



HIGHLIGHTS

- Regional food prices, declining since October 2013, reached their lowest point in April 2015.
- Wholesale wheat prices in Bangladesh were 5.9 percent lower than one year ago while retail wheat prices were 4.4 percent higher.
- Prices of onions eased in Indonesia in late April after the end of heavy rains in the previous months caused bacterial diseases that affected output.
- Viet Nam has temporarily banned poultry imports from the United States because of a bird flu outbreak.
- Indonesia may lift rice import restrictions for Ramadhan and Idul Fitri, and because an El Niño has been forecast.
- FAO recommended the Government of Nepal to reduce post-harvest losses and improve food storage facilities to mitigate the damage caused by the earthquakes.

REGIONAL OVERVIEW

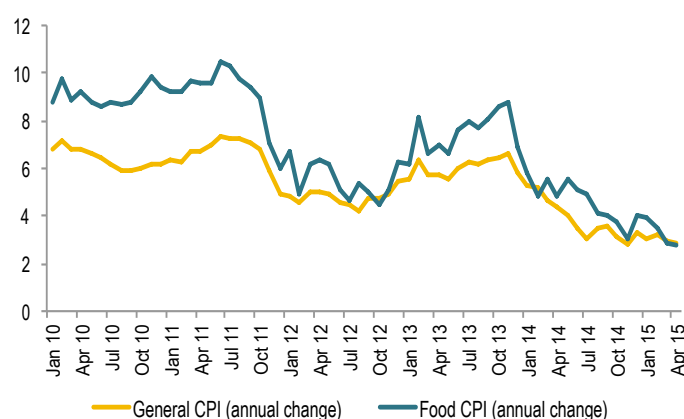
FOOD AND GENERAL INFLATION

In April, general consumer prices in the region rose by 2.8 percent and food prices rose by 2.7 percent year-to-year. Regional food prices have been declining since October 2013 reaching their lowest point in April.

India registered the strongest increases with consumer prices up 4.8 percent and food prices up 5.1 percent in April. Prices for staple commodities such as meat, milk, pulses, and spices were all higher. In Bangladesh, general and food inflations were stable during April, but were 6.3 percent and 6.5 higher, respectively, than one year ago. Consumer prices fell 0.2 percent in China in April, and food prices declined by 0.9 percent reflecting a 3.5 percent drop in the price of fresh fruits and a 3.2 percent drop in prices for vegetables. Indonesia's monthly consumer prices rose 0.4 percent while food prices were down 0.8 percent on mixed trends for various commodities. Pakistan's consumer prices increased 1.3 percent and food prices rose 1.4 percent, with onion prices rising 51 percent and tomato prices falling 14 percent during April. General inflation in the Philippines edged up 0.2 percent, but food prices were unchanged. Increases in fish prices were offset by declines in chicken and meat prices.

Higher prices for market staples drove food prices up by 1.3 percent in Samoa in April. Food prices fell by 2.8 percent month on month in Sri Lanka, but consumer prices were up 0.2 percent. Thailand experienced no change in consumer prices while food prices rose by 1 percent. In Viet Nam, general inflation was just 0.1 percent higher and food price inflation 0.4 percent higher, month on month, but consumer prices rose 1 percent and food prices were up 2.3 percent year on year.

Food and general inflation (%)



Source: FAOSTAT, World Bank, and government statistics.

Note: The consumer price index (CPI) measures changes in the consumer basket of goods and services purchased by households. Regional estimates for the CPI are aggregated by a weighted geometric average of each respective national CPI and its corresponding regional GDP share (deflated by purchasing power parity estimates) as its weight. The regional index includes contributions from ten countries, comprising: Bangladesh, China, India, Indonesia, Pakistan, Philippines, Samoa, Sri Lanka, Thailand, and Viet Nam.

Note: Prices in US dollars (US\$) are converted from local currencies using the average exchange rate for the corresponding month of publication supplied by the IMF International Financial Statistics.

FOOD PRICES

The FAO Food Price Index averaged 171 points in April, down 2.1 points (1.2 percent) from March, and nearly 40.5 points from April 2014. Dairy prices led the declines, falling by 12.5 points (6.7 percent) on ample supplies in the European Union, the result of a combination of a favourable opening of the dairy year and the abolition of the milk quota. This decline was offset by a 3 point increase (1.7 percent) in meat prices, the first rise since August 2014.

International prices of major cereals have fallen sharply during the ongoing 2014/15 season on large supplies and the strong US dollar. Maize prices fell 0.9 percent and wheat fell 4.3 percent in April, down 22.9 percent and 29.2 percent, respectively, from one year ago. Thai rice prices (white 100% grade B) declined 2.1 percent, and were 0.5 percent lower than in March 2014.

The **regional rice price index** declined by just 0.2 percent in nominal terms in April and was 1 percent higher than one year ago. Adjusting for inflation, the real price of rice was only 0.5 percent lower than in March, and 2.6 percent lower than in April 2014. The nominal price of rice declined in South Asia and Southeast Asia by 2.2 percent and 1.3 percent, respectively, compared to March. Nominal rice prices in India dropped by almost 0.7 percent and remained relatively unchanged in East Asia, declining 0.3 percent.

Year-on-year, nominal prices were 3.2 percent and 2.4 percent lower in India and South Asia, respectively, but 5.1 percent and 3.5 percent higher in Southeast Asia and East Asia. Real prices declined more significantly year on year, with India down 10 percent, South Asia down 7.4 percent and Southeast Asia down 1.3 percent. Prices in East Asia rose by 2.8 percent during the same period.

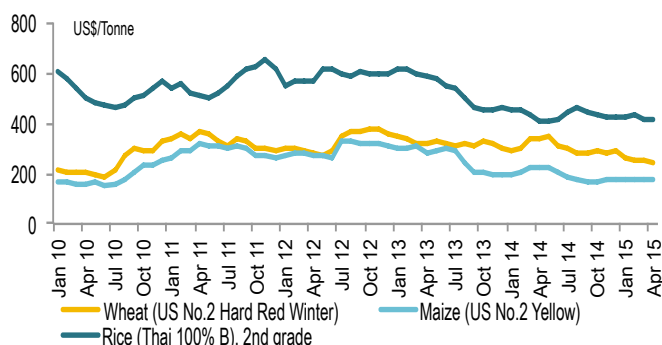
The **regional wheat price index** dropped 0.5 percent in nominal terms during April. Declines were most pronounced in South Asia, down 2.1 percent, followed by India, down 0.4 percent. Prices in East Asia remained unchanged during April, and in East Asia wheat prices rose just 0.2 percent. Year-on-year in nominal terms South Asia was down 8.7 percent, and India was down 1.9 percent. In contrast, East Asia and Southeast Asia increased by 6 percent and 2.8 percent, respectively.

Adjusting for inflation, wheat prices in the region fell 0.6 percent during April and were 0.9 lower than one year ago. Prices fell 2.1 percent in South Asia, 0.9 percent in India and 0.7 percent in Southeast Asia. Wheat prices remained relatively unchanged in East Asia, easing by 0.1 percent. Year-on-year real prices dropped by 8.4 percent in Southeast Asia, 7 percent in India, and 5.8 percent in South Asia. Wheat prices increased in East Asia by 4.3 percent.

Note: The regional price indices are aggregated using weights defined by the national Food Balance Sheet (FAOSTAT). Weights are defined as the availability of rice and wheat for domestic consumption for each respective index. Sub-regional groupings in the rice index are Cambodia, Indonesia, Lao PDR, Myanmar, the Philippines, Thailand and Viet Nam for Southeast Asia; Bangladesh, Nepal, Pakistan, and Sri Lanka for South Asia; China and Mongolia for East Asia.

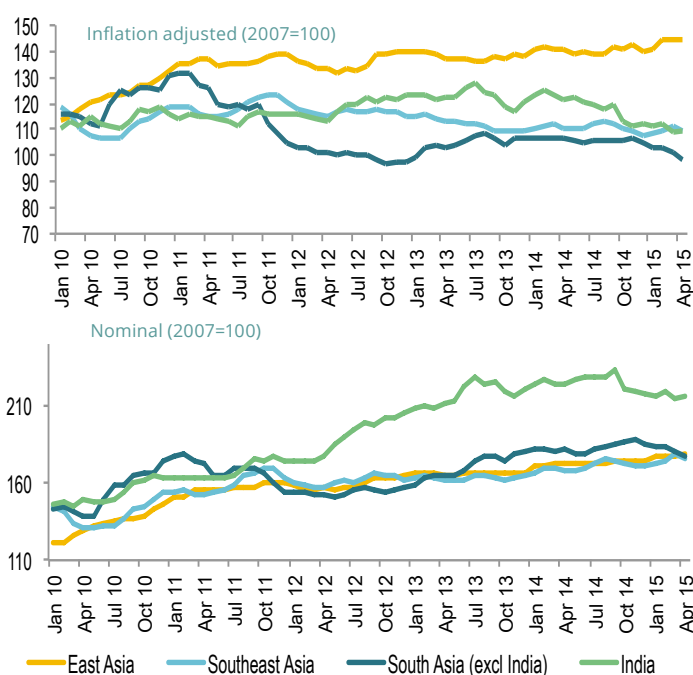
For the wheat index, South Asia also includes Afghanistan whereas Southeast Asia includes only Indonesia. East Asia is also only represented by China. Retail prices are used where available - with the exception of wholesale prices for Cambodia and Thailand in the rice index; as well as India and Indonesia for the wheat index.

Global benchmark prices

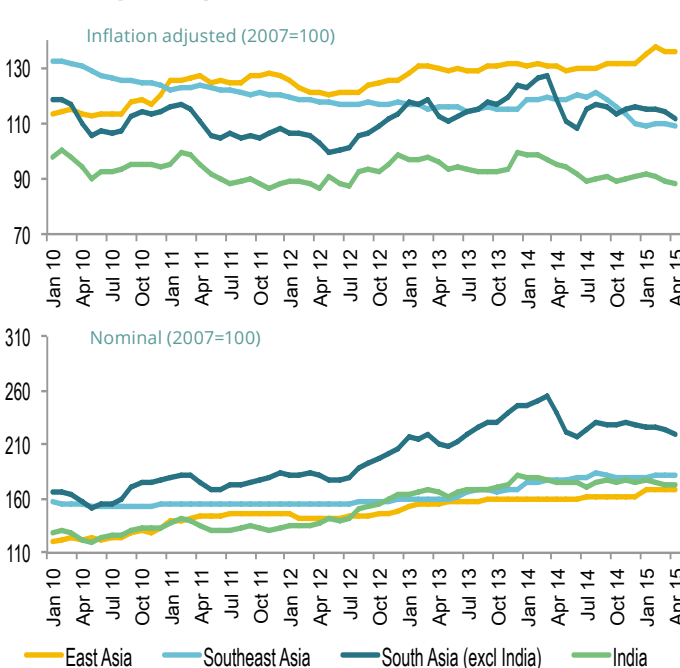


Source: FAO, International commodity prices.

Subregional price indices: rice



Subregional price indices: wheat



Source: FAO GIEWS, national government and IMF International Financial Statistics.

COUNTRY OVERVIEW

FOOD PRICES

In **Bangladesh** (Dhaka markets), retail and wholesale prices for staple commodities wheat, wheat flour, and rice (coarse) were lower than one month ago, continuing a gradual decline in prices since January. Wholesale prices for wheat, wheat flour, and rice (coarse) fell 2.6 percent, 0.8 percent, and 0.3 percent, respectively, from the previous month, while retail prices were down 2.3 percent, 0.8 percent, and 0.3 percent, respectively.

The recent decline of wheat prices coincides with the annual harvest during March and April, and greater availability in local markets because of higher imports on favourable international prices. Compared to the same time last year, wholesale prices for wheat and wheat flour were lower by 5.9 percent and 5.5 percent, respectively. Retail prices, while declining in recent months, were still higher than last year by 4.4 percent and 1.1 percent, respectively.

Retail and wholesale prices for rice (coarse) have by comparison been stable in the first quarter of 2015 following the Aman rice harvest from October through January. However, both retail and wholesale prices are higher than last year by 9.7 percent and 12 percent, respectively, on lower production because of flooding that affected northern Bangladesh late last year.

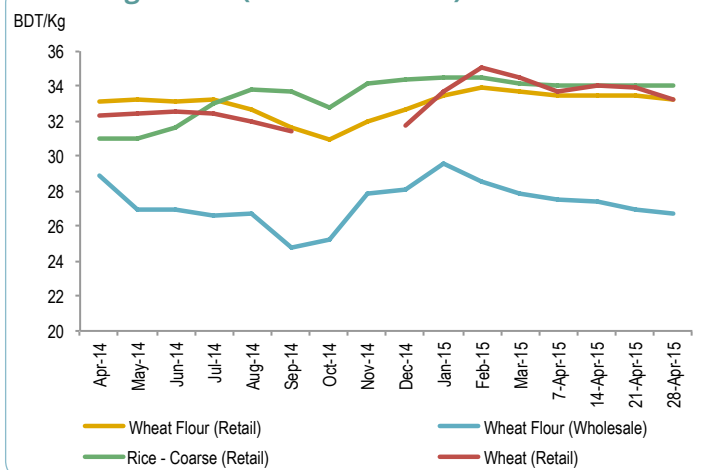
In **Cambodia** (Phnom Pehn markets), retail prices for meat commodities such as pork, chicken, and fish increased in anticipation of the Cambodian New Year celebrations in mid-April that mark the end of the harvesting season. The festivities often bring higher local demand for meat commodities, with prices rising temporarily as families purchase more to prepare food for family gatherings. In April, retail prices for chicken, pork, and fish increased by an average of 11.6 percent, 4.5 percent, and 9.6 percent, respectively, from the previous month, but were already falling in the second half of April as the holiday demand subsided.

Retail prices for rice have remained unchanged since April 2014 for the key varieties of Phkar Khney (milled rice), Neangminh, and mixed rice.

In **China** (average of 50 markets), the staple commodities rice (Japonica), and standard wheat flour were generally stable, with rice prices increasing 0.4 percent and wheat flour prices falling 1.2 percent over the past month. The 2014/15 winter wheat harvest is anticipated to be favourable because of good weather conditions in main producing areas. FAO's preliminary forecast is for a marginally higher output of 126.5 million tonnes in 2015 compared to 2014 when wheat production was estimated at 126.2 million tonnes.

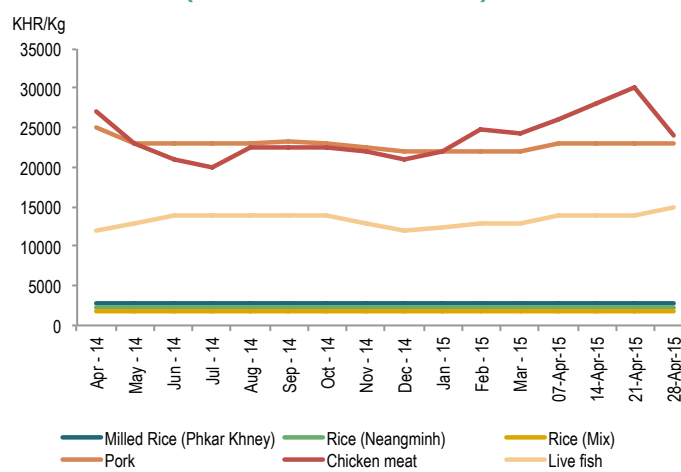
Vegetable prices across major markets have also been falling since February as demand eased after the spring festival earlier this year and supplies to local markets increased. Prices for tomatoes and cucumbers fell 8.5 percent and 13.4 percent, respectively, over the past month, continuing a declining trend since a peak in February when prices were 40 percent and 18 percent higher, respectively. Chinese

Bangladesh (Dhaka markets)



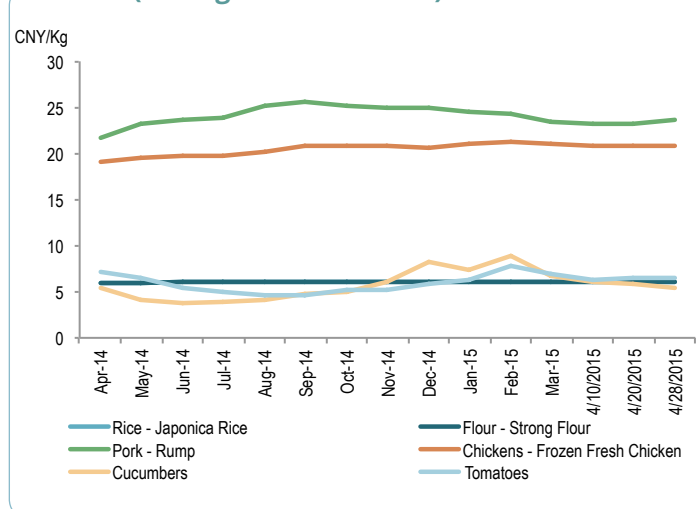
Source: National Food Policy Capacity Strengthening Programme, 2015.
Note: Wheat (prices retail) unreported October-November 2014.

Cambodia (Phnom Pehn markets)



Source: Ministry of Agriculture, Forestry, Fisheries, 2015.

China (average of 50 markets)



Source: National Bureau of Statistics of China, 2015.

cabbages were 26 percent higher than in March and 50.7 percent higher than in April 2014.

Prices for meat, particularly pork (rump), have been generally stable following the spring festival, ranging between CNY 23.6 and 24 (approximately US\$ 3.80) in April. Meat prices have fallen 3.9 percent since peaking in February, but April's pork prices were still 8 percent higher than at the same time last year.

In **Indonesia** (national average), retail prices for medium rice increased by an estimated 7 percent in April on reduced supplies to local markets, and speculation from traders in response to the shortages. Rising prices may prompt the Government to lift import restrictions for rice in 2015 to ensure stable rice prices ahead of the Ramadhan and Idul Fitri period that triggers increased consumption of staple foods such as rice. In addition, according to FAO's Global Information and Early Warning System, el Niño is expected to cause dry weather with below average precipitation that may result in reduced planting and yields for rice during the secondary season, which is rain fed from July to December. Allowing rice imports would represent a shift in President Widodo's policy to achieve rice self-sufficiency by supporting rice production only.

Prices for onions were also rising in April, increasing 14.3 percent since March, and 38.8 percent since February when prices began moving upwards as rainy conditions affected supplies of the commodity. During springtime, heavy rains caused bacterial diseases such as soft rot, leaf blight and sour skin that resulted in a fall in onion output. Prices began decreasing in late April, however, and are expected to continue to fall as supplies to local markets improve. Other vegetable commodities, such as green beans, also increased by 2.7 percent in April month on month, and 5.7 percent year on year.

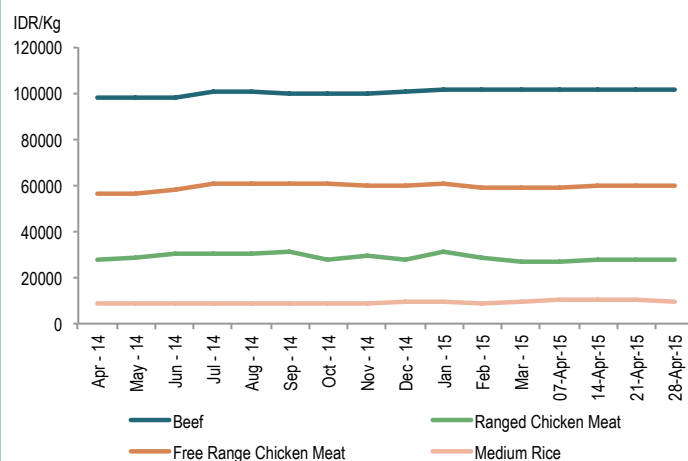
Prices for meat commodities were relatively stable. Prices for beef and chicken increased 0.1 percent and 2 percent, respectively, in April.

In **Myanmar** (Yangon markets), wholesale rice prices increased by 5.7 percent and maize prices rose by 10.6 percent in April, and were 4.8 percent and 7.3 percent higher, respectively, than one year ago. Paddy rice output, despite increasing over the past year on a small increase in planting area and improved yields, has been below the average output of the past five years. The aggregate 2014 paddy output was estimated by FAO at 28.9 million tonnes and forecast to be 29.2 million tonnes by 2015. The 2014 maize bumper crop, which was just harvested, yielded an estimated 1.75 million tonnes, roughly 3 percent above the previous bumper level in 2013. Increased output is a response to increased demand in Myanmar and China for animal feed.

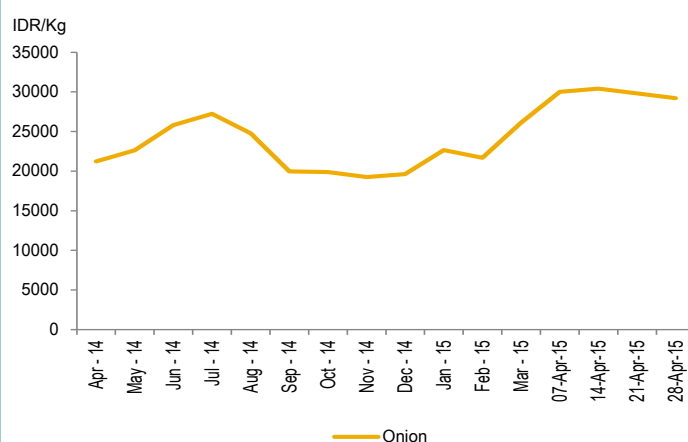
Sugar prices have increased significantly over the past month, jumping 19.6 percent. Increases in the price of sugar in the Yunnan Province of China have led to a higher number of Chinese traders looking to purchase sugar in Myanmar to resell in Yunnan where prices have increased to US\$ 600 per tonne, about 50 percent higher than the prices on global markets.

Indonesia (national average)

Rice and meat prices

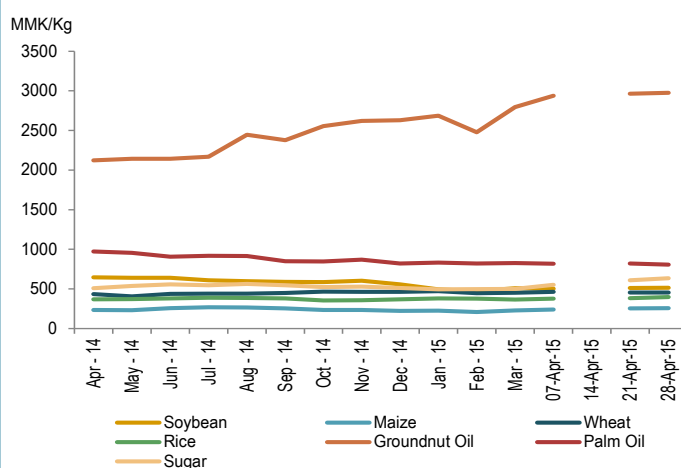


Onion prices



Source: Ministry of Trade, 2015.

Myanmar (Yangon wholesale)



Source: E-Trade Myanmar, 2015.

Note: Prices between 13-17 April were unreported in observance of the Thingyan Festival.

Note: Month-on-month changes are calculated as the price average of the current publication month from the price average of the previous month. Year-on-year changes are likewise reported as the price average of the current publication month from the price average of the same month in the previous year.

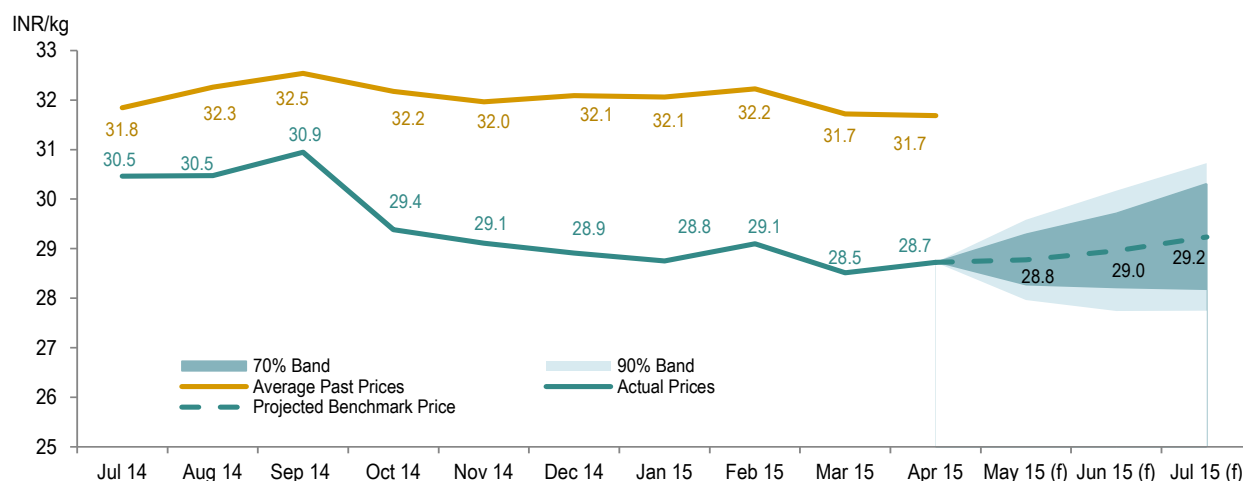
PRICE FORECAST

India (retail rice)

Retail prices for rice in India were INR 29 (US\$ 0.324) per kg in April and remained unchanged from March but were 3.2 percent below from April 2014. Prices have been generally in line with the trend in average past prices but were down 7.2 percent from September 2014 to April 2015 instead of an average of 2.6 percent decrease experienced over the past 7 years during the same period of time. The benchmark future price for May is forecast at INR 28.8 (US\$

0.322) per kg (within a 70% benchmark band of INR 28.3 -29.3 [US\$ 0.316 – 0.328] per kg) an increase of 0.2 percent from the price forecast in April 2015 but a decline of 4.7 percent from the price in May 2014. If prices follow normal seasonal patterns during the next three months, the model forecasts that retail prices for wheat are likely to slightly increase within a benchmark band of INR 28.3 – 30.3 (US\$ 0.316 – 0.339) per kg.

Retail price for rice



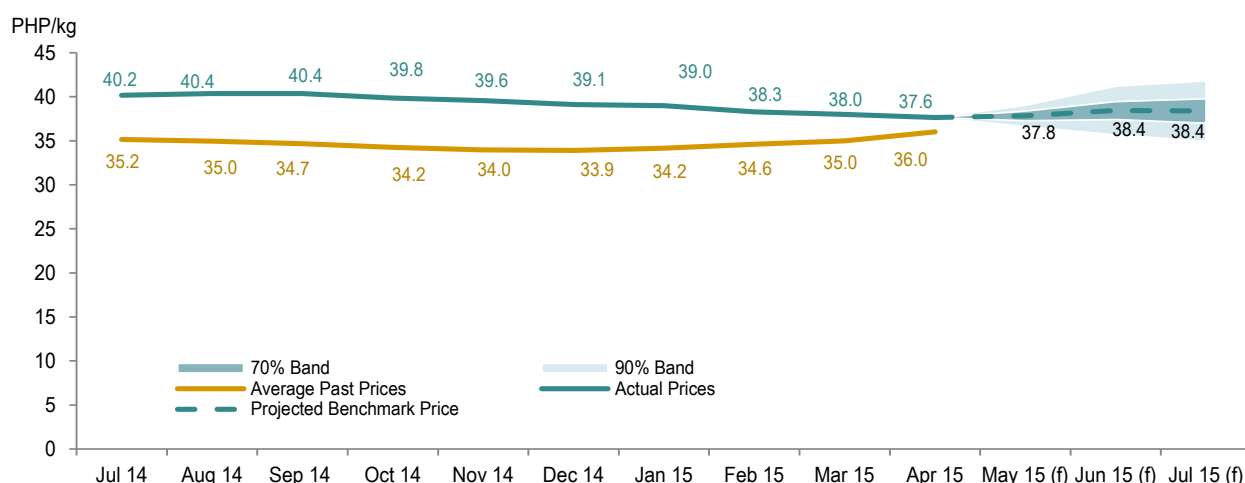
Source: FAO GIEWS and FAO staff calculations. Note: average prices in Chennai, Delhi, Mumbai and Patna.

The Philippines (retail rice)

Retail prices for rice in the Philippines were PHP 22 (US\$ 0.35) per kg in April, down 0.9 percent from March and 1.9 percent below April 2014. Prices have been generally in line with the trend in average past prices but were down 4.8 percent from November 2014 to April 2015 instead of an average increase of 6 percent experienced over the past 7 years during the same period of time. The benchmark future price for May is forecast at PHP 37.8 (US\$

0.61) per kg (within a 70% benchmark band of PHP 37.3 - 38.4 [US\$ 0.60 – 0.62 per kg) an increase of 0.5 percent from the price forecast in April 2015 and 2.8 percent below the price in May 2014. If prices follow normal seasonal patterns during the next three months, the model forecasts that retail prices for wheat are likely to slightly increase within a benchmark band of PHP 37.3 – 39.8 (US\$ 0.60 – 0.64) per kg.

Retail price for rice



Source: FAO GIEWS and FAO staff calculations.

Technical notes: The ESA Price Monitoring Model is a simple tool designed to assist policy makers, farmers and traders in assessing whether recent price trends are in line with those typically observed in the past. The purpose of the model is to determine whether short-term price movements of a commodity exceed a benchmark which takes into consideration seasonality, inflation and historic variability. The model uses only data on past prices and the consumer price index (CPI) to capture these characteristics. It establishes an expected level of price for the following month along with a range of uncertainty generated by past deviations from expected prices. Price movements can be interpreted as "excessive" if prices fall outside the benchmark band. The difference between the actual price and the "benchmark price" (1 month in advance) that was forecasted for that same month is also calculated by the model although not shown in the graph. An additional feature of the model is to show the current level of prices relative to an average of past prices during the past four years (adjusted for inflation). For details on the model, please see: <http://www.foodsec.org/web/publications/briefs/>.

NATIONAL POLICY DEVELOPMENTS

Production oriented policies

The **Indonesian** government will issue a regulation on illegal, unreported and unregulated (IUU) fishing that will integrate state bodies. All stakeholders will be required to apply traceability mechanisms to their catch.

Pakistan's Federal Committee on Agriculture has fixed 2015-16 production targets of 68 million tonnes for sugarcane, 6.9 million tonnes for rice and 4.6 million tonnes for maize.

The Philippines' Department of Finance will devote PHP 85.63 billion (US\$ 1.92 billion) to develop agriculture, an increase of 11.4 percent from last year. PHP 21.8 billion (US\$ 0.49 billion) will be used to promote more diversified, intensive, high-value, and market-oriented crops and livestock production. PHP 37.99 billion (US\$ 0.85 billion) will be invested in agricultural infrastructure.

Sri Lanka will purchase 2.5 million kilogrammes of paddy at LKR 80 (US\$ 0.6) per kilogramme to sell as seed paddy. The measure is intended to encourage farmers to cultivate rice using indigenous methods rather than chemicals after scientists said that modernized agricultural practices and abandoning traditional food patterns are reasons for the spread of non-communicable diseases.

The Government of **Sri Lanka** has begun paying LKR 350 (US\$ 1.87) per kilogramme for rubber and LKR 80 (US\$ 0.43) per kilogramme for raw tea to small holders to support their incomes through fixing farmgate prices.

The Government of **Thailand** will not subsidize corn prices during Marketing Year 2014/15 following lower production, higher domestic consumption and strong exports that drove prices higher. The Government will also increase tariff-free and quota-free maize imports from Cambodia, Myanmar and Lao PDR through 2017.

The Government of **Viet Nam** will establish ten high-tech agricultural zones by 2020 to improve the competitiveness of its agriculture sector. Each zone will have areas for research and experiments in high-tech agricultural production, technology transfer, farming, and waste treatment as well as an administrative centre. Viet Nam also plans to establish ten more zones by 2030.

Trade and market related policies

Bangladesh imposed a 10-percent duty on rice imports on 10 May to stabilize domestic rice prices. An influx of imported rice has led to declining domestic rice prices over the last couple of months.

On 29 April, **India** increased its import duty on sugar from 25 percent to 40 percent to boost domestic prices after continued overproduction. It also eased the ethanol procurement process under the Ethanol Blending Programme, and fixed the remunerative ex-depot price of ethanol to encourage the sugar industry to divert more molasses for ethanol production.

As of 1 April, **Indonesia** increased the biodiesel mandate from 10 to 15 percent to cut the costs of importing fossil fuels and boost domestic market prices for palm oil.

To stabilize its rice market, **Indonesia** is planning to procure low-quality rice from farmers at a commercial price with commercial funds in addition to the public budget. The state logistics company, Bulog, usually buys only standard quality rice from farmers with the funds from the state budget.

On 23 April, the Government of **Pakistan** approved the export of wheat on a government-to-government basis under the same conditions as it set in January. At that time, it gave permission to the provinces of Sindh and Punjab to sell up to 400 000 tonnes and 800 000 tonnes, respectively, of wheat from public stocks to private exporters, with a subsidy of US\$ 45 and US\$ 55 per tonne, respectively.

The **Republic of Korea** will buy 77 000 tonnes of domestically produced rice in May to support falling prices because of overproduction in 2014. In addition, direct payments to rice farmers will increase 11 percent from KRW 900,000 (US\$ 834) per hectare of agricultural land to KRW 1 million (US\$ 927).

On 5 May 2015, the **Republic of Korea** and **Viet Nam** officially signed the Free-Trade Agreement. Viet Nam will remove its import duties on 89.9 percent of all products from Korea, Korea will do the same on 95.4 percent of products from Viet Nam.

Thailand's Commerce Ministry has set the farmgate price of palm fruits with 17 percent oil content at THB 4 (US\$ 0.12) per kilogramme to mitigate price declines because of oversupply. It also plans to introduce a new law requiring oil palm farmers to produce quality palm fruits, otherwise they will be rejected.

Viet Nam has temporarily banned the granting of import licences to United States' poultry products as of 1 May following a bird flu outbreak in the United States.

Consumer oriented policies

After announcing the annual plan on food safety in March, the Standing Committee of **China's** National People's Congress passed an amendment on 24 April (effective on 1 October) to the 2009 Food Safety Law with stiffer penalties for regulatory violations. The revised law also contains a number of enhanced measures to protect consumers in various areas, including online shopping and baby formula.

China's National People's Congress also revised the National Food Safety Standard for Food Additive Use (effective on 24 May) that specifies the principles for application of food additives, allowed food additive varieties, scope of application, and maximum levels or residue levels.

In **Japan**, the Geographical Indication system will enter into force on 1 June, to protect producers of certain agricultural products, promote local agricultural and food brands, and protect consumers.

Sources: Policy developments for the Asia-Pacific region are collected by FAO from official and non-official websites. For Bangladesh, the Financial Express and Oryza; for China, the Ministry of Agriculture and the US Department of Agriculture; for India, Press Information Bureau; for Indonesia, the Agricultural Market Information System, Antara News, Bloomberg and Oryza; for Japan, the US Department of Agriculture; for Pakistan, the Ministry of National Food Security and Research and the US Department of Agriculture; for the Philippines, the Official Gazette; for the Republic of South Korea, the Agricultural Market Information System; for Sri Lanka, the Official Government News Portal; for Thailand, Thai PBS; and for Viet Nam, Bernama News, the Cambodia-Laos-Viet Nam Development Triangle Portal, the Ministry of Planning and Investment Portal, and Viet Nam News.

OTHER UPDATES

Nepalese farmers call for urgent assistance for forthcoming rice growing season

The Nepal earthquake is likely to severely affect the country's food security and agriculture due to disruptions of harvesting for wheat and planting maize, and reduced labour availability in agriculture, FAO said. About 3.5 million people are in need of food assistance. Damage to agriculture has to be assessed, but FAO puts the 2015 wheat production at 1.8 million tonnes, 5 percent below the 2014 record level. Meanwhile, losses to stored food, agricultural inputs, and damage to agricultural infrastructure are likely to be high. Preventing post-harvest losses by providing immediate grain storage capacity before the monsoon (June – August) and lean season (July – August) periods should be a top priority.

At least US\$ 8 million is urgently needed to help farmers recover lost inputs and prepare for the rice-sowing season, FAO said. If farmers are unable to plant rice by the end of May, they will be unable to harvest the next crop until late 2016. Rice contributes 34 percent to Gross Domestic Product and is the main livelihood for subsistence farmers who comprise two-thirds of the population. "There is a critical window of opportunity to help crop producers plant in time to have a rice harvest this year," said Somsak Pipoppinyo, FAO Representative in Nepal.

UN agencies and partners launched a US\$ 415 million emergency appeal to address the most urgent needs. On agriculture, the government has supported 40 000 households with agricultural inputs. FAO leads the country's Food Security Cluster, which has requested US\$128 million for relief and recovery. The cluster aims to distribute 50 000 tonnes of food to families in need, along with setting up cash-transfer programmes and helping communities rebuild.

Sources: For Nepal, FAO Nepal Representation, FAO Global Information and Early Warning System and Relief Web; for Pakistan, Crop Reporting Service Punjab, Pakistan Bureau of Statistics and international and local media like The Guardian and The Dawn.

Contact information

FAO Regional Office for Asia and the Pacific, Economic, Social and Policy Assistance Group (ESP)

39 Phra Atit Road, Bangkok 10200, Thailand

Phone: +66-2-697-4250

E-mail: FoodAsia@fao.org

To subscribe, please e-mail listserv@listserv.fao.org, leave the subject blank and type subscribe Food-Asia-L

Disclaimer and Acknowledgements

The Asia Pacific Food Price and Policy Monitor is prepared with information from official and non-official sources by FAO Regional Office for Asia and the Pacific. Conditions can change rapidly and information may not always represent the current food price situation as of the present date. As information is based on official and non-official sources, not all of them should be taken as official government views. The designations employed and the presentation of material in this report do not imply the expression of any opinion whatsoever on the part of the Food and Agriculture Organization of the United Nations concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries. The support of FAO Country Offices is gratefully acknowledged.

I hope this monthly report is useful and meets your expectations.

Hiroyuki Konuma

Assistant Director-General and Regional Representative for Asia and the Pacific

Through the cluster, FAO will support 200 000 vulnerable farming households (or 900 000 people) to protect and rebuild their livelihoods.

Pakistan is dealing with increased potatoes production

Pakistan's potato farmers are proving that too much success isn't always a good thing. Two years ago, some wheat farmers switched to growing potatoes, which are hardier and less prone to the crop failures caused by Pakistan's climate that have inflicted hardships on those who grew wheat. According to the Crop Reporting Service in Punjab, total domestic potato production was 3.6 million tonnes against 2.9 million tonnes last year. After two years, however, Agri Forum Pakistan, an organization representing Pakistani farmers, forecast that the country will produce 6 million tonnes of potatoes this year for a market that consumed 3.6 million tonnes in 2014-2015. Data from the Pakistan Bureau of Statistics shows that the average monthly price of potatoes has gone down by at least 60 percent from PKR 56.57 (US\$ 0.40) per kg in April 2014 to PKR 29.8 (US\$ 0.21) per kg in April this year. In addition to increased cropping area, favourable weather (no frost in winter) resulted in the bumper crop. Farmers' incomes have suffered because of the falling prices.

The country has exported about 100 000 tonnes of potatoes so far this year, but Pakistani merchants and exporters say a glut of potatoes exists on global markets and growth prospects for exporting the crop are weak. Ministry of Food Security and Research is bringing to notice of federal and provincial governments to lower the cost of production. Potatoes are perishable and spoil after about 30 days, and so some government officials have begun echoing the calls by potato farmers for the State Governments to build cold storage facilities so surpluses can be stored until prices recover and a better market for exports materializes.