What’s for breakfast?
The COVID-19 crisis and rising food prices, a year on

Market Development Facility
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Market Development Facility (MDF)

Market Development Facility is an Australian Government funded multi-country initiative which promotes sustainable economic development, through higher incomes for women and men in our partner countries.

We connect individuals, businesses, governments and NGOs with each other, and with markets at home and abroad. This enhances investment and coordination and allows partnerships to flourish, strengthening inclusive economic growth.

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What’s for breakfast?
Food prices are rising across the world. What was initially perceived to be a sharp but temporary spike as supply chains shut down in the early days of the COVID-19 pandemic now appears to be here to stay. The FAO’s Food Price Index showed a 39.7 per cent increase in May 2021 compared to a year before and the index hit its highest value since September 2011. This reflects surging prices for oils, sugar and cereals, along with more stable, but high, prices for meat and dairy produce. In June, the index fell for the first time in 12 months, but it is still up 33.9 per cent on the same time last year.

The protracted nature of these price rises is due to a combination of factors. Supply chains continue to be disrupted. The prices of commodities and raw materials are escalating as governments stockpile grains and some major exporting countries experience droughts. Processing costs are rising due to lockdown-caused labour shortages and other inflationary pressure (e.g. increasing utility costs). Shipping costs are high due to container shortages and delays (see MDF’s previous research on shipping).

Meanwhile, demand is ballooning and outstripping supply in many sectors. For example, skyrocketing demand in China for soybean oil, which is used to make biodiesel, has knock-on effects on food prices: as demand and prices for soybeans go up people look to buy corn or wheat instead, driving up prices. Soybean oil is also a common ingredient in stockfeed in many countries, meaning that higher prices of soybeans and other grains push up meat prices. For other products, demand is merely returning to pre-COVID levels, but after a year of supply shortages due to supply chain disruptions and continued inventory stockpiling, many sectors are still struggling to meet this ‘normal’ demand.

As long as the gap between supply and demand persists, inflation will keep rising. Some observers reckon it will take 18-24 months for supply to catch up with demand and for prices to stabilise. In developed economies, price rises have been relatively contained to date, with firms initially assuming they could weather the temporary shock of the pandemic. But as inflationary pressures have continued to mount many food conglomerates, such as Coca-Cola, are signalling that they will pass on higher costs to consumers.

In import-dependent developing economies, the price rises have been starker and more immediate. Compared to a global rise of 6.3 per cent, in South America, food inflation has reached 21 per cent since the start of the pandemic; in South Asia and Africa it has been 12 per cent. In Oceania, it is 8 per cent, down from a 12 per cent increase in the initial shock of the pandemic. Because of the nature of these price rises, driven by increasing competition for limited supply and soaring freight costs, the increases will be most severe for smaller countries that rely on imported staples, such as Pacific Island Countries.

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What's for breakfast?
Key trends across the Facility

This Market View presents information on price changes for the staple items that make up a typical breakfast or lunch in each MDF country since the start of the pandemic. It is based on research undertaken by MDF, which included a survey of MDF staff, interviews with food retailers and consumers, and reviews of secondary data on price changes. While the magnitude and timing of price changes have varied considerably from country to country, common trends have emerged from our research.

Prices are up
Based on the basic breakfast or lunch we have assessed in each country, prices are up between 24 and 44 per cent. The highest rises have been in Sri Lanka and Pakistan, both over 40 per cent. For every staple item measured in our research, at least 20 per cent of respondents observed that prices had increased. Only 11 per cent of respondents reported that none of their staple items had increased in price. Over 66 per cent of respondents stated that prices of local fruit and vegetables had increased.

The urban and rural poor are both being affected, for different reasons
In urban centres the prices of non-perishables and imported goods are rising, compounded by the added cost of needing to order groceries online in some countries. But the sharpest increases have been in local fruit and vegetables. Many respondents reported that their typical shopping outlay now only buys half the amount of produce that it would have bought before the pandemic. Many stated that they have had no choice but to dip into their savings to buy items they feel are essential for their families. These price rises are the result of shortages of produce in urban centres, caused by movement restrictions that prevent farmers and traders from transporting produce to urban markets.

This means that at the same time urban consumers are unable to buy their usual quantities of fruit and vegetables and other locally produced items, farmers have been unable to sell their produce in normal quantities. This has occurred in waves as countries move in and out of lockdowns but the overall effect has been to reduce farmers’ incomes over the course of the year and make farming households more reliant than usual on subsistence production.

Some impact on imports, but a local problem first
Global factors, like rising commodity prices and shipping costs, have resulted in price hikes of imported goods, but these are only partially responsible for overall food price inflation. The most dramatic increases have been caused by local factors, be that the increases in fruit and vegetable prices described above or government-imposed import restrictions in Sri Lanka. Large retailers report not passing on to consumers the full cost increases they have experienced since the start of the pandemic, so it is possible that consumers are just more directly exposed to the price fluctuations of fresh produce purchased in local markets. But retailers won’t be able to absorb these extra costs indefinitely (and the underlying causes haven’t been resolved) so further price increases in supermarket goods are likely over the rest of the year.
Time spent shopping is up

Many respondents report needing to now buy items from multiple outlets, in order to find the cheapest options and keep their overall grocery bill down or simply to find the items they need. This means that time being spent shopping has increased, as has time devoted to decision making about what to buy, where to shop and how to budget. It is likely that this impact is being disproportionately felt by women.

A shift towards online shopping, but this isn’t accessible to all

In some countries there has been a move to online shopping and delivery services, particularly in countries with strict lockdowns like Sri Lanka, but these services come at a cost and are not available to all consumers. Shopping online also influences the nature of the food items urban consumers buy and the frequency with which they buy them.
What’s for breakfast?

Outlook

Some of the factors causing food price inflation in MDF countries are common, such as shipping disruption, with varying severity depending on reliance on imports. Domestic movement restrictions to control the spread of COVID-19 have caused price spikes in all countries, affecting the purchasing power of urban populations and farmers’ ability to generate income and buy staple items. But each country also faces unique challenges, be that import bans in Sri Lanka or poor growing conditions for wheat in Pakistan.

The trend is clear across all the countries, however: food prices are rising and this is influencing how people shop, what they can afford and what they eat. MDF’s data confirms this trend, but we have not captured the effect that food price inflation is having on nutritional intake. Millions of people in the Indo-Pacific region have been driven back into subsistence livelihoods by the pandemic: for some this might mean less reliance on processed foods and a healthier diet; for many it will just mean less to eat.

There is a clear international trend of rising food prices, and the impacts of this are starting to be felt in MDF countries. However, it is domestic conditions that have had the biggest impact on food prices to date, and locally transported domestic produce has seen the most dramatic increases. These domestic conditions pre-date at least some of the international pressures and are heavily linked with the severity of each country’s lockdowns. But the international trends affecting the prices of imported food are more likely to persist in the medium term, and in some countries will be exacerbated by domestic conditions and ongoing government measures.

International food commodity price rises do not normally filter into consumer prices for 6-12 months, so the worst for consumers may still be to come⁴, particularly in developing economies that are reliant on import foodstuffs. Although MDF countries have not all seen sustained price increases for imported staples, it is highly likely that they will over the remainder of 2021 and into 2022. For countries still struggling to cope with the pandemic and its economic fallout the effects of inflation on food security could be significant.

In the longer term, demand and supply will rebalance. But in the meantime, and with further price increases potentially still to come, ensuring food security and access to affordable staples should be a concern for governments and development partners. It will be vital to work with the private sector to promote the availability of quality, affordable agricultural inputs to maintain agricultural production; to monitor and address disruptions in key supply chains, for essential imports and to ensure that farmers’ produce can continue to be harvested, processed and transported to urban centres.

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The situation on the ground in MDF countries
Fiji

A shrinking economy, but rising food prices

WHAT DO THINGS LOOK LIKE ON THE MDF FIJI TABLE?

- Eggs (no change)
- Cornflakes: FJD 9 – FJD 10.50 (+16%)
- Coffee: FJD 11 – FJD 16 (+45%)
- Noodles: FJD 2.95 – FJD 3.15 (+7%)
- Local cheese: FJD 5 – FJD 6 (+20%)
- Rice: FJD 19.25 – FJD 21.2 (+10%)
- Pancakes (+27%)
- Bananas: FJD 8 – FJD 15 (+88%)
- Sugar (no change, less available)
- Cooking oil: FJD 11 – FJD 14 (+27%)
- Local flour: FJD 11 – FJD 14 (+27%)
- Fresh lemonade: FJD 2 – FJD 3/kg (+50%)
- Breakfast crackers: FJD 1.35 – 1.37
- Papayas: FJD 5 – FJD 7 (+40%)
- Chicken Nibbles: FJD 15 – FJD 17 (+13%)

The average cost of breakfast for a family of four has increased by 27.5% based on a table including coffee, juice, pancakes or roti, breakfast crackers and cheese.
Fiji’s economy experienced 2.6 per cent deflation in 2020, the highest of any Pacific Island Country.\(^7\) This is unsurprising, given Fiji’s already sluggish growth pre-COVID and the massive economic contraction the country experienced as borders shut to tourists. Deflation has meant that in general prices for goods and services have fallen, but food prices have been rising. Year-on-year inflation for food and beverages in May 2021 was 3.7 per cent, having peaked at 12.9 per cent year-on-year in February 2021. This is partly due to rising costs of imports (although Fiji has price controls in place for certain staple foods), but prices of locally grown fresh produce have also risen, due to lockdowns and the increasing costs of domestic freight.\(^8\) TC Yasa (December 2020) and TC Ana (early 2021) also affected agricultural production and the quality of produce that is now reaching markets.

Consumers report that they are often now paying double for the same quantity of fruit and vegetables: FJD 10 for a bag of tomatoes that used to be FJD 5, a quarter of pumpkin now selling for FJD 10 that would have cost FJD 6 before; the same is true for bunches of greens and heaps of taro or cassava.

Online shopping is becoming more common. However, this means consumers have less variety to choose from, and delivery costs increase their overall spend. Conversely, people are eating out or ordering food from restaurants less, both for cost and safety reasons.

Ten major retailers confirmed to MDF that they had been experiencing price fluctuations and supply shortages since the start of the pandemic. Three retailers reported that their prices have not been significantly impacted, although it is worth noting that their consumers reported differently. Prices have increased for both imported and local goods, except for those goods that are price controlled. Shortages have been experienced, mostly for non-essential imported items, such as cookies, dishwasher liquid, noodles, and in some instances vitamins and face masks.

Shipping costs have increased three-fold, along with fuel prices, which is also impacting the end price to consumer. In the most recent lockdown, since April 2021, port handling has also become a problem, as it is now taking 3 weeks to clear and unload shipments, up from 1 week. In several instances, retailers have reported needing to cancel shipments due to high costs and lengthy delivery times, resulting in shortages of some goods (mostly from the US), but most wholesalers and retailers confirm that they have been able to find alternative sources. Two retailers confirmed that they are considering cutting some goods from stock due to limited availability or price increases. For example, kiwi fruit has increased to FJD 35/kg, meaning there is now very limited demand for them.

When goods are sent from contaminated to uncontaminated areas, retailers also incur additional decontamination costs which are passed on to consumers – particularly affecting rural populations outside Suva and Nadi. While higher prices anger consumers, most retailers feel that they have no choice but to pass on higher costs.

Between April and May 2021, 32 per cent of complaints received by Consumers Council of Fiji were against supermarkets, shops and pharmacies on price increases for personal protection equipment, sale of expired food, conditional sales and inflating prices.\(^9\)

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Pakistan

Inflation compounding a food security crisis

WHAT DO THINGS LOOK LIKE ON THE MDF PAKISTAN TABLE?

- **Chicken**: 200 PKR/kg – 300 PKR/kg (+50%)
- **Eggs**: 160 PKR/dozen – 240 PKR/dozen (+50%)
- **Canola cooking oil**: 1,000 PKR/5L – 1,400 PKR/5L (+40%)
- **Beef**: 450 PKR/kg – 600 PKR/kg (+33%)
- **Rice**: 100 PKR/kg – 150 PKR/kg (+50%)
- **Mutton**: 850 PKR/kg – 1,250 PKR/kg (+47%)
- **Sugar**: 80 PKR/kg – 100 PKR/kg (+25%)
- **Milk**: 85 PKR/1L – 100 PKR/1L (+18%)

Cups of Tea
No significant change, but

The average cost of a lunch for a family of four has increased by 42.5% based on a table including tea, chicken, rice, eggs and fresh fruit.
The pandemic hit Pakistan at a time when the country had been grappling with other crises, including drought, pest infestations, a severe winter and rising food insecurity. As COVID-19 cases soared, it was reported that the number of people in Pakistan without consistent access to adequate food over the last two decades had increased, and that the situation was likely to worsen due to rising food prices since March 2020.

Pakistan’s Consumer Price Index increased 10.87 per cent year on year to May 2021, with food prices the biggest driver of this rise. Food and beverage prices have increased 14.83 per cent since May 2020, driven by surging prices of commodities and processed foods. Non-perishable foods are up 18.15 per cent compared to May 2020, while perishable items (which are primarily domestically produced) are down 3.87 per cent over the same period.

The most notable increases have been for sugar and flour. The prices of these household staples rose markedly towards the end of 2020 and have remained high into 2021, with shortages in some cities during Ramadan. The causes were not directly related to COVID-19. A shortage of wheat was caused by poor growing conditions and a failure to act quickly to bring in imports to meet demand, and the cost of sugar was driven up by price cartels. These shortages prompted the government to begin importing wheat to meet demand, as well as imposing buying limits for subsidised flour. Flour has increased from PKR1,400/40kg bag before COVID-19 to PKR1,800/40 kg bag.

Interviewed consumers confirm that in the last 12 months, their purchasing power has significantly decreased. They have continued to purchase household essentials by drawing on their savings. Respondents cite three causes for these increases. COVID-19 has restricted imports. Lockdowns have constrained inter-provincial movement of goods. The government has introduced changes to import and subsidy policies for raw materials (e.g. wheat), which have led to a depreciation of the rupee, further reducing purchasing power.

Interviewed retailers confirm that they suffered from import shortages initially due to lockdowns and global stockpiling, but over time these have eased and there have been no problems to maintain stocks. However, prices have increased, and all retailers confirm they have received customer complaints. Some prices have stabilised though, such as vegetables, although this is primarily a reflection of seasonal availability.

Retailers and consumers have reported unscrupulous hoarding and price gouging, in relation to both the initial period of shortages and the wheat and sugar shortages. As the population was preparing for Ramadan in March 2021, prices spiked significantly, resulting in consumers opting for whatever was cheapest and available, rather than the best quality. This hoarding also places additional pressure on retailers and their supply chains, as they are forced to restock products even when they know that will face a decline in demand after the initial panic.

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What’s for breakfast?

Papua New Guinea

Less volatile prices, but other challenges

What do things look like on the MDF PNG table?

Tea
10 PGK/10 grams – 16.50 PGK/10 grams (+65%)

Sausages
10.95 PGK/kg – 15 PGK/kg (+37%)

Noodles
1 PGK/pack – 1.10 PGK/pack (+10%)

Rice
4.40 PGK/kg – 6.10 PGK/kg (+39%)

Chicken
12.90 PGK/900g – 14.95 PGK/900g (+16%)

Butter
5.15 PGK/250g – 9.50 PGK/250g (+84%)

Flour
4.10 PGK/kg – 5.25 PGK/kg (+28%)

Beef
35.95 PGK/kg – 37 PGK/kg (+3%)

Sugar
5 PGK/1 kg – 5.95 PGK/1 kg (+19%)

The average cost of a lunch for a family of four has increased by 24.48% based on a table including chicken, eggs, rice, bread and vegetables.
PNG’s Consumer Price Index increased 4.6 per cent year-on-year to the end of March 2021, but food prices were not the leading contributor to this, with only a 1.7 per cent increase over the same period. This comparatively small increase reflects a more complex story.

Prices of some imported foods have risen significantly, with increases from 30 to 50 per cent for rice, flour and butter being seen in 2021. But these imports reflect a relatively small portion of the overall food basket for most consumers in PNG, and increases in domestically produced goods have been less steep, resulting in the lower overall increase in the CPI.

Increases in fresh fruit and vegetable prices have occurred in waves. They have been most notable in Port Moresby, due to the difficulties of transporting produce from the regions into the city during lockdowns throughout the year, which has affected the price and availability of foodstuffs. Respondents confirm the changes were dramatic in the first three months of the pandemic in 2020, during the initial lockdowns, but once government began subsidising freight costs and introduced other policies to free up transport between regions, supply stabilised and prices have not increased as sharply in subsequent lockdowns.

In addition to COVID-driven price increases, the shocks of African Swine Fever and La Niña have caused agricultural production and food availability issues, which in turn have affected prices. Interviewed consumers reported that prices for most goods remain higher than before the pandemic. Some stability is returning, for example bread (from 4.95 PGK (600g) to 5.50 PGK in 2020 to back to 4.95 PGK) and lamb flaps (23.95 PGK/kg – 25.95 PGK/kg – 20.9 PGK/kg). However, consumers noted that as the availability of local produce has returned to normal in urban centres, retailers have not reduced prices back to pre-COVID levels, but are instead increasing the quantity in the heap or bundle they are selling.

Incomes have fallen for urban and rural populations, so even without significant price increases people are still less able to buy food. The closure of formal and informal markets has resulted in income losses for farmers, and lower economic activity in urban areas and domestic trade disruptions saw urban incomes fall by almost 15 per cent. A 2021 World Bank household survey found that 31.4 per cent of rural households attempting to buy their staple starch (as opposed to growing it themselves or bartering for it), only 82.5 per cent could afford to actually make a purchase. This was down from 99.8 per cent of the same population being able to afford to make a purchase before the pandemic COVID.

Lockdowns closed many formal and informal markets temporarily, although some more established markets continued to operate. Wholesalers and retailers report lower customer footfall and restricted stock as a result of drop in urban income and supply disruptions. Closure of these markets particularly affected consumers’ access to fresh fruit and vegetables. Most cannot afford fresh produce sold in supermarkets. According to the World Bank study, more than half of households surveyed said they were eating less packaged food compared to a year ago, primarily because it is no longer affordable, and this has often been substituted by increased home farming, to some extent – but it is also likely that many are just eating less.

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Sri Lanka

Importing rice, but not much else

WHAT DO THINGS LOOK LIKE ON THE MDF SRI LANKA TABLE?

Eggs
240 LKR/dozen – 340 LKR/dozen (+42%)

Carrot and beans
100 LKR/kg – 180 LKR/kg (+80%)

Coconut
65 LKR/pod – 100 LKR/pod (+54%)

Chicken
500 LKR/whole – 700 LKR/whole (peaking at 1,000 LKR) (+40%)

Rice
80 LKR/kilo – 100 LKR/kilo, spiking at 200 LKR/kilo (average growth, depending on variety) (+25%)

Potato (local)
100 LKR/kg – 160 LKR/kg (+60%)

Cereals (imported) and oats
250 LKR/box – 350 LKR/box (+40%)

The average cost of a lunch for a family of four has increased by 44.5% based on a table including chicken, eggs, rice and vegetables.
Sri Lanka’s Department of Census and Statistics reported food inflation of 11.4 per cent in 2020. A recent article that looked at the ingredients for a standard Sri Lankan breakfast found that they had increased in price by 22 per cent over the course of the year to February 2021. MDF’s analysis of a different basket of foodstuffs found double this increase. Prices have risen for a number of reasons.

In spite of a strong growing season for many domestically-grown crops, the amount of agricultural produce reaching market fell because movement restrictions caused labour shortages during cultivation, harvest and processing and made the transport and sale of produce more difficult. This has driven up the price of domestic foodstuffs. Imported foodstuffs have become more expensive due to currency depreciation, supply chain disruptions and import bans.

Higher fuel prices are also contributing. Government raised the fuel price ceiling to reflect a rise in global crude oil prices above pre-pandemic levels and the continued weakening of the Sri Lankan rupee against the US dollar. Diesel, the main fuel used for freight and public transport, rose 9 per cent above pre-pandemic levels in June 2021. This fed into retail food prices from mid-June, with the largest impact seen in vegetables grown in the hill country (i.e., carrots, beans, leeks). The price of beans increased by up to 50 per cent from May to June, while low-country grown vegetables such as brinjals increased by 35 per cent month-on-month to June (and were up 98 per cent compared to February 2020).

Despite government policies to control food inflation, prices have continued to increase. Rises from January to March 2021 were thought to reflect a normal peaking of demand in advance of the Sri Lankan New Year. Some prices have stabilised (yellow fin tuna from LKR850/kg back to LKR700/kg and pineapple from LKR200/kg back to LKR150/kg), however the price of most essential items have continued to rise, indicating a more persistent trend. The government has imposed price controls, but consumers claim that retailers rarely uphold them, and government rarely monitors compliance.

A prolonged economic slowdown has reduced consumers’ income and purchasing power, exacerbating food insecurity, particularly for the most vulnerable groups.

Interviewed retailers report that there have been unusual spikes in prices, resulting mostly from the weakened currency. One respondent observed that fresh produce prices change daily due to the uncertainty of supply. In addition to vegetables and rice, the price of coconut oil has risen significantly. Retailers and consumers expressed surprise about this increase, since coconut oil is a product Sri Lanka normally has in abundance.

Consumers are most shocked by changes to rice. Despite the good harvest of 2020/2021, unscrupulous traders have inflated prices using lockdown as an excuse. Intermediaries have been buying rice at ‘normal’ farmgate prices but doubling the price to which they sell to retailers, citing the additional costs resulting from movement restrictions. Because of these soaring prices, government has begun importing significant volumes to ease the pressure on consumers. Despite these imports, the price of rice has not yet stabilised.

Farmers are not producing the same volumes as normal, because they have become cautious about the volumes they plant, out of fear they will not be able to sell their full harvest because of movement restrictions. To compound the problem, government has introduced a ban on imported fertilisers that has and will continue to decrease yields.

Price changes, import bans and the economic slowdown are altering what consumers can and do buy. Import bans are forcing consumers to seek local alternatives, if they exist, and where no local alternative exists, black markets are springing up on social media. For products that are available, price hikes mean that many consumers are swapping between varieties of products, and often choosing lower quality products to keep costs down. Conversely, some local products (e.g. papaya, banana, giant freshwater prawns and crabs) are now more available or cheaper because of export disruptions and reduced demand from the tourism industry.

What's for breakfast?

Timor-Leste

Prices are up, but fluctuating prices are a fact of life

WHAT DO THINGS LOOK LIKE ON THE MDF TIMOR-LESTE TABLE?

Milk
USD 1.50 – USD 1.90/liter
(+27%)

Bread
USD 1.50 – USD 1.75/loaf
(+17%)

Tea
USD 0.5/box (same)

Coffee
USD 1.50/pack (same)

Local fruit & veg
USD1 – USD1.50/kg
(+50%)

Eggs
USD 3.75/pack of 30 – USD 4.25/pack of 30
(+13%)

Rice Porridge
USD 0.75 – USD1/kg local red rice
(+33%)

The average cost of breakfast for a family of four has increased by 25% based on a table including eggs, bread, fruit and rice porridge.
Timor-Leste’s food prices have been primarily affected by the waves of domestic lockdowns, with movement restrictions severely impacting the ability of farmers to transport goods into Dili and other urban centres. This has caused price hikes that coincide with lockdowns, although many respondents noted that price fluctuations are a normal feature of the Timorese market. World Food Programme data shows that year-on-year to May 2021, potatoes, eggs, tomatoes and oil are all up 10 per cent, whereas sweet potatoes, beans and chilli have decreased by 10 per cent. This indicates that even within domestic produce there are a range of factors at play, including the severity of lockdowns in certain growing districts, as well as normal seasonal and harvest-related fluctuations.\(^1\)

Interviewed consumers report that rice and corn have become more expensive, doubling in price during some periods. Imported rice prices have been declining since March (although still up 14 per cent year on year); local rice prices are likely to ease as the harvest picks up, although output will be adversely affected by the floods in April.\(^2\) Most respondents stated that the prices of flour, sugar and oil have not changed. Of proteins, the price of fish increased the most (from USD3/kg to USD5), with beef also increasing. Pork and chicken prices have remained more stable.

The biggest food price increases have been driven by two factors. First, domestic movement restrictions (particularly the cordon sanitaire around Dili) made transporting produce difficult, causing shortages and severe price increases. Fresh fruit and vegetables have been most affected: 40 per cent of respondents reported that the cost of fruit had increased, from approximately from USD 1-2/heap to up to USD 5/heap, and that the quantity in a heap is also often smaller than in the past. Second, a government program called Cesta Basica (Basic Basket), launched in late 2020, which aimed to distribute basic goods to all Timorese households. This triggered huge demand from farmers and retailers, as planned, but resulted in shortages and pronounced spikes in prices, as retailers tried to meet the additional demand on top of their normal requirements. As one respondent observed “it affected the price because most big suppliers ran out of stock… but now all the prices (are) already back to normal.”

Overall, there have been few sustained increases in price since the start of the pandemic. Very few people reported encountering import shortages. Where a preferred, cheaper imported brand hasn’t been available, respondents have been able to buy a more expensive alternative (e.g. when Indonesian milk is not available consumers switched to a more expensive Australian brand instead).

A compounding factor for Timor has been the impact of the April floods on harvests. What had been predicted to be a bumper rice year has now seen rice harvest predictions revised downwards by up to 25 per cent.\(^3\) Imported rice already makes up 70 per cent of Timor’s national consumption, so a downturn in local rice production may not influence prices significantly, but it is likely to affect poorer and farming households. At the same time, international rice prices appear to be slowing after a peak in February 2021, hopefully easing pressure on Timorese consumers.

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What’s for breakfast?

• Fiji: Garden City Business Park, Grantham Road, Suva, Fiji
• Timor-Leste: 2nd Street, Palm Business & Trade Centre, Surik Mas, Dili
• Pakistan: 22-N, Block N, Phase 2, Johar Town, Lahore, Punjab, Pakistan
• Sri Lanka: No. 349, 6/1, Lee Hedges Tower, Galle Road, Colombo 03, Sri Lanka
• Papua New Guinea: Level 10, MRDC Haus, Musgrave St, Port Moresby, Papua New Guinea

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