

With acreage and output falling, is there any prospect for wheat in Bangladesh?

SOHEL PARVEZ

Bangladesh's wheat output has fallen to a five-year low in the fiscal year 2024-25 as acreage has fallen to the lowest on record amid farmers' gradual switch to maize, potato and other high-value crops.

Farmers harvested 10.41 lakh tonnes of the grain on 2.8 lakh hectares in last winter, according to the Bangladesh Bureau of Statistics (BBS).

This was the second consecutive year of a fall in acreage of wheat, which was grown on 8.8 lakh hectares in the fiscal year 1998-99, the highest in history.

Since then, the wheat area has been falling steadily amid farmers' shift to other crops that provide higher returns, raising questions whether there is any prospect of wheat seeing its expanded coverage and higher production.

Agriculturists said multiple factors -- lower profits than maize, potato and other high-value vegetables grown in winter, lack of improved varieties, the outbreak of wheat blast in 2016 and shorter duration of winter -- are responsible for the falling interest of farmers.

"Maize has almost become a cash crop. It is occupying the land where wheat was grown in the past," said Muhammad Rezaul Kabir, senior scientific officer at the Bangladesh Wheat and Maize Research Institute (BWMRI).

Agri scientists said maize offers higher yields and profits than wheat. Farmers get 11-12 tonnes of maize per hectare, almost three times that of wheat and they get better prices due to demand for poultry, fish and livestock feed.

Areas where wheat is grown remain mainly because of the cropping pattern and weather suitability, he said.

In its Grain and Feed Update published at the end of March this year, the US Department of Agriculture said changing weather patterns are negatively affecting wheat production.

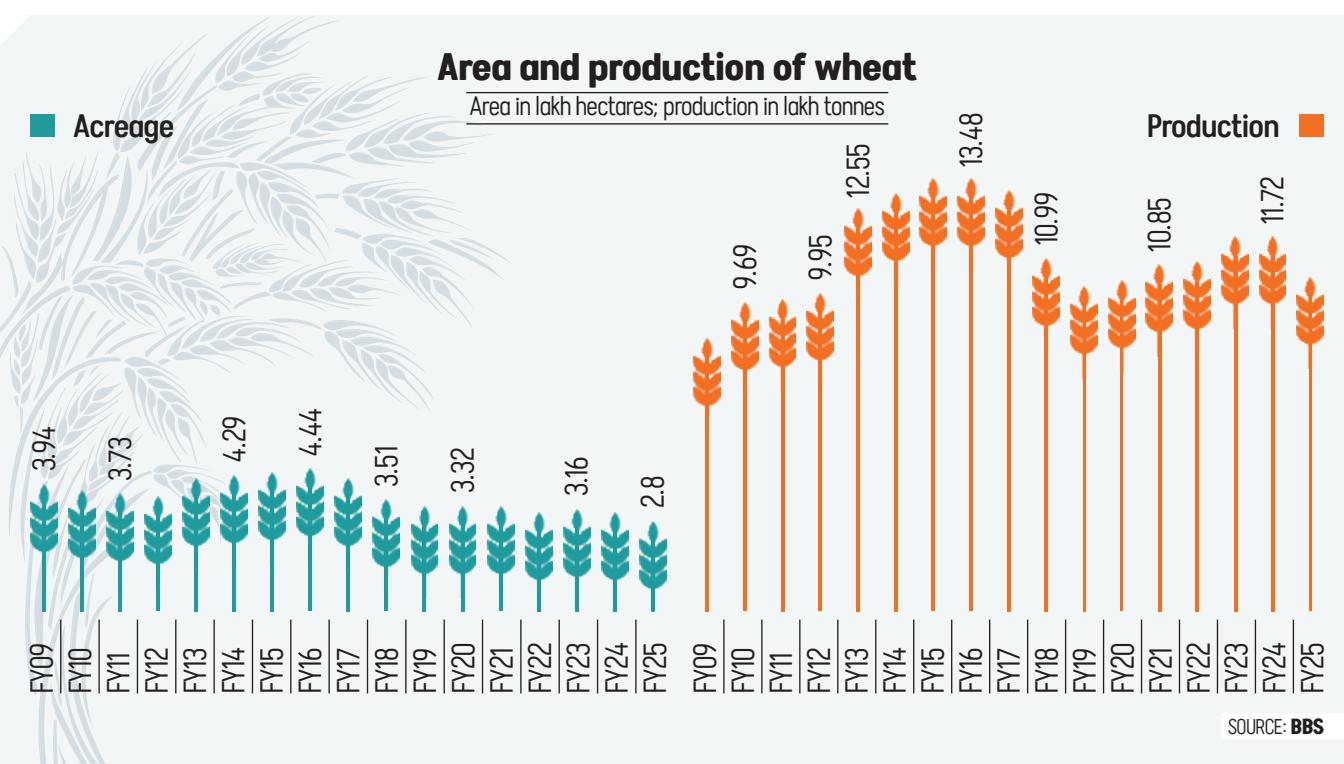
"Bangladesh is experiencing shorter winter seasons and relatively higher temperatures during the winter," it said.

AKM Aminul Islam, professor of Genetics & Plant Breeding at Gazipur Agricultural University, said the duration of winter is falling because of climate change.

"Farmers usually cultivate wheat in December, and the temperature rises during the flowering stage affecting yield. As a result, farmers get a lower return on investment," he said.

Data from the BBS showed that Bangladesh's annual average production has been 11 lakh tonnes in the last 17 years.

The USDA in its report said wheat blast disease, which reduces yields significantly,



is one reason for stagnant production.

BWMRI scientists however said the Bangladesh Agricultural Research Institute (BARI) has developed BARI Gom 33 which is blast resistant.

The variety is now cultivated on more than one-third of the area under wheat, said Kabir.

"It is a blast-resistant variety. So, farmers prefer this," he said adding that BARI Gom 32 is also grown extensively.

Hakim, also a former principal scientific officer at the BWMRI, said a modern wheat variety, BWMRI Gom 5, has higher yield potential.

"Also, we have already started working on developing hybrid wheat seeds with support from The University of Sydney. We are trying hard to bring more improved varieties with higher yield potential."

One of the main problems is uncertainty over prices and farmers' vulnerability to losses due to lower prices of imported wheat.

Bangladesh roughly requires 75 lakh tonnes of wheat for home and industrial use and most of the demand is met through imports.

Hakim said ample wheat becomes available in the international market when farmers here harvest their crop. Imported wheat creates price pressure on domestically grown grain.

"This is one reason behind farmers'

interest in maize cultivation," he said.

Is there any prospect?

Hakim believes there is a prospect for wheat.

Maize faces disease attacks in recent times. Besides, there are complaints of a decline in micronutrients in the soil because of the cultivation of maize.

He said wheat cultivation is expanding in Rajshahi, Chapainawabganj and Naogaon districts due to water scarcity in these districts.

Hakim said the BWMRI has introduced a saline tolerant wheat variety, BWMRI Gom 4, with a 5.5-tonne yield potential per hectare.

"Thousands of hectares of area remain fallow after the Aman harvest in the southern region. So, cultivation may increase there."

"We are working to make the seeds available there. If we can bring 2 lakh hectares of the southern region under wheat cultivation, overall production will rise."

"If so, our production will rise to 20 lakh tonnes," he said.

His colleague Kabir also believes this.

"Wheat has a prospect. Per unit yield is increasing because of the introduction of modern seeds and new technology," he said, citing that per hectare yield rose to 3.8 tonnes now from 2.16 tonnes by the end of the 1990s.

"We have introduced heat-tolerant varieties of wheat," he said.

To encourage farmers, he said, the government should fix the procurement price of wheat ahead of the harvesting of the grain.

"Farmers will get a fair price if the government declares a purchase price earlier," he said. "Profitable price must be ensured."

Naresh Chandra Deb Barma, former director general of BWMRI, said wheat is losing out to crop competition.

"We grew wheat on 8 lakh hectares and it means that this amount of area is suitable for the cultivation of the grain."

"During the good times of wheat, yield was low. Now, we have good varieties but acreage is falling and consumption of wheat is increasing," he said.

"What is needed is the government's patronage and policy support. Acreage and production will rise if there is government patronage. Otherwise, we will have to continue to depend heavily on imports at a time when demand is growing."

Prof Islam of Gazipur Agricultural University also thinks that there is a prospect for wheat.

"It is not possible for us to attain self-sufficiency in wheat. But if we can increase production, we will be able to save foreign currencies spent for the import of the grain."

India's Russian crude buying has to stop US adviser Navarro says

REUTERS

White House trade adviser Peter Navarro said India's purchases of Russian crude were funding Moscow's war in Ukraine and had to stop, adding that New Delhi was "now cozying up to both Russia and China."

"If India wants to be treated as a strategic partner of the US, it needs to start acting like one," Navarro wrote in an opinion piece published in the Financial Times.

India's Foreign Ministry has previously said the country is being unfairly singled out for buying Russian oil while the United States and European Union continue to purchase goods from Russia. US President Donald Trump imposed an additional 25 percent tariff on Indian goods earlier this month, citing New Delhi's continued purchases of Russian oil, taking total tariffs on imports from India to 50 percent.

"India acts as a global clearinghouse for Russian oil, converting embargoed crude into high-value exports while giving Moscow the dollars it needs," Navarro said.

The adviser also said it was risky to transfer cutting-edge US military capabilities to India as New Delhi was "now cozying up to both Russia and China."

Longtime rivals China and India are quietly and cautiously strengthening ties against the backdrop of Trump's unpredictable approach to both. Indian Prime Minister Narendra Modi is set to meet Chinese President Xi Jinping at the end of the month while Chinese Foreign Minister Wang Yi will visit India from Monday for talks on the disputed border between the two countries.

Thai experts urge innovation push to counter tariffs

ANN/THE NATION

Thai experts have called for a long-term strategy to offset the negative effects of US tariffs, saying Thailand should strengthen its competitiveness by investing more in innovation and technology while expanding its trade partners, including focusing more on China.

The United States recently announced a new "reciprocal" tariff rate for Thailand at 19 percent, which is significantly lower than the previously proposed 36 percent. The new rate is almost on par with those on several other members of the Association of Southeast Asian Nations, but lower than the levy on Vietnam.

"The reduced tariff attributed to the government's negotiation efforts is not over yet," said Wichai Kinchong Choi, a business development expert at Kasikorn Bank in Bangkok.

Dollar strengthens

REUTERS, Singapore

The dollar gained against the euro and sterling on Monday ahead of a meeting between US President Donald Trump and his Ukrainian and European counterparts, while focus also turned to the Federal Reserve's Jackson Hole symposium for policy cues.

The euro was down 0.2 percent against the dollar at \$1.1683 while the British pound slipped 0.1 percent to \$1.3546.

The paring of wagers on a rate

cut by the Fed next month helped the dollar find some support amid otherwise muted moves in foreign exchange markets on Monday.

Money markets are now pricing in an 85 percent chance the Fed will ease rates by a quarter point next month, as traders pulled back wagers on the certainty of a cut after a raft of data including a jump in US wholesale prices last month and a solid increase in July's retail sales figures.

Fed Chair Jerome Powell is due to

speak on the economic outlook and the central bank's policy framework at the Jackson Hole symposium between August 21 and 23.

MUFG expects the US central bank to cut rates in September as well, but it's unlikely that the Fed chair will give a clear signal towards that later this week, said Lee Hardman, senior currency analyst at MUFG Bank.

"It's probably too early for them (the Fed) to have complete confidence that they can cut rates again," he said.

China's half-cooked growth plan is going cold

REUTERS

China's economic planners are at a tricky crossroads. Growth is set to slow in the third quarter as President Xi Jinping's war on overcapacity takes a toll. And various efforts aimed at reinflating property prices have yet to work. While further rate cuts to prop up the rebounding stock market look likely, heading off deflation would require creating sustainable demand. That seems unlikely.

The People's Republic weathered tough headwinds in the first half of 2025 reasonably well, reporting GDP growth of 5.3 percent. Since then, a raft of key indicators has surprised on the downside. Most notably, fixed asset investment fell 5.2 percent year-on-year in July. Barring contractions during the pandemic, that's the biggest monthly decline in over 20 years. Morgan Stanley economists now expect the headline figure to slow to 4.5 percent for the July-to-September period.

Xi is trying to stamp out excessive competition and capacity while soothing tensions with trading partners. The question is whether that represents a structural shift in industrial policy, as happened with his sweeping deleveraging

campaign in the real estate sector, which has led to a protracted slump since 2020.

Beijing has rolled out a raft of stimulus policies since last year aimed at reinflating property and stock prices,

hoping to create a wealth effect that can spur confidence and consumption. The plan has only half-worked so far. While Chinese stocks have rebounded, with the benchmark Shanghai Composite Index



Employees work on an electric meter production line at a factory in Yinchuan, in northwestern China's Ningxia region. China is trying to stamp out excessive competition while soothing tensions with trading partners.

rising almost 30 percent in the past 12 months, policymakers' actions have yet to put a floor on falling home prices.

The People's Bank of China does at least have plenty of room to cut rates. In its latest quarterly report published last week, the central bank again pledged to bring about a "reasonable pace of price growth" by making good use of structural monetary policy tools. Lower interest rates may spur more savers to hunt for yield and invest in the stock market.

Granted, retail sales, which were bolstered by a goods trade-in scheme for the first half of the year, only expanded 3.7 percent in July, the slowest pace since December 2024, as the impact of those policies wears off. Consumer prices remain flat while factory gate prices have contracted for 34 months in a row. Credit demand is also flashing red: net new bank loans in July unexpectedly contracted for the first time in two decades.

Creating sustainable consumer demand can be the most effective way to absorb overcapacity and reinvigorate growth. Perhaps policymakers will put that high on the agenda as they draw up the new five-year plan starting next year. But that's a long time for a stuttering economy to wait.

Powering RMG, securing the future

MOHIUDDIN RUBEL

The ready-made garment (RMG) industry is the heartbeat of Bangladesh's economy, an engine of prosperity that drives exports, creates millions of jobs and shapes the nation's global identity. This vibrant sector thrives on precision, speed and reliability. Yet it can also be brought to a standstill in an instant by an all-too-familiar challenge: the sudden loss of power.

Such interruptions are not minor technical glitches. They disrupt operations, erode profit margins, jeopardise delivery schedules, and ultimately threaten Bangladesh's position as a dependable sourcing hub for global brands. At the core of this challenge lies an overreliance on natural gas. For years, domestic reserves sustained industry, but these are now in decline. As a result, the sector depends increasingly on imported liquefied natural gas (LNG), whose volatile global prices eat into profit margins and weaken competitiveness. The country's fragile power infrastructure compounds the problem, with frequent outages forcing factories to switch to costly, high-emission diesel generators. Beyond raising costs, this practice undermines Bangladesh's environmental reputation at a time when buyers are paying closer attention to the carbon footprint of their supply chains.

One particularly damaging barrier is the two-tiered gas tariff system, under which newer factories pay significantly higher rates than older ones. This policy penalises innovation, discourages investment and disadvantages new manufacturing clusters in emerging economic zones. The challenge is worsened further by underdeveloped LNG infrastructure, which lacks adequate storage and depends on floating terminals that are vulnerable to disruption. In many industrial zones, low gas pressure forces smaller enterprises to rely on even more expensive and polluting fuels, creating inequities in energy access.

Renewable initiatives, such as rooftop solar programmes, offer promise but remain insufficient for the RMG sector's vast power needs. At present, solar accounts for only a fraction of total demand. Large-scale renewable projects face regulatory delays, logistical constraints and inadequate integration into the national grid. For smaller enterprises, unclear policies and a lack of support mean the clean energy transition feels out of reach, leaving them locked into costly and unreliable supply arrangements.

Given these realities, energy efficiency is no longer optional; it is a business necessity. Modern, high efficiency motors, advanced machinery drives and contemporary boilers can drastically reduce consumption and costs. For example, a factory using 200,000 kWh a month at Tk 10 per kWh faces a bill of Tk 2 million. Cutting energy use by just 15 percent through efficiency measures could save Tk 300,000 a month, or Tk 3.6 million a year, funds that could be reinvested into new equipment, training or sustainability projects. In a competitive global market where environmental credentials are as important as price, efficiency strengthens both profitability and brand reputation.

However, efficiency alone will not solve the crisis. Bangladesh's RMG sector requires a coordinated energy transition strategy built on clear priorities. First, gas tariffs must be reformed to eliminate the two-tiered system, ensuring fairness and encouraging investment. Second, LNG infrastructure must be expanded with land-based terminals, dedicated storage tanks and modular distribution networks to secure a stable supply. Third, renewable adoption must be accelerated through streamlined approvals, stronger grid integration and policies that allow factories to sign direct power purchase agreements with private producers. Fourth, government incentives such as low-interest loans, tax breaks and subsidies should be paired with technical support to drive upgrades. Finally, public-private partnerships should fund large-scale renewable projects while ensuring smaller enterprises have equal access to affordable, clean power.

Energy policy cannot be separated from industrial strategy. Without reliable and affordable power, factories will struggle, jobs will be lost, and Bangladesh's ambition to become a resilient, middle-income nation will falter. The path forward is clear: building a stable, sustainable and inclusive energy future for the RMG sector is not just about reducing emissions, it is about securing livelihoods and ensuring continued growth in an increasingly competitive world.

The writer is managing director of Bangladesh Apparel Exchange