A trader measures out individual portions of garlic from a mountain of the spice for sale at a garlic market in Kaunia upazila of Rangpur. Due to a high supply of garlic in the country, farmers have been left to face losses for low prices. The picture was taken recently.
PHOTO: KONGKON KARMAKER

Garlic farmers fret over losses for 2nd year running

KONGKON KARMAKER

Garlic farmers in the country's northern districts have been left dismayed as the price of the highly-popular cooking ingredient has fallen at wholesale and retail levels due to a supply glut amid the ongoing peak harvesting season.

This comes as a double blow for many growers who had incurred losses last year as well despite receiving higher prices for their produce.

The garlic harvesting season began a couple of weeks ago, according to local farmers and officials of the Department of Agricultural Extension (DAE) in Rangpur and Dinajpur.

Each kilogramme of garlic is currently being sold for between Tk 10 to Tk 25 depending on the bulb's quality and size.

Garlic is being grown on at least 9,039 hectares of land in eight districts of Rangpur this year with a production target of about 92,198 tonnes.

Of the eight districts, the spice was cultivated on a total of 5,530 hectares of land in the Dinajpur, Thakurgaon and Panchagarh districts.

The average production rate per hectare is around 10.20 tonnes.

DAE officials say garlic is produced in all eight districts of the region, but cultivation is comparatively higher in Dinajpur and Rangpur.

So far, 10 per cent of the land being used has been harvested.

With the garlic harvesting season underway, activities at weekly wholesale markets such as those in Kachiniya and Pakethat of Dinajpur's Khansama upazila have gained momentum.

However, the price of garlic is not as high as expected by local farmers, who often refer to the crop as white gold.

Most of the garlic produced in Dinajpur region comes from Khansama upazila.

During a recent visit to the Pakerhat and Kachiniya wholesale markets, this correspondent found that many farmers had brought their produce for sale at local wholesale markets.

Biren Chandra Roy, a farmer in Chirirbandar upazila of Dinajpur, said he cultivated garlic on five bighas of land at an expense of Tk 35,000 per bigha this year.

"Production costs have risen compared to last year due to the increased cost of agricultural inputs," he added.

Roy got around 1.2 tonnes of garlic from each bigha but his hopes of a good profit were dashed when traders at the wholesale market in Kachiniya offered him just Tk 15 per kilogramme.

Having been backed into a corner, he eventually sold his produce at a lower price.

"I faced similar losses last year," said Roy, adding that he had cut down on garlic cultivation this year.

According to a DAE official in Khansama upazila, garlic cultivation in the area has declined compared to last season as farmers face recurring losses.

Around 3,750 hectares of land in Khansama upazila alone were used to grow garlic last year but the acreage has since dropped to 2,950 hectares this year, the official said.

Nur Islam, a wholesale garlic trader in the area, said the garlic market is quite unstable at the moment, which is a major concern for traders.

He went on to claim the falling price is a result of soaring supply in the markets.

"Even we, traders are suffering losses as a result," Islam said.

The situation is similar in Rangpur, where farmers were also found frustrated with the price of garlic.

Nabir Hossain, a garlic farmer of Gadai village under Kaunia upazila of Rangpur, said he cultivated garlic on 40 decimals of land this year.

"A month ago, the price was better but it suddenly decreased," he said.

He sold out his produce at Tk 20 per kilogramme, which was a loss considering production costs.

"I would not suffer losses if the rate was Tk 35 per kilogramme," Hossain said, adding that hoarders will surely profit once the market doubles within a month.

However, farmers have no way to hoard the garlic themselves, said Hasan Ali, another farmer in the area.

Like other farmers, Ali was already forced to sell all of his garlic as he needed money to prepare his land for other crops.

In retail markets, garlic is available for between Tk 30 and Tk 40 per kilogramme.

Hafiz Rahman, president of Kaunia Wholesale Traders, said the price of garlic at the local wholesale markets continued dropping every day, which badly affected farmers involved in its production.

"The price dropped by Tk 10 in the last couple of weeks," he added while urging the government to stop importing the spice in order to reduce supply.

Time to introduce financial interoperability

Experts say at PRI-ERF event

STAR BUSINESS REPORT

Bangladesh should introduce financial interoperability as it is necessary to maximise the benefits of financial inclusion and strengthen the economy, said experts yesterday.

"This will infuse dynamism in the economy. As a result, growth will be further strengthened," said Atiur Rahman, a former governor of the Bangladesh Bank.

MA Razzaque, research director of the Policy Research Institute (PRI), said that financial transactions in the country would be simple, competitive and innovative once financial interoperability is introduced.

They made the comments while addressing the inaugural session of a training programme titled "Financial Interoperability in Bangladesh: Challenges and Way Forward".

The PRI and the Economic Reporters' Forum (ERF) jointly organised the event at the ERF auditorium in the capital, according to a press release.

Interoperability is generally understood to refer to the ability of different systems and sometimes even different products to seamlessly interact.

Interoperability can promote competition, increase the financial viability of service offerings by reducing fixed costs and unlocking economies of scale, and improve the utility of payment instruments and convenience for the end-user, according to a World Bank blog.

The BB launched interoperability among the MFS providers in October 2020, but it was halted within hours of the launch. Since then, the service is yet to be restored.

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German economists cut growth outlook

AFP, *Frankfurt*

The German government's economic advisers slashed their growth forecast for 2022 on Wednesday, warning that the war in Ukraine and soaring energy prices would take a toll on Europe's biggest economy.

The German Council of Economic Experts said it now expected gross domestic product (GDP) to expand by just 1.8 per cent year-on-year, down from an earlier forecast of 4.6 per cent.

"Russia's war of aggression against Ukraine and energy prices are drastically worsening the economic outlook," they said in their latest report.

The experts, whose forecasts are closely watched by Chancellor Olaf Scholz's government, said they saw inflation reaching a decades-high peak of 6.1 per cent in 2022, as energy costs and supply chain disruptions continue to push up prices around the world.

For 2023, the panel sees inflation falling back to 3.4 per cent, while economic output should rebound by 3.6 per cent. Germany is due to unveil its March inflation data later on Wednesday.

The Ukraine conflict has derailed Germany's hopes of finally shaking off the coronavirus pandemic and roaring back to growth.

With its export-oriented industries, Germany has been particularly vulnerable to the supply chain bottlenecks and raw material shortages caused by the pandemic, and its recovery has lagged that of other major European economies like France and Italy.

"The war is putting additional strain on supply chains already strained by the coronavirus pandemic," said panel member Achim Truger.

"At the same time, the prices for natural gas and oil, which have risen sharply once again, are weighing on companies and private consumption."

Find roubles if you want Russian oil

Top lawmaker warns EU

REUTERS, *London*

Russia's top lawmaker warned the European Union on Wednesday that if it wanted Russian natural gas then it would have to pay in roubles, and cautioned that oil, grain, metals, fertiliser, coal and timber exports could also soon be priced the same way.

After the West imposed crippling sanctions on Russia in response to the invasion of Ukraine, Russian President Vladimir Putin demanded that natural gas exported to Europe or the United States should be paid for in his country's currency.

Europe, which imports about 40 per cent of its gas from Russia and pays mostly in euros, says Russia's state-controlled gas giant Gazprom is not entitled to redraw contracts. The G7 group of nations rejected Moscow's demands this week.

"European politicians need to stop the talk, stop trying to find some justification about why they cannot pay in roubles," Vyacheslav Volodin, the speaker of the lower house of parliament, said in a post on Telegram. "If you want gas, find roubles."

"Moreover, it would be right - where it is beneficial for our country - to widen the list of export products priced in roubles to include: fertiliser, grain, food oil, oil, coal, metals, timber etc."

It was not immediately clear whether such a move could become official Russian policy, though Putin, when announcing the rouble decision for natural gas, said it was only the start of the process.

Germany declared on Wednesday an "early warning" that it could be heading for a gas supply emergency and said the measure was designed to prepare for a possible disruption or stoppage of natural gas flows from Russia.

Russian President Vladimir Putin meets with State Duma Speaker Vyacheslav Volodin at the Novo-Ogaryovo state residence outside Moscow.
PHOTO: REUTERS/FILE

India cuts coal supply as inventories slump

REUTERS, *New Delhi*

India has cut coal supplies to the non-power sector and put on hold plans for some fuel auctions for utilities without supply deals due to a slump in inventories, even as the country battles a seasonal jump in demand for electricity.

The supply cuts come months after India's most crippling coal shortage in the recent years led to power cuts lasting up to 14 hours in some states and amid worries gruelling summer temperatures will exacerbate shortages.

Coal inventories at state government-owned utilities, which account for a third of all coal-fired plants, have slipped to 22 per cent of mandated quantity, the lowest this year. Inventory levels below 25 per cent are considered "critical".

State-run Coal India, which accounts for

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