022 Afternoon	**Lunch Break**	Lunch by 1:30 PM/2:00 PM	
September 28, 2022 Mid-afternoon	Flight details: RJH to DAC	Flight time: 5:50 PM. The team leaves by 3:30 PM for the airport (travel from Naogaon to Rajshahi airport).	

List of Participants_Rangpur-Rajshahi Tour

Name	Designation	Phone	Email
Md Ashraful Alam	RC Food, Rangpur	01712-674028	rcf.rng@dgfood.gov.bd
Md. Reajur Rahman Raju	DC Food, Rangpur	01673984413	dcf.rng@dgfood.gov.bd
Md. Kamal Hossen	DC Food, Dinajpur	01713907983	dcf.dnj@dgfood.gov.bd
G. M. Faruk Hossain Patwari	RC Food, Rajshahi	01731644500	rcf.rjs@dgfood.gov.bd
Alamgir Kabir	DC Food, Naogaon	01515655897	akabir.findu@gmail.com
S. M. Saiful Islam	DC Food, Sirajganj	01711156902	dcfoodsiraj@gmail.com
Md. Ashrafuzzaman	DC Food, Bogura	01716069675	ashraf1980.m@gmail.com



REFERENCES

Ahmed, Raisuddin, Nuimuddin Chowdhury, and Akhter U. Ahmed. 1993. "Determination of Procurement Price of Rice in Bangladesh. IFPRI Working Paper 6. Washington, DC: International Food Policy Research Institute (IFPRI).

Ahmed, Raisuddin, Steven Haggblade, and Tawfiq-e-Elahi Chowdhury, eds. 2000. *Out of the Shadow of Famine: Evolving Markets and Food Policy in Bangladesh*. Washington, D.C., U.S.A: International Food Policy Research Institute (IFPRI).

Ali, Shawkat. 2008. "Public Food Distribution System in Bangladesh: Successful Reforms and Remaining Challenges." In *From Parastatals to Private Trade: Lessons from Asian Agriculture*, edited by Shahidur Rashid, Ashok Gulati, and Ralph Cummings Jr., 103–34. New Delhi: Oxford University Press.

Bangladesh's Vulnerable Group Development (VGD) program. (n.d.). <https://pub-docs.worldbank.org/en/804111520537796819/SSLF18-Building-Resilience-Bangladesh.pdf>

Constitution of the People's Republic of Bangladesh. "Article 15(a)", 4 November 1972. Accessed June 7, 2023. <http://bdlaws.minlaw.gov.bd/act-367/section-24563.html>

Constitution of the People's Republic of Bangladesh. "Article 18(1)", 4 November 1972. Accessed June 7, 2023. <http://bdlaws.minlaw.gov.bd/act-367/section-24566.html>

Directorate General of Food of the Ministry of Food. n.d. "Procurement Division" <http://www.dgfood.gov.bd/>

Dorosh, Paul A. 2021. "Promoting national and household food security in Bangladesh: Evolving roles of public stocks, cereal distribution and private trade," IFPRI book chapters, in: *Securing food for all in Bangladesh*, 277-296, International Food Policy Research Institute (IFPRI).

Food Planning and Monitoring Unit of the Ministry of Food. n.d. "FPMU Database" <http://fpmu.gov.bd/fpmu-database/MAIN.HTM>

Government of India. Report of the High Level Committee on Re-orienting the Role and Restructuring of Food Corporation of India. 2015. *Indian Journal of Agricultural Economics*, 70 (2).

Hebbar, M., S. Muhit, and M. Marzi. 2021. *Towards shock-responsive social protection systems: lessons from the COVID-19 response in Bangladesh - Policy Brief*. Socialprotection.Org. Available online at: <https://socialprotection.org/discover/publications/towards-shock-responsive-social-protection-systems-lessons-covid-19-response-1>

Kabir, Razin, Mohammad Yunus, Tofazzal Hossain, and Shahidur Rashid. 2019. *Public food grain storage facilities in Bangladesh: An assessment of functionality, repair needs, and alternative usage*. IFPRP Working Paper 2. Washington, DC: International Food Policy Research Institute (IFPRI).

Ministry of Food; People's Republic of Bangladesh. 2020. "National Food and Nutrition Security Policy (NFNSP) Bangladesh Gazette Extraordinary."

Minot, Nicholas, Shahadat Hossain, Razin Kabir, Paul A. Dorosh, and Shahidur Rashid. 2021. *Rice price stabilization in Bangladesh: Assessing the impact of public farm-gate and consumer price stabilization policy instruments on the overall grain market and developing policy orientations with a greater role for the private sector*. IFPRP Working Paper 11. Washington, DC: International Food Policy Research Institute (IFPRI).



Osmani, S. R. (2018). Aspects of the Poverty Scenario in Bangladesh During 2010-2016. *The Bangladesh Development Studies*, JSTOR 41(3), 1–34.

WFP (World Food Programme). 2019. *How WFP Supported the Government of Bangladesh to Introduce and Scale up Rice Fortification: A Case Study on Reducing Micronutrient Malnutrition*. Dhaka, Bangladesh.

ABOUT THE AUTHORS

Shoumi Mustafa (mustafa.shm@gmail.com) is a former senior research coordinator in the Development Strategy and Governance Division of IFPRI, Dhaka.

A M M Shawkat Ali is a former caretaker government advisor and the former Secretary of Agriculture for the government of Bangladesh. He has served as a consultant of IFPRI's Integrated Food Policy Research Program (IFPRP).

Kazi Nurul Islam is a former director for the Supply Distribution and Marketing division at the Directorate General of Food (DG Food). He has served as a consultant of IFPRI's Integrated Food Policy Research Program (IFPRP).

Paul Dorosh (p.dorosh@cgiar.org) is the Director of the Development Strategy and Governance Division of IFPRI, Washington, DC.

Shahidur Rashid (s.rashid@cgiar.org) is the Director for South Asia at IFPRI, New Delhi.

Nabila Afrin Shaima (n.shaima@cgiar.org) is a research analyst in the Development Strategy and Governance Division of IFPRI, Dhaka.



ACKNOWLEDGMENTS

The IFPRI-led JV, the Integrated Food Policy Research Program (IFPRP), is thankful to the Modern Food Storage Facilities Project (MFSP) for their funding support. The research team is deeply grateful to the local collaborators who facilitated the visits to various companies, government agencies, and other stakeholders, and to the individuals who shared information and their perspectives on DG Food during interviews with the Directorate. The team is also thankful to the Regional and District Controllers of Food from Rangpur and Rajshahi for their technical insights and field experience during the field visits. The IFPRI team also appreciates the timely support given by Mr. Abdullah Al Mamun, Additional Director General of Food.

Funding for this work was provided by the Modern Food Storage Facilities Project (MFSP) of the Bangladesh Ministry of Food under a World Bank loan. This publication has been prepared as an output of the Integrated Food Policy Research Program (IFPRP) and was undertaken as part of the CGIAR Research Program on Policies, Institutions and Markets (PIM) led by the International Food Policy Research Institute (IFPRI). It has not been independently peer reviewed. Any opinions expressed here belong to the authors and are not necessarily representative of or endorsed by IFPRI.

INTERNATIONAL FOOD POLICY RESEARCH INSTITUTE

A world free of hunger and malnutrition

IFPRI is a CGIAR Research Center

IFPRI Bangladesh, House 10A, Road 35, Gulshan 2, Dhaka, 1212, Bangladesh | T. +88-02-989-8686 | F. +88-02-989-6760

Email: ifpri-ifprp@cgiar.org | bangladesh.ifpri.info

© 2024, copyright remains with the authors. All rights reserved.