Potato now a plight

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NLY the bedrooms of the tin-shed building remain free. The rest, the veranda, and dining room to kitchen -- potatoes are piled everywhere. An odour from some rotten tubers fills the air of the household.

For Abul Kalam, the breadwinner of his family, the spoilage is difficult to accept. But he has very few options in hand -- he could either sell the crop at a nominal price or try to get a space at a nearby cold storage. Neither of the options appears optimal to him.

Potato prices are too low to realise investment. Even if one stocks the whole harvest in cold storages, present price trends do not give enough hope that he would have better margins in the coming days.

At the same time, prospect of getting space in cold storages is thin because of a production glut this year.

"Traders usually do not come. Even if they do, they offer a very low price that is below my production cost," says Kalam in despair, standing beside a pile of potatoes on the veranda of his home at Purbadebu, Pirgacha in Rangpur, a major potato producing region in the North.

The 50-year old farmer harvested about 14 tonnes of potatoes in two acres of land this year. The production made Kalam happy. But the prices did

Tens of thousands of farmers in the area cultivated the tuber this year and harvested good crops mainly because of favourable weather.

Farm level potato prices in his area now stands at Tk 3.80 a kilogram. The current price, according to Kalam, is below his production cost of over Tk 4 a kilogram.

This is the second year that potato farmers like Kalam face the falling prices due to a production glut. Last year, growers harvested a total of 81 lakh tonnes of the tuber, up from 52.68 lakh in the previous year. Agriculture officials and cold storage operators expect that production will exceed last years' total.

Last year, prices of tuber, one of the mostly consumed items after rice, fell due to increased production last year. But farmers say prices did not drop last year as much as this year.

"Potatoes became cheaper after the



Farmers fill sacks with potatoes at Mahasthanbazar in Shibganj upazila in Bogra to send them to different markets countrywide.

harvest last year. But it did not fall below Tk 350 for a 83-kilogram sack," says Mohammad Marfat Ullah, a potato grower at Purbadebu, Rangpur.

The current farm-level prices are lower than the monthly national average farm and wholesale prices of potatoes. It now stands at over Tk 5 a kilogram, down from Tk 7.5 a kilogram a year ago, according to Department of Agricultural Marketing.

Retail prices of the tuber dropped 14 percent to Tk 8-10 for each kilogram from a year ago.

Marfat, who cultivated potatoes on 2.5 acres this year, said he will have to bear at least Tk 25,000 in losses at present prices.

Hoping that prices would climb, both Kalam and Marfat are yet to sell their produce. They preserved a bulk of their produce in their homestead area, although there is a risk of spoilage because of high temperatures.

Kalam stored 2.5 tonnes at a nearby cold storage while Marfat stored 8 tonnes. "It involves costs. I will have to bear a cost of over Tk 400 for an 80 kilogram sack, including rent for storing, carrying costs and prices of each sack."

Potato growers' woes come at a time when cold storage operators expect that up to 35 lakh tonnes of tuber may be stored in 350 storages this year, up from 26 lakh tonnes in 315 storages a year ago.

Storage operators increased space rental by 6 percent to Tk 275 for each 80-kilogram sack, according to Md Jasim Uddim, chairman of Bangladesh Cold Storage Association.

Potatoes are now being stored. Cold storage owners say the preserved tuber will start coming to market by July. Farmers will have to either sell or consume their remaining produce till June.

But Mir Mohammad Sirajull Islam, a farmer at another potato producing hub, Munshiganj, fears that prices may not make a strong rebound in the coming months.

"Price may edge up a bit, not too much as the production is huge. If exports and domestic consumption are increased, there is little hope of a rise in prices," says Islam, fearing another year of losses.

Despite a good harvest, one of the shortcomings is that most of the produce goes for domestic consumption in the backdrop of a very limited industrial use. Processors such as potato chips makers say these potatoes have less dry matter content that is needed to process and make chips properly.

But there are scopes of making potato crackers from these potatoes, which local potato cracker makers are doing. Export is another scope.

Marfat of Cold Storage Association says potato exports already began in February while two potato-processing factories -- one starch and another flakes maker -- are also likely to consume a portion of potatoes and accelerate demands.

The starch factory, Flamingo in Joypurhat, has already started production, while a flakes maker at Munshiganj is likely to resume operation this year, he adds.

These factors, along with low prices of potato compared with other vegetables, will have a positive impact on the prices.

"Prices of most vegetables are higher than potato now. Low prices of potato is likely to boost consumption of potatoes at household level and thus help increase prices," he says, predicting that prices may rebound in July.

Potato storage reels from power outage

STAR BUSINESS REPORT

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ANGLADESH Cold Storage Association has warned all concerned about the risks of rotting of potatoes due to frequent power cuts at the storage facilities that have already begun storing the crop this season.

"We are in trouble to keep the already stored potatoes cool because of frequent power cuts at the plants. If it goes unabated, the stored potato will start rotting," said Md Jasim Uddin, chairman of the association.

The warning came at a time when farmers already reel under losses due to stupendous fall in prices of the crop, as the total yield was too good for all to sustain.

Agriculture officials and cold storage operators said potato output this year would exceed the last year's 81lakh tonnes mainly due to favourable weather.

The store operators said this year almost all the 360 cold stores will store table and seed potatoes totalling 35 lakh tonnes, up from last

year's 26 lakh tonnes. Uddin said almost 80 percent of the potatoes, mostly owned by farmers, have already entered the

Growers pile up potato sacks in front of Krishikal cold storage in Bogra. Potato output this year will exceed last year's produce due to favourable weather.

cold stores. These storage facilities now require uninterrupted electricity supply to cool down the pota-

toes to a level that can keep the tuber crop free from any risk of damage.

"We need to maintain a temperature of 35 degrees inside the stores. But the present temperature is 60-70 degrees," he said.

To ensure consistent supply, the association sent a telegram to the State Minister for Power Muhammad Enamul Huq last week.

The letter cited storing of potato is not possible without uninterrupted supply of electricity from the national grid although most of the cold storages have standby generators.

"The generator can only safeguard the stored cargo in case of electricity breakdown but it cannot run the facilities indefinitely," said Jasim in the telegram.

He said the government had ensured adequate supply of electricity to cold storages in past years to safeguard crops like the potato, one of the mostly consumed food items

after rice. The association chief demanded 'immediate' arrangement for additional supply of electricity for potato producing areas such as Munshiganj, Comilla, Rajshahi, Mymensingh, Rangpur, Dinajpur, Bogra, Naogaon

"We need a three-month backup of uninterrupted power supply. Our requirement for electricity will decline with the onset of the rainy season," he said.

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