



Potato farmers in Gobindaganj of Gaibandha sort freshly harvested potatoes, even as many remain uncertain about their finances due to delayed government cash incentives following last season's price crash. The photo was taken last week.

PHOTO: MOSTAFA SHABUJ

## Incentive fails to reach potato farmers hit by throwaway prices

No timeline set for disbursement yet

MOSTAFA SHABUJ and SUKANTA HALDER

After failing to shield potato farmers from a price crash last season, the government is now struggling to deliver cash incentives even as harvesting of this year's early varieties has already begun, raising fresh concerns about policy delays and continued neglect of growers.

The Ministry of Agriculture in early December decided to provide more than Tk 110 crore in cash incentives, in addition to the Tk 150 crore already allocated for subsidies this fiscal year, to potato farmers who incurred losses in the 2024-25 season, according to government documents seen by The Daily Star.

Ministry documents show that the government decided to cancel its earlier plan to procure 50,000 tonnes of potatoes from farmers who incurred losses and instead decided to distribute the subsidy directly among farmers. The move was framed as a measure to protect growers' interests after prices collapsed last season.

But more than a month and a half

later, farmers say they are still waiting for any financial support, despite prices remaining low and cultivation risks persisting this year as well.

The potato season lasts from October to April, with planting usually taking place between October and November, and harvesting from February to April, according to Agriculture Information Service.

Bangladesh produced a historic high of 1.15 crore tonnes of potatoes last season, while domestic demand stands at around 90 lakh tonnes, according to government estimates. The surplus pushed prices down sharply and wiped out farmers' margins.

Many farmers had to sell their produce at the field level for as low as Tk 11 per kg, well below the Department of Agricultural Extension's (DAE) estimated average production cost of Tk 14. In some northern regions, where cultivation costs are higher, production expenses reached up to Tk 20 per kg, according to DAE data.

Encouraged by high prices in earlier years, many farmers expanded cultivation, only to fall into debt when prices collapsed last season. With incentives still pending,

growers say they are now facing losses for a second consecutive year.

This season, many have grown cautious and reduced cultivation. According to DAE data, potato cultivation area decreased to 4.67 lakh hectares this season from 4.94 lakh hectares in the last season.

Sakiul Islam, a potato farmer from Gobindaganj in Gaibandha, said he cultivated potatoes on 15 bighas last year but lost about Tk 1.5 lakh despite a good harvest, due to extremely low prices.

"This year, I reduced cultivation to nine bighas, but prices are still low. We haven't received any help from the government yet," he told The Daily Star.

Rafiqul Islam, a farmer from Mokamtol in Bogura's Shibganj upazila, said he lost nearly Tk 60,000 last season cultivating potatoes on five bighas, even after storing the crop in cold storage.

"I lost my capital last year. Looking at current prices, there will be no profit this year either. If we keep losing money like this, how will we continue farming?" he said.

A senior official at the Ministry of

Agriculture, speaking on condition of anonymity, said data on potato cultivation for the current and previous seasons have already been collected. Farmers who grew potatoes in 2024 and 2025 will be identified and the information will be double-checked before finalising recommendations for incentives based on land size.

He said additional funds would be added to provide cash incentives, but acknowledged that the decision remains at an early stage. The proposal will be placed before the cabinet, and payments will be made only after funds are released and the final list of beneficiaries is approved.

Officials at the field level say the delay is already causing frustration. AKM Sadikul Islam, deputy director of the DAE in Joypurhat, said his office had submitted a list of affected farmers about a month ago but had yet to receive any allocation or official instruction.

DAE Director General Abdur Rahim said the subsidy process was underway, though no specific date had been fixed for disbursement.

## US business activity steady in January Consumer sentiment improves

REUTERS, Washington

US business activity was steady in January as an improvement in new orders was offset by a lackluster labor market and lingering concerns among firms over higher costs because of import tariffs, a survey showed on Friday.

S&P Global said its flash US Composite PMI Output Index, which tracks the manufacturing and services sectors, inched down to 52.8 this month from 52.7 in December. A reading above 50 indicates expansion in the private sector. Both services and manufacturing flash PMIs were little changed this month.

S&P Global said the composite PMI was consistent with a moderation in economic growth at the turn of the year.

The government reported on Thursday that the economy grew at a 4.4 percent annualized pace in the third quarter, driven by strong consumer and business spending on intellectual property products, likely related to artificial intelligence, as well as a smaller trade deficit.

The Atlanta Federal Reserve is forecasting gross domestic product increased at a 5.4 percent rate in the October-December quarter. The fourth-quarter GDP report, delayed by the 43-day federal government shutdown, will be published on February 20.

The S&P Global survey's measure of new orders received by businesses rose to 52.2 from 50.8 in December. But exports fell to a nine-month low, pulled down by declines in both goods and services.

## Trump sues JPMorgan, CEO for \$5b over alleged debanking

REUTERS

US President Donald Trump filed a \$5 billion lawsuit against JPMorgan Chase and its CEO Jamie Dimon on Thursday, accusing them of debanking him by closing several of his accounts to further a political agenda.

The lawsuit, filed in a Florida state court in Miami-Dade County, accused the largest US bank of violating its own policies by singling out Trump to ride the "political tide."

JPMorgan denied that it closes accounts for political or religious reasons.

"While we regret President Trump has sued us, we believe the suit has no merit," it said. "We respect the President's right to sue us and our right to defend ourselves."

Later on Thursday, Trump told reporters aboard Air Force One he had not spoken with Dimon about the lawsuit. "You're not allowed to do what they did," he said. "So wrong. I don't know what their excuse would be. Maybe their excuse would be the regulators."

Trump has also attacked other lenders including Bank of America with allegations of debanking, and recently stirred up industry opposition by demanding a 10 percent cap on credit card interest rates.

Dimon, who has run JPMorgan for two decades and is one of the most influential figures in corporate America, told the World Economic Forum on Wednesday that capping card rates would curb access to credit for many consumers and amount to an "economic disaster."

At the same time, industry executives have cheered the administration's push for deregulation, which they say could cut red tape, boost profits and spur

economic growth.

Trump accused JPMorgan of violating its principles unilaterally by shutting accounts belonging to him and his hospitality companies.

He also accused Dimon of ordering a malicious "blacklist" to warn other banks about doing business with the Trump Organization and Trump family members, as well as with Trump himself.



President Donald Trump

"Plaintiffs also suffered extensive reputational harm by being forced to reach out to other financial institutions in an effort to move their funds and accounts, making it clear that they had been debanked," Trump added.

JPMorgan said it closes accounts that create legal or regulatory risk for the company. "We regret having to do so but often rules and regulatory expectations lead us to do so," it said. World leaders in government, business, sports, and entertainment attend the America Business Forum in Miami.

Shares of JPMorgan closed up 0.5 percent on Thursday and were flat premarket on Friday.

Capital One Financial, another large bank, has sought to dismiss a similar lawsuit filed last March by several Trump plaintiffs, including the president's son Eric Trump. That lawsuit is still pending.

## Govt mapping plots to reduce arable land loss

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Factors contributing to the loss include residential and industrial construction, as well as infrastructure development, according to BBS data.

The ordinance includes specific measures to protect farmland.

According to it, tobacco cultivation is banned on lands producing three or more crops per year, and will be phased out on one and two-crop lands.

Besides, commercial housing, resorts, and industrial plants are prohibited on arable land, wetlands, or water bodies. Removal of topsoil for brick kilns or other purposes is also punishable. Permits may be granted for households, places of worship, or family graveyards on

private farmland.

The new law says using agricultural land for non-agricultural purposes without permission carries up to three years' imprisonment and fines of up to Tk 10 lakh.

"These measures are intended to curb illegal land conversion and ensure the protection of agricultural land for future generations," Ahmed said.

He added that the Central Land Allocation Committee is reviewing cases where large tracts of allocated land remain unused, while new rules under the Soil and Sand Management Act prohibit the removal of topsoil to maintain land quality.

Land and Food Adviser Ali Imam Majumder said rules to implement the ordinance are being prepared. "We hope to complete it during this government's tenure so that the next government can implement the ordinance smoothly," he said.

Agricultural economist Jahangir Alam Khan described the ordinance as a crucial step to slow the ongoing loss of farmland.

He said previous rules, issued in 2001 and 2012, were largely unenforced, allowing double and triple-cropped lands to be converted into fish ponds or used for brick kilns, which depleted soil and reduced crop yields.

Khan added that effective enforcement of fines and jail terms, combined with active monitoring by union council members and local agricultural officers, could significantly slow land conversion.

While the annual rate of farmland loss has declined from 0.96 percent in 1984-1996 to 0.22 percent in 2009-2019, he said the situation is still concerning.

"If properly enforced, the new ordinance could help secure food production and national food security by protecting valuable arable land," he said.

## Telcos get one week to submit plan

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taken and their plans to lower data package prices.

Based on these reports, BTRC will hold individual meetings with each operator to review their proposals further.

Shahed Alam, chief corporate and regulatory officer of Robi Axiata PLC, said, "Any pricing review should be based on a clear and transparent cost study to ensure decisions are evidence-based, sustainable, and support long-term sector growth."

"In the past 24 months, revenue has steadily declined, while data prices have fallen about 20%, benefiting consumers. Further cuts, if made without considering costs and investment needs, could leave operators financially vulnerable."

"Low returns make it harder to invest in network expansion, improve service quality, and adopt new technologies. Short-term or arbitrary pricing decisions could weaken the industry, reduce service quality, and even increase costs for consumers."

## Govt debt jumps 28% to Tk 7.45 lakh crore

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The BB said that in FY25, the average yields of treasury bills and treasury bonds increased during the first half, followed by a marginal moderation during the second half of the fiscal year.

The report said the net issuance of treasury bonds and bills by the government surged in FY25.

During FY25, the net issuance of treasury bonds was Tk 110,762 crore, which was 165.30 percent higher than that of the previous fiscal year. The net issuance of treasury bills grew more than four times during the period.

## China tech seen as dollar hedge

AFP, Davos

Lower valuations, government support and loose fiscal policy set against a cyclical backdrop in China is encouraging investors to rotate into technology and diversify away from the US, UBS fund managers told Reuters this week in Davos, Switzerland.

"We like China tech in particular because there's some success there. There also seems to be government support," Mark Haefele, chief investment officer of UBS Global Wealth Management told the Reuters Global Markets Forum.

Haefele said clients in the US, Europe and Asia are seeking hedges against the dollar and growing confidence in China's tech sector is encouraging them to invest more there.

China is rapidly closing the tech gap with the US, while strong market debuts by MiniMax and Zhipu AI underscore rising investor confidence as Beijing cultivates homegrown champions.

While the US still holds an advantage in computing power and infrastructure, researchers say China's progress is driven by innovation under tight budgets.

Ulrike Hoffmann-Buchardi, Americas CIO and head of global equities at UBS, sees a broader cyclical backdrop as the main driver of markets. Fiscal stimulus will lift all regions, creating opportunities in markets that are trading at more attractive valuations, she said.

"We are optimistic, but also cognizant of downside risks, in particular in those countries and areas where capital has gone; (the) US of course has been a big recipient of those inflows," Hoffmann-Buchardi added.

## Oil rises nearly 3%

REUTERS, New York

Oil prices settled at their highest in over a week on Friday after US President Donald Trump ratcheted up pressure against Iran through more sanctions on vessels that transport its oil, and announced an armada was heading towards the Middle Eastern nation.

Brent crude futures rose \$1.82, or 2.8 percent, to settle at \$65.88 a barrel, the highest since January 14. US West Texas Intermediate crude gained \$1.71, or 2.9 percent, at \$61.07, also a more than one-week high.

Both benchmarks notched weekly gains of over 2.5 percent.

Trump's statements renewed warnings to Tehran against killing protesters or restarting its nuclear program. The escalating pressure has caused concerns of oil supply disruptions in the Middle East. Kazakhstan has been struggling to resume output from one of the world's largest oilfields.

Warships, including an aircraft carrier and guided-missile destroyers, will arrive in the Middle East in coming days, a US official said. The United States conducted strikes on Iran last June.

The US on Friday also imposed sanctions on nine vessels and eight related firms involved in transporting Iranian oil and petroleum products, the US Treasury said in a statement.

At about 3.2 million barrels per day according to Opec figures, Iran is Opec's fourth-biggest crude oil producer behind Saudi Arabia, Iraq and the United Arab Emirates. It is also a major exporter to China, the world's second-largest oil consumer.