

# Village-level institutions for food security and food distribution

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# Some definitions

## Village-level institutions:

“Complexes of **norms** and **behaviours** at the village level that persist over time by serving some **collectively valued purpose**” \*

## Food security:

“When **all people at all times** have both **physical** and **economic access** to sufficient food to meet their dietary needs for a productive and healthy life.”  
(USAID)

\* Uphoff, Norman, Milton Esman and Anirudh Krishna (1997) *Reasons for Hope: Instructive Experiences in Rural Development*. West Hartford, Conn: Kumarian Press.

# Activities under output 1

## **1. Literature review**

- Conceptual / methodological issues
- Review of experiences in India and elsewhere

## **2. Monitoring of a decentralised food security model in three villages in Andhra Pradesh (Mirzapur, Thogapur, Kollur)**

- Monitoring of grain transactions
- Monitoring of organisational developments

## **3. Case studies of grain banks**

- Darfal Grama Dhanya Bank, Maharashtra
- Agragamee community grain banks, Orissa
- RCL (Rice Credit Line), in Andhra Pradesh

# Background and trends

- Changes in cropping pattern as a result of commercialisation of agriculture (e.g. sugar cane instead of finger millet, groundnut instead of sorghum)
- Changes in food habits (coarse cereals are partly substituted by rice as a result of PDS and others)
- At the national level: Overflowing food stocks, stored at high costs

# Challenges for a decentralised food security system

- Provides food in adequate quantities and qualities throughout the year
- Is reliable and not dependent on outside projects and initiatives
- Reaches the poorest of the poor
- Is locally controlled and managed
- Has in-built monitoring mechanisms to ensure bottlenecks are identified and addressed

## **Different arrangements, depending on source of grain:**

1. Locally produced and locally consumed grain (Agramee, Darfal, Mirzapur)
2. Grain purchased or acquired from elsewhere (RCL)
3. Combination of both – village level grain bank, linked to block/ region level “mother grain bank” that stores local and external grain (newly emerging model)

# Option 1: Village level grain banks storing locally produced grain

- In food shortage areas, works only in combination with production increasing interventions (fallow and lease land cultivation – CEC, watershed management – Agramee)
- Principle (AP experiences): Communally produced grain is stored communally and distributed during lean season, according to the norms set by the sangha
- Limited or no government support => tends to be linked to NGO interventions in limited numbers of communities – sustainability?

# **Option 1: Village level grain banks storing locally produced grain - continued**

- Relatively high storage and management costs require external support (technical and financial)
- Issue of inclusion of the poorest, who cannot afford to pay for grain purchases in cash, but villagers sometimes do not allow payments in instalments
- Need for the system to be rigorous, but sangha can alter the rules according to needs in times of crisis
- Local shocks (drought etc.) can result in grain banks “drying up” without external support / inflow of grain



## Option 2: Rice credit line

### Common features with village grain banks:

- Provides secure food to the poorest
- Is locally managed and controlled (SHGs decide on eligibility, payment procedures, rice quality, transport arrangements, etc.)

## Option 2: Rice credit line - continued

### Differences

- Relies on surplus production elsewhere (FCI), but institutional arrangements could be used to bulk-purchase rice from local mills
- Accelerates changes in food consumption pattern (coarse grain to rice) – long term effects on nutrition quality?
- Does not address production issues (competition with locally produced grain?)

## **Option 3: Village level grain banks linked to block level banks**

- Idea: Combines the best of both systems (local production and coarse grain storage, supplemented by purchases and allocations from outside, e.g. FFW, PDS, etc.)
- “Mother grain bank” at block level to supply grain in times of crisis (if village-level grain bank runs dry)
- Storage issue not yet sorted out (where, how, who pays for it etc.)
- Not yet tested – proposal stage

# Main lessons related to institutional arrangements at the village level

- Food security needs to be tackled through CBOs (community based organisations) – all successful schemes work through groups
- Villagers appear to generally prefer individual storage => give people choices!
- Sustainable arrangements require institutionalisation of the process, so that communities can eventually manage the system without external support

# **Main lessons related to institutional arrangements at the village level**

- Importance of training / capacity building element for groups (in group management, accounting, dealing with external agents such as government officials, traders, transport agents, etc).
- Specific mechanisms required to reach the poorest of the poor (ideally already at group formation stage)

# Factors influencing grain bank establishment and functioning

- Role of moneylenders and level of interest rates
- Size and composition of community
- Presence or absence of other development activities
- Transparency and accountability
- Simplicity of transactions
- Role of women in GB management
- Level of agricultural productivity / surplus production
- Appropriate storage technology
- Facilitation / support from outside