

Sown &



Reaped

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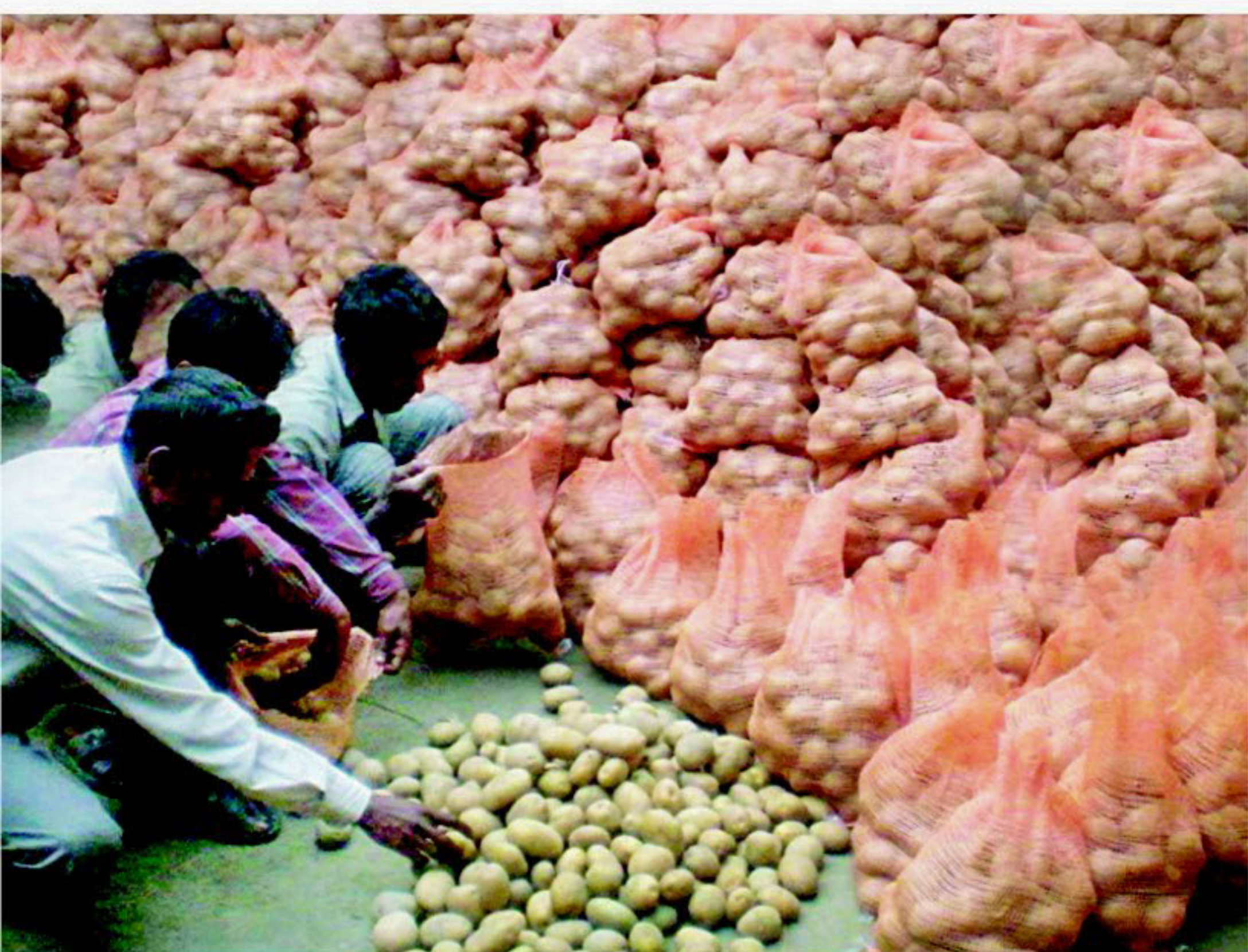
Potato farming: a bright spot in the north



RAFIQUE SARKER

Women sort out the best potatoes for export at Mahiganj in Rangpur. Traders in the region have set a target to export about 2 lakh tonnes of potato from the northern districts. About 50,000 tonnes have been exported in the last two months, while the rest will be shipped in phases.

"The government declared 20 percent incentive on potato export which encouraged the exporters to go for larger volumes of export. The yield of potato has also been greater compared to that of last year"



RAFIQUE SARKER, Rangpur

EXPORT of potato from the northern districts has generated a ray of hope for the farmers and traders which, if continues till June, may help them break even.

Traders have set a target to export about 2 lakh tonnes of potato from the northern districts. About 50,000 tonnes have been exported in the last two months, while the rest will be shipped in phases.

Meanwhile, the export has raised the prices of potato in the northern markets.

About 30 agro companies, including Agri Concern, BD Food Ltd and Sinha Agro Ltd, are exporting potato from the northern districts to Singapore, Malaysia, Vietnam, Indonesia and Russia at rates from Tk 13,000 to Tk 27,500 per tonne, said exporters.

The exporters are buying potato at Tk 7-Tk 10 per kg directly from the farmers in the fields to avoid middlemen, said Sahanuzzaman Sanu, a field officer of Agri Concern.

A big potato farmer, Mostafizar Rahman of Mahiganj in Rangpur, said exports of potato have influenced the market positively to a limited extent; but the farmers have been waiting for months to be able to cover up their losses.

"If the export continues round the year, the farmers may reach the break-even point by June-July when the crop stacked outside the cold storages is expected to be used up," he said.

The exporters are buying 'granola' and 'diamond' varieties of potatoes that were produced in abundance in greater Rangpur and Dinapur districts. Almost all exporters and buyers are now in the field to procure such potatoes.

Abul Kashem, senior vice president of Rangpur Chamber of Commerce and Industry, said the volume of potato export goes up this year because of the government's incentives.

"The government declared 20 percent incentive on potato export which encouraged the exporters to go for larger

volumes of export. The yield of potato has also been greater compared to that of last year."

"The exporters are buying potato at a cheaper rate as they procure it directly from the farmers," said Kashem who is a co-owner of Homeland Cold Store of Pargachha in Rangpur.

A number of potato exporters asking not to be named told The Daily Star that the last government committed to provide such incentive but they failed to fulfil the commitment.

The incumbent government gave the 20 percent incentive on potato export in April, May and June last year whereas the exporters needed that in February and March when exports had to be carried out in full swing, said Abdus Salam, manager of Agri Concern.

"This year the government also announced to provide the incentive but we are yet to see any circular on the matter although two months have been elapsed since we began exporting potato," said an exporter requesting anonymity.

Setbacks that exporters face

RAFIQUE SARKER, Rangpur

THE government incentive on potato exports, opening of new export markets and low price of the tuber in the country have raised the volume of potato export this year, said Mosaddeque Hossain Bablu, president of Rangpur Chamber of Commerce and Industry.

Mostafa Sohorab Choudhury, senior vice president of the chamber, also echoed Bablu.

Singapore and Malaysia were the two main destinations for the potato exporters in the past, said Bablu. This year they started exporting potato to Indonesia, Sri Lanka and Russia also, he added.

Both Bablu and Choudhury have been involved in cold storage business for the last 20 years. Bablu owns two cold

stores, while Choudhury is a director of Motahar Group of Industry that has eight cold stores in Rangpur.

Ataur Rahman Khokon, a potato trader at Mahiganj in Rangpur, has been supplying potato to BBC Foods, an exporter, for the last few years.

Khokon said: "The exporters are interested to procure potato from the northern region because of its low price here."

"I had sold export quality potato to BBC Foods at Tk 10 per kg last year, whereas this year the maximum price was Tk 8 per kg due to higher production."

He also blamed cold store owners for the low price. "Unlike the previous years, cold store owners didn't provide loans to traders and farmers this year that resulted in a fall in the prices."

Almost all cold storeowners used to borrow their working capital from commercial banks during the potato-harvesting season and lend the money to the farmers and traders against the stored potatoes.

But this year the storeowners failed to do so as they were not backed by the banks due to a lack of sufficient liquid money. "We applied for loans several times to several banks but got nothing," said a cold storeowner.

Had the owners been able to lend money to the farmers and traders, the farmers would have got fair price at the outset of the harvest, Khokon added.

A branch manager of a private bank in Rangpur said he failed to give loans to three cold storeowners due to liquidity crisis.

Mojibor Rahman, proprietor of BBC Foods in Chittagong, recommended the



Mosaddeque Hossain Bablu

government monitor and control the transportation and remove the bureaucratic hassles regarding potato export through Chittagong port.

"Customs officials at the port unnecessarily make delay while releasing the products. The government should take initiative to make the process easier," Rahman added.

At the beginning of the season, Tk 16,000 was required to transport potato from



RAFIQUE SARKER

Workers pile up export quality potatoes in Rangpur.

Rangpur to Chittagong through a truck, while the cost reached Tk 21,000 three weeks later, he claimed. "If the government monitors the trans-

portation activities strictly, such exploitation by the truck owners and the cost spiral could possibly be controlled."

Around 35 lakh tonnes of

potato was produced this season, according to data of the Department of Agricultural Extension of Rangpur division.