

Price Monitoring and Analysis Country Brief

Pakistan

February 2010

Key Messages

- **High food prices impact on food security of vulnerable population.**
- **Civil strife escalated in the country, exacerbating food security conditions of poor and displaced people.**
- **More than 2 million IDPs are in need of food aid; agencies agree on a worrisome situation of food insecurity.**
- **The government introduced measures to support consumers and implemented trade policy initiatives.**

Background

Total population in Pakistan was 166,036 million with an annual growth rate of 2%; the proportion of undernourishment was 23%.

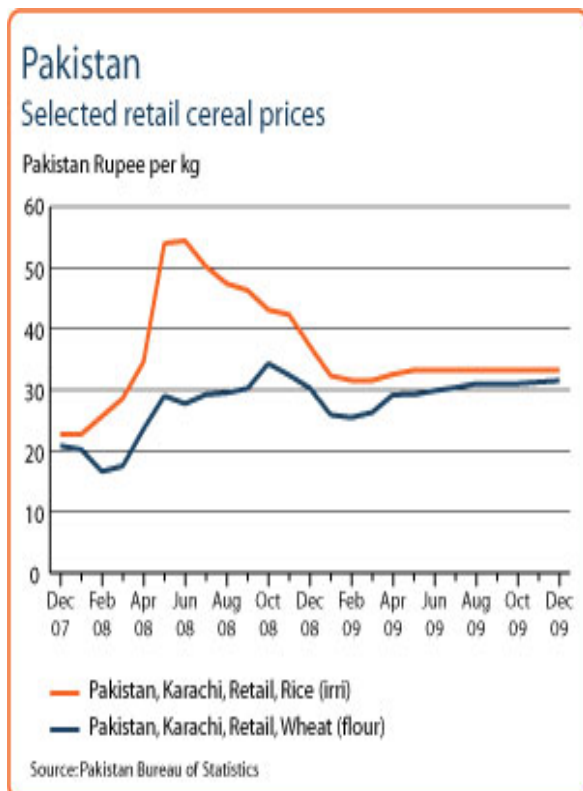
Economic Indicators	View Data
Total Population - 2008 (WB)	166036895
Population growth rate - 2008 (WB)	2%
GNI per capita, \$ PPP - 2008 (WB)	2700
Population below 1\$ PPP per day - 2005 (MDGI)	22%
Rural population - 2007 (WB)	64%
Agriculture, value added (% of GDP) - 2008 (WB)	20%

Food Consumption	
Undernourished Population - 2005 (FAO)	23%
Cereal share in total dietary energy consumption - 2005 (FAO)	49%
Meat share in total dietary energy consumption	n.a.

Health Indicators	
Pop. with sustainable access to improved sanitation - 2006 (WHO)	58%
Life expectancy at birth (years) both sexes - 2006 (WHO)	63
Pop. with access to improved drinking water sources - 2006 (WHO)	90%
Prevalence of HIV among adults aged >= 15 years - 2005 (WHO)	0%

Prices

Food prices have declined from the 2008 peak, but remain higher than the pre-food crisis levels. Wheat flour prices in Karachi was 31.5 rupee/kg in Dec 2009, 8.2% below Oct 2008, but still 51.3% higher compared to that in Dec 2007. Rice prices in Karachi were 33.2 rupee/kg in Dec 2009, 39% below June 2008, but 46% higher than that of Dec 2007. Both wheat flour and rice prices have been almost unchanged in the last months. In Jan, in Karachi market, wheat prices (304.23 USD/Ton) were 42% higher than the international prices of US Wheat No. 2 Hard Red Winter, fob Gulf (213.5 USD/Ton); in contrast, rice prices (388.36 USD/Ton) were 9% lower than the international prices of White Broken Rice Thai A1 Super, fob Bangkok (426.25 USD/Ton).



Source: [GIEWS Country Briefs](#)

Natural Disasters, Drought and Conflicts

The war between Islamists and the government has continued, killing more than 4,500 people by November and displacing approximately 3.5 million. Moreover the conflict over regional predominance between Taliban insurgents and several tribes in the Federally Administered Tribal Areas (FATA) and the North Western Frontier Province (NWFP) has escalated to a war. The war in Afghanistan has also affected the country.

Refugees and IDPs	2006	2007	2008
Total in the country	1047141	2038154	1939700
Total outside the country	32384	40477	194471

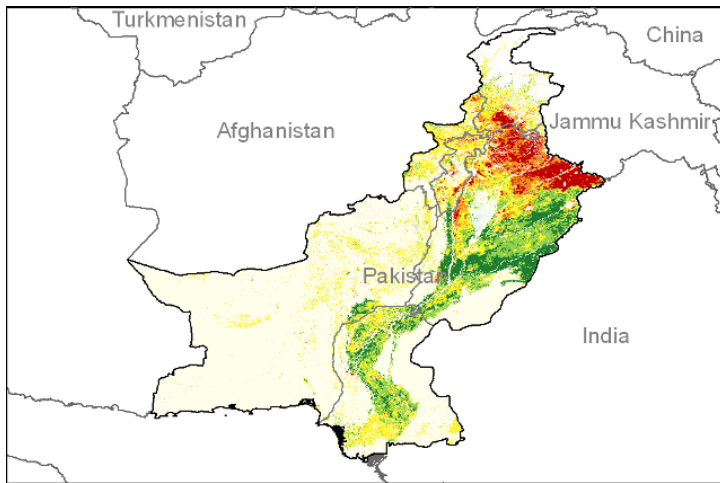
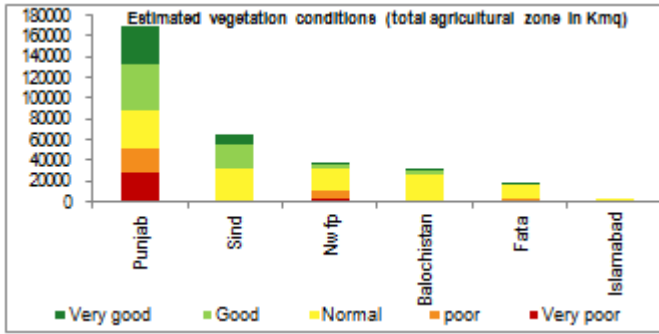
Source: [UNHCR](#) Statistical Online Population Database, United Nations High Commissioner for Refugees (UNHCR), Data extracted on 22/10/2009.

Disaster Type (last year)	Date	Location	Alert
Earthquake	2010-02-22	Baluchistan	1/3
Earthquake	2009-12-12	Baluchistan	1/3
Earthquake	2009-11-22	North-west Frontier	1/3

Source: [Global Disaster Alert and Coordination System](#) - 3 = 1000 or more people killed or 80000 or more people displaced. 2 = 100 or more people killed or 80000 or more displaced.

Vegetation Condition

At the middle of the winter season, normal to good vegetation conditions are generally observed with possible concerns for some part of the Punjab province. The indicator of vegetation condition provided below is the relative difference between the NDVI for January 2010 and the average of the last 10 years on the agricultural zones derived from the GLOBCOVER database.



Source: JRC MARS – FoodSec

Food Security Situation

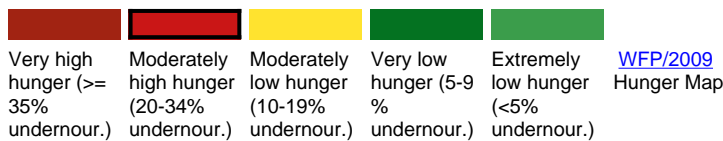
Intensified insecurity has triggered significant displacement. Over 2 million IDPs in the country need food assistance. In the short term GIEWS estimates severe localized food insecurity; WFP reports a situation of moderately high hunger, while IFPRI describes the problem of food insecurity as alarming.

CURRENT EMERGENCY ASSESMENT



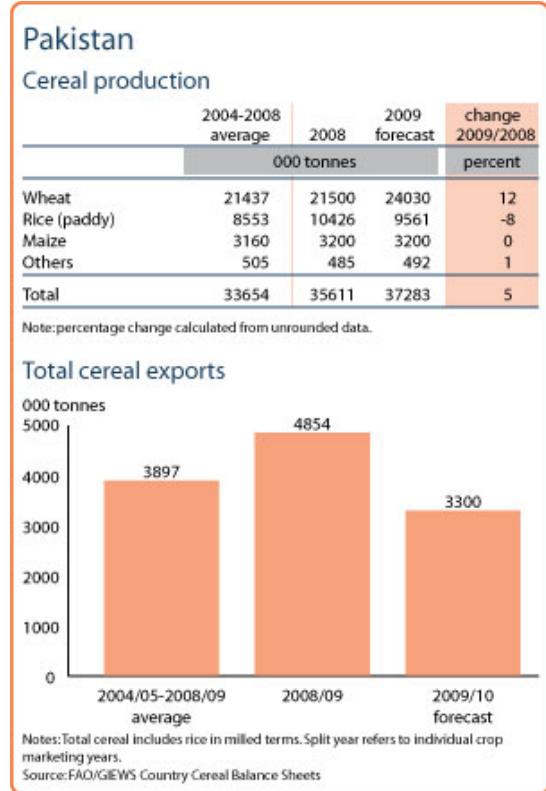
Pakistan n.a. FEWSNET

SCALE OF HUNGER



Food Balance Sheet

Total paddy output of 2009 harvest was estimated at 9.56 million tonnes, 8.3% below the previous year, but 12% above the previous five years average. In 2009/10, 2.6 million tonnes of rice are expected to be exported. Wheat crop was estimated at 24 million tonnes, 3 million tonnes more than the previous year. Total net cereal exports in 2009/10 are forecasted at some 3.1 million tonnes, compared to 1.8 million tonnes in the previous year.



Source: GIEWS Country Briefs

Government Policies

To counter rising food prices, in Oct 2009, the Lahore High Court ordered traders to ensure a retail price of PKR 40/kg, 27 % lower than the peak of the last month. The Gvmt has removed a 35% export duty on wheat products, but it has re-imposed the ban on rice export until the end of the year (31 Dec 2009) to keep the rising domestic rice price under control.

Consumer and market oriented measures	Administrative price control.
Producer oriented measures	n.a.
Trade policy measures	Removed export duty; Banned rice export.
Safety net (increased or introduced)	n.a.

Different sources

Current events to watch (Click to see the full report)

- [PAKISTAN: Wheat rust threat rising](#)
- [PAKISTAN: Swat women fear Taliban return](#)
- [PAKISTAN: A dangerous mixture in Balochistan](#)
- [PAKISTAN: Quake causes panic in northern town](#)
- [PAKISTAN: Struggle to rescue avalanche victims in northwest](#)

For more information, contact: Information-for-action@fao.org
Website: www.foodsec.org

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