

Essay on Potato in Bangladesh

Potato exports surged 71 percent to 16,570 tonnes in the first ten months (July-April) of the current fiscal year, exceeding the total quantity of the tuber exports last year, according to the Plant Protection Wing of the Department of Agricultural Extension (DAE). The buoyancy in exports came after the government, in February, promised to double cash subsidy for potato exports to 20 percent to help farmers recover from losses caused by a slump in prices amid a bumper harvest this year. Exporters linked the rise in exports to the government assurance of raising the subsidy. The opening of export opportunities to new markets – Russia, Vietnam, and Sri Lanka – also facilitated the export boom, they added. "To bolster the exporters' confidence, the government should issue circulars immediately in line with its promise of raising cash subsidy and maintain the upbeat trend," said Md Jasim Uddin, chairman of Bangladesh Cold Storage Association.

The government of Bangladesh has planned to subsidize potato export to boost its shipment after a bumper harvest saw cold storages teeming with the new crop and farmers worrying over the major slide in prices, officials said Sunday.

The move comes after potato yield this year crossed an estimated nine million tonnes, topping the national requirement by at least two million, resulting in a precipitous fall in local prices, commerce minister Faruk Khan said.

"We are planning to support potato export so that the farmers are protected from any further price slide," Khan told the FE.

The exporters said the increased demand for the tuber for exports along with storing 35 lakh tonnes of potato at cold storages, has

helped the prices rebound. On a month-on-month basis, the prices of potatoes rose percent to Tk 9-Tk 12 a kilogram in the city markets, according to the Trading Corporation of Bangladesh. Plant Protection Wing data showed that 9,687 tonnes of potato were mainly shipped to Malaysia and Singapore in the fiscal year 2009-10. Along with these markets, this year, exports have started to such new markets as Russia, Sri Lanka, and Vietnam. SA Quader, managing director of Agri Concern Ltd, said a fall in output in Europe, especially in Russia, has accelerated the demand for potatoes from South Asian countries including India and Pakistan.

"A vacuum has been created on the global market. Russia has suffered a shortfall of 40 lakh tonnes because of drought," said Quader. The exporters are looking for new markets as farmers had a production glut through the second year. Last year, farmers bagged 81 lakh tonnes of potato. The current year's production is expected to exceed the last year's level. "We are also trying to export to South Africa," added Quader, urging the government to fulfill its promise of giving a 20 percent cash subsidy. According to the exporters, the vast exports of the tuber crop are usually done in the February-April period.