



Govt initiatives there to boost farmers' profits Says top DAE official

MOSTAFA SHABUJ, BOGURA

The government continues to help paddy farmers in a variety of ways to increase their output and, by extension, their profits, said Yusuf Rana Mondal, former additional director of the Department of Agricultural Extension (DAE), Bogura region.

"This fiscal year, the government has allocated Tk 28,000 crore for fertiliser subsidies, which is four times higher than the previous fiscal's Tk 7,717 crore," said the official, who was recently promoted to director of the DAE's plant protection wing in Dhaka.

He added the government is providing financial assistance in the form of subsidies for various types of equipment and machinery, as well as for fertilisers and electricity.

"For example, the government is offering combine harvesters to farmers at half the market price. In addition, farmers have the opportunity to



purchase Muriate of Potash at a subsidised rate of Tk 15 per kg, whereas the market price is Tk 84 per kg."

Moreover, the government is also considering offering subsidies to farmers for the purchase of diesel before the next Boro season due to the escalating prices of fuel over the past few months, he said.

Asked about the high prices of seeds in the private market, Rana said, "Of the annual seed demand, farmers are able to produce up to 50 percent on their own, and the Bangladesh Agricultural Development Corporation supplies about 20 percent."

"While it's true farmers have to purchase 25 to 30 percent of their seeds from the private market, where they cost more, we do try to help the marginal farmers with some incentives."

He went on to say the government is trying its best to ensure maximum profit for paddy farmers.

"Although it is accurate to say that we do not have control over the market system, the only thing we can do now is offer farmers support to boost their agricultural output."

"In this regard, the Bangladesh Rice Research Institute is trying to develop new rice varieties, including hybrids," he also added.

Regarding farmers continuing to have a difficult time turning substantial profits even after receiving subsidies, Rana said, "The farmers are not in a particularly dire situation, but paddy alone won't help them achieve financial independence. A significant number of marginal farmers have separate jobs to supplement their income."



All, except farmers, profit from paddy farming

MOSTAFA SHABUJ AND PINAKI ROY

Paddy farmers in the northern districts have struggled to turn a profit for the past five years, as production costs have risen significantly but rice prices have not increased proportionally.

Moreover, the recent hike in fertiliser and diesel prices has made it virtually impossible for marginal farmers to make any profits, said farmers from Bogura, Joypurhat, Gaibandha, and Dinajpur.

Recently, the Department of Agricultural Extension (DAE) office, Bogura region, made estimates of the production cost of T-Aman paddy cultivated in Bogura, Joypurhat, Pabna, and Sirajganj districts.

This document shows the cost of producing paddy per bigha (33 decimal) is Tk 18,607, which results in a yield of 617 kg (or roughly 15.5 maunds). From this venture, a farmer makes Tk 19,659 (including Tk 3,000 earned

from selling paddy straws).

The data also shows that farmers spend Tk 30 to produce one kg of paddy, despite the government's current price of Tk 27 per kg.

Speaking to farmers in Bogura, Joypurhat, and Gaibandha, this correspondent found that the actual production cost was a little more in reality.

They said almost never does the cultivation process go exactly as planned, so there are always extra costs associated with the means of production.

Additionally, the costs of leasing land vary from region to region and depend on the land's capacity for yield and crop rotations, they added.

Whereas in India, the Commission for Agricultural Costs and Prices (CACP) estimates that it costs Rs 1,360 to produce one quintal (100 kg) of Aman paddy.

Furthermore, in FY23, the Government of India set the minimum support price of paddy

at Rs 2,040 per quintal, so farmers can make a profit of Tk 680 per quintal.

Meanwhile, Bangladeshi farmers are set to incur a loss of Tk 300 per quintal as per the government's current price.

Five years ago, the production costs per



bigha for Aman, Boro, and Aus were Tk 11,500, Tk 13,250, and Tk 6,485, according to the DAE.

Salim Sajjad, from Pashchim Palsha village in Dinajpur's Ghoraghat upazila, who cultivated Aman paddy on five acres this season, said, "All businesses related to paddy farming are profiting except the farmers."

Farmers in the village said when landowners cultivate paddy, they can make some profit, but 30 to 40 percent of paddy farmers there worked on leased land and were unable to profit.

Abdul Mozid, a farmer from Chokzora village in Bogura's Shahjahanpur upazila, said he now drives a CNG-run autorickshaw to support his six-member family.

"Farmers have never spent so much money on Aman cultivation as they have this season. This year, it is uncertain whether they can make a profit," he said.

Rashedul Islam, a farmer from Maltia village in Joypurhat's Kalai upazila, said, "After we harvest our crops this season, I'm afraid we have to sell all our crops in order to pay off our loans, which we took in the beginning of the season."

"As a result, I'll have to buy rice from the market to feed my family and borrow money again to cultivate potatoes," he added.

Md Nuruzzaman, deputy director of DAE, Dinajpur, said, "Paddy farming by itself does not produce a profit, so it is important for farmers to also cultivate other types of crops."

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PRODUCTION DROP IN FIVE YEARS

According to the DAE, five years ago in fiscal year 2017-18, Boro paddy was cultivated on a total of 4.59 lakh hectares of land in Pabna, Sirajganj, Bogura, and Joypurhat districts, which yielded 19.43 lakh tonnes of rice.

Five years later in FY22, the total Boro cultivation in these four districts fell to 4.54 lakh hectares and the yield to 17.54 lakh tonnes of rice.

In 2022, the Boro yield in these districts fell by about 2 lakh tonnes from the previous year's 19.49 lakh tonnes.

According to the Bangladesh Bureau of Statistics, the country's total arable land in 2015-16 was 1.14 crore hectares, which decreased by one lakh hectares in five years.

On top of that, farmers have not been seeing the availability of high-yielding (hybrid) varieties of rice in the market.

The Bangladesh Rice Research Institute (BRRI) has released 108 new varieties in the last 50 years,



of which only seven varieties were hybrids.

Speaking on the matter, Fazlul Islam, chief scientific officer of BRRI, Rajshahi region, said recent releases of hybrid rice varieties, such as BRRI-89 and BRRI-92, can produce up to 100 tonnes of rice per hectare.

Increasing production costs,

declining arable land, and the unavailability of high-yielding rice varieties have contributed to a fall in the country's rice production.

Contacted, Quazi Shahabuddin, former director of the Bangladesh Institute of Development Studies (BIDS), said rice production growth declined sharply from 0.37 per cent in 2014-15 to 0.11 per cent in 2019-20.

Only politics can bail them out

Says writer-researcher Altaf Parvez on the never-ending plight of farmers, recommends reforms of the market system

MOSTAFA SHABUJ

For years, farmers have been struggling to profit from paddy farming, and it is only politics that can help them out of this predicament.

"We can't really expect national decisions to aid farmers if they don't have a voice in parliament," said Altaf Parvez, an independent researcher and author of numerous books on Bangladesh and South Asian politics.

Even farmers' unions have become almost non-existent in political parties, which are mostly run by influential businessmen, he observed.

"Paddy farmers can't profit because they do not have control over any aspects of the rice economy, except for the labour

component," he said.

There are two major aspects of the rice economy -- firstly, the means of production, including land, seed, fertiliser, irrigation water, pesticides and labour; and secondly, the agricultural market system, which includes services required to get crops from the farm to the consumer.

"Besides, the agricultural input market and the agricultural market system are both run by syndicates that only care about making money and do not care about the farmers."

Asked why do the farmers not profit when all businesses related to rice farming do, Altaf said, "It is true that the government frequently intervenes to stabilise paddy or rice prices for the benefit of farmers, but farmers face greater hardships during



cultivation rather than during harvest."

During cultivation, farmers struggle to procure seeds, fertilisers, pesticides, irrigation water, and other agricultural inputs at reasonable prices, the government

needs to monitor the agricultural input market, he observed.

"But, sadly, there's no real reason to be hopeful about farmers' welfare because they don't have a say in any decisions that are made in the agriculture sector."

When asked about the benefits of subsidies offered to the agricultural sector, Altaf responded that the real question is whether or not the farmers are receiving them.

"There is no systematic investigation into whether or not farmers are actually receiving subsidies and, if so, how much. Because if farmers are not receiving financial support in the form of subsidies, the initiative will not only fail to benefit them but will also be a complete waste of tax money."

"For instance," he said, "despite the government's efforts to modernise the sector by offering agricultural machinery at discounted prices, farmers are not reaping the long-term benefits of these machines due to a lack of after-sales support."

The benefits of the subsidy are, however, not lost on the authorised retailers who sell those machines. In fact, the retailers are the prime beneficiaries of the subsidies, he added.

He also said when it comes to seeds, the Bangladesh Agricultural Development Corporation does not control even half of the market, so farmers must purchase seeds from the private market at a premium price.

Therefore, he said, a reform of the entire market system is required.