

star BUSINESS



Climate-driven heat eats up 20% of farm labour income

Says BIDS research director

STAR BUSINESS REPORT

High temperatures driven by climate change are cutting into Bangladesh's agricultural labour supply and productivity, with labour income declining by as much as 20 percent, BIDS Research Director Mohammad Yunus said yesterday citing studies.

Loss in labour productivity stands at around 11 percent, among the highest rates in South Asia, he said speaking at an event at the BIDS (Bangladesh Institute of Development Studies) Dhaka office.

He warned that such labour productivity losses could reduce farm output, raise production costs, and trigger an economic contraction of up to 3.5 percent.

Also speaking at the event, SM Shakil Akhter, secretary of the Planning Division at the Ministry of Planning, said long-standing gaps in the country's agricultural data system continue to create serious obstacles for policymaking.

He pointed to persistent discrepancies between production data from the Bangladesh Bureau of Statistics and the Department of Agricultural Extension – two agencies “working side by side for decades without effective coordination”.

“If our production figures were accurate, we would not need to import so much food,” he said.

Akhter noted that nearly 150 government projects are undertaken each year involving Tk 1,000 crore, yet few directly benefit farmers, whom he described as the core strength of Bangladesh's agriculture.

“Most projects serve the interests of project directors and officials rather than farmers,” he said.

Bangladesh, he added, does not need more projects, but fewer, better-implemented ones, alongside efforts to repay existing loans instead of increasing the tax burden on citizens.

Sadika Haque, professor of agricultural economics at Bangladesh Agricultural University, urged policymakers and researchers to consider what current practices mean for the long-term health and sustainability of the country's land resources.

Md Akhtaruzzaman Khan, professor of agricultural finance and banking at the same university, said although production appears sufficient, Bangladesh continues to import large quantities of rice, a sign of underlying data inconsistencies. **READ MORE ON B3**

Farmers count losses as Aman prices fall

Rates have dropped by Tk 100-Tk 150 per maund in two weeks as growers blame rising imports even amid peak harvesting



Farmers harvest Aman paddy in Chapainawabganj Sadar, where fields have turned into tidy grids of stalks. Despite a good harvest this season growers across the country are struggling with falling prices amid record rice imports. The photo was taken on November 27.

PHOTO: AHSANUL HAQUE NAYEM

MOSTAFA SHABUJ and SUKANTA HALDER

As the Aman paddy harvesting reaches its peak across the country, farmers are expressing frustration over falling prices, with rates dropping by Tk 100-150 per maund compared with last year.

The Daily Star correspondents from more than 13 districts found that paddy prices have declined over the past two weeks, leaving many farmers struggling to cover costs.

Traders and rice importers point to record and untimely rice imports as a key factor pushing down paddy prices.

Shakiul Islam, a farmer from Puhurampur village in Gaibandha's Gobindaganj upazila, said he cultivated Aman on about nine bighas this year. His total cost, including the leased land price, was Tk 1.68 lakh.

“I harvested 170 maunds from the nine bighas. Fifteen days ago, I sold 50 maunds at Tk 1,300 per maund. Currently, the same paddy is selling for Tk 1,180. If I sell at this price, I will incur a loss,” he added.

Abdur Rouf, a farmer at Rajash village in Bogura, said, “The price of Swarna paddy [an Aman variety] dropped from Tk 1,380 per maund last year to Tk 1,180 currently.”

He alleged that prices fall when farmers sell but rise again once the paddy reaches mill owners and traders.

Sarwar Alam, a farmer at Paschim Palsha village in Dinajpur's Ghoraghat upazila, said selling paddy at this price means a loss of Tk 2,000 to Tk 3,000 per bigha as production costs increased due to high prices of pesticides and fertilisers.

Compared to last year, production costs for one kilogram of Aman paddy increased by Tk 1 to Tk 31, equivalent to Tk 1,240 per maund, according to the Bogura DAE.

Lutfar Rahman, another Aman farmer in Joypurhat's Kalai upazila, said, “We have incurred heavy losses in potatoes this year; now we are not making any profit from paddy. How do we survive?”

Aman paddy was cultivated on more than 59 lakh hectares this fiscal year, around 3 lakh hectares higher than last year, according to the Department of Agricultural Extension (DAE).

As of November 30, nearly 56 percent of the food staple has been harvested, equivalent to 1.05 crore tonnes of rice.

By contrast, in the previous fiscal year,

Aman paddy was planted on 56.10 lakh hectares, producing 1.65 crore tonnes of rice.

In Khulna, farmer Bivash Mondol of Brittitsholua village, Gangarampur union, said this year's paddy has grown better than last year, but the price is very low.

Mikhail Hasda, from Godagari upazila in Rajshahi, said he harvested 14-16 maunds per bigha, similar to last year. “Last year, the season began with Tk 1,400-1,500 per maund, but this year it is only Tk 1,200, and now Tk 1,150. We will incur losses.”

Traders also reported similar concerns.

Md Nurul Amin, a paddy trader at Dashuria in Ishwardi upazila of Pabna, said each maund of dry, good-quality paddy sold for Tk 1,200-1,250 last week. Currently, the best quality paddy is at Tk 1,180-1,200.

The government has set a procurement target of 50,000 tonnes of Aman at Tk 34 per kilogramme. According to this estimate, per maund will fetch Tk 1,360.

Traders attribute the declining paddy prices to rising imports.

Barek Uddin, a trader in Bogura's Nandigram upazila, said, “A lot of rice is being imported, so prices are dropping.”

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Govt to buy another 2.2 lakh tonnes of US wheat

STAR BUSINESS REPORT

The food ministry will procure another 2.2 lakh tonnes of wheat from the United States under a government-to-government arrangement to strengthen public food stocks and ensure a sufficient supply for social safety net programmes, according to a decision made yesterday by the Advisers' Council on Government Purchase.

This is the third time the government will purchase wheat from the US. The food ministry earlier signed two contracts with a US agency to buy a total of 4.40 lakh tonnes of wheat, aiming to protect Bangladesh's exports to America and reduce the trade deficit, which is currently in Bangladesh's favour.

At yesterday's meeting, chaired by Finance Adviser Salehuddin Ahmed, the Directorate General of Food was given the go-ahead to buy the grain from Agrocorp International PTE Ltd, which is authorised by US Wheat Associates.

The consignment will cost Tk 842 crore, with the price fixed at \$312.25 per tonne.

Previously, the food ministry signed two contracts to purchase a total of 4.40 lakh tonnes of wheat from the US.

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EU wants Bangladesh to import more to reduce trade gap

STAR BUSINESS REPORT

European businesses and diplomats have urged Bangladesh to increase imports from the European Union (EU) to help narrow the bloc's large trade deficit with the country.

The call comes as the issue has gained fresh relevance after Bangladesh committed to reducing its trade gap with the United States under the reciprocal tariff deal.

Speaking at a joint dialogue on business climate at the Bangladesh Investment Development Authority (Bida) office in Dhaka on Monday, they also called on Bangladesh to continue strong reforms in key areas, as they want to deepen trade ties with the country.

Officials and business representatives said EU companies were pushing for a more balanced trading relationship as Bangladesh has already promised the US administration that it would buy more American goods, including soybeans, wheat, aircraft, LNG and machinery, in exchange for comparatively lower reciprocal tariffs of 20 percent.

Against this backdrop, EU missions and businesses are seeking similar commitments from Bangladesh, arguing that imports of European machinery, chemicals and other products must rise if the existing imbalance is to be addressed.

As a bloc, the EU is Bangladesh's largest merchandise export destination. Total trade in goods stood at €22.2 billion in 2024, with an EU deficit of €17.5 billion, according to European Commission data.

Garments and textiles accounted for nearly 94 percent of the EU's imports from Bangladesh that year, while the

bloc's exports to Bangladesh were led by machinery and appliances (35 percent) and chemical products (23 percent).

In services, total trade amounted to €2 billion in 2023, with the EU holding a surplus of €0.8 billion. Combined goods and services trade reached €23.9 billion in 2023.

At the dialogue, EuroCham Bangladesh Chairperson Nuria Lopez said European businesses and diplomatic missions shared a common goal of

if Bangladesh is to attract quality European investment and emerge as a competitive manufacturing hub, according to a EuroCham Bangladesh statement.

Several European envoys echoed these concerns.

Dutch Ambassador Joris van Bommel called for predictable, consistent and transparent regulation alongside a “modern image” of Bangladesh to unlock opportunities in water, agriculture and logistics.

Danish Ambassador Christian Brix Moller highlighted lessons from G2G and Public-Private Partnership (PPP) projects, stressing stronger governance safeguards, quicker resolution of regulatory delays and timely approvals.

Italian Ambassador Antonio Alessandro pointed to growth potential in sectors such as ceramics, leather and design, underscoring the importance of innovation, technology transfer and engaging small and medium enterprises.

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KEY POINTS

- EU is the largest export trade bloc for Bangladesh
- Bangladesh's total trade with EU was worth €22.2b in 2024
- Deficit €17.5b (in Bangladesh's favour)
- Bangladesh's main export items to EU: textile and garment

expanding foreign direct investment (FDI) flows and addressing the trade deficit as Bangladesh prepares to leave the least developed country (LDC) group next year.

She emphasised the need for reforms across customs, logistics, standards, regulatory enforcement and import procedures, pointing to case studies presented during the meeting.

Representatives of the EU private sector noted that regulatory predictability, transparency and digitalisation are essential

Restoring depositors' trust is top priority

Say Sammilito Islami Bank's chairman

STAR BUSINESS REPORT

The main task of the newly formed Sammilito Islami Bank will be to restore depositors' confidence, said Mohammad Ayub Miah, chairman of Sammilito Islami Bank PLC.

He made the statement yesterday while talking to journalists after meeting Ahsan H Mansur, governor of Bangladesh Bank (BB), at the central bank headquarters.

After taking charge as chairman, Ayub Miah, a former senior secretary, said that launching a Shariah-based bank under government ownership is good news for the country.

“A technical team is already working to properly establish the bank. Our main goal will be to regain depositors' trust. Sammilito Islami Bank will emerge as a symbol of confidence for the nation,” he said.

He added that the meeting focused on reviewing the bank's vision and mission, legal framework, and overall operations.

“The next steps include making the bank fully functional and legally completing the merger of the five banks,” he said.

Earlier, in a special board meeting on Sunday chaired by the BB governor, a decision was taken to merge five troubled Islamic banks—First Security Islami Bank, Global Islami Bank, Social Islami Bank, EXIM Bank, and Union Bank—into a single entity.

BB formally handed over the operating licence on Monday, and

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11 individuals, organisations honoured with Agrow Award

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Eleven individuals and organisations were recognised for their exceptional contributions to the country's agriculture and rural development at the 10th Standard Chartered-Channel i Agrow Award.

The awards, organised jointly by Standard Chartered Bangladesh and Channel i, were presented at a ceremony at the InterContinental Dhaka yesterday. Bangladesh Bank Governor Ahsan H Mansur attended as the chief guest.

This year's winners were chosen for achievements in innovation, sustainability, climate adaptation, community development, and modern agricultural practices.

Prof Abdul Halim received the Lifetime Achievement Award for his long-standing contribution to the agriculture sector.

Anwara Khan Doly was honoured as Best Female Farmer, and Akkas Ali received the Best Male Farmer award for their dedication to farming.

Abdus Salam won the Agro-entrepreneur of the Year award for his impactful role in agricultural entrepreneurship.

In the Young Agri-entrepreneur category, Parveen Akhter was named Best Young Agri-entrepreneur (female), and Abdul Gafur won Best Young Agri-entrepreneur (male).

Reaz Ahmad was recognised as Best Agriculture Journalist for his contributions to agricultural reporting.

The Best Climate-Smart Agriculture Initiative award went to the Bangladesh Resource Center for Indigenous Knowledge (BARSIK) for

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