

# Agri ministry takes Tk 7,214cr project

**Will promote crop  
diversification, reduce  
import dependency**

MD ASADUZ ZAMAN

The agriculture ministry is planning to take up a Tk 7,214 crore project to promote crop diversification and ensure food safety, aiming to gradually reduce the country's dependency on imports.

The ministry plans to extend the cultivation area of non-rice cereals such as pulses, oilseeds and horticulture crops by 2 lakh hectares. Currently, the country has 88.29 lakh hectares of cultivable land.

Under the five-year project, the government will provide a "Krishak Smart Card" to each of 1.8 crore farmers so that they can get input subsidies and credit support, according to documents of the planning commission and agriculture ministry.

These two are among the project's 10 objectives. The others include improving irrigation systems, setting up new laboratories for export commodities, increasing crop research and development and using technology for evaluation.

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The ministry plans to involve several of its departments to implement the project starting July 2023 with the Department of Agricultural Extension as the lead agency.

The project, titled "Programme on Agricultural and Rural Transformation for Nutrition Entrepreneurship and Resilience in Bangladesh (PARTNER)", will be mostly funded by the World Bank and the International Fund for Agricultural Development (IFAD).

However, around Tk 1,454.65 crore will come from the government exchequer.

It will also train up 20,000 youths and women entrepreneurs and build up resilience in the agri-food value chain of Bangladesh.

"We are hopeful to build a solid foundation for the country's agriculture sector through this project to face the challenges of the graduation from the least developed country status in 2026,"

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# Agri ministry takes



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PHOTO: STAR/FILE

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said Wahida Akter, secretary to the agriculture ministry.

“Whatever we wanted to do in agriculture for so long, through this project, we want to coordinate everything,” she said.

On distributing the “Krishak Smart Card”, she said a database of farmers would be created across the country to ensure that the government benefits reach the real farmers.

However, the agriculture ministry last year had taken the same sort of programme, introducing “smart cards” for 1.09 crore farmers with an aim to provide area-based and demand-based agricultural services.

It was supposed to be used as farmers’ digital identity, which would help them get government incentives as well.

To this effect, a pilot project involving Tk 108 crore is already in the pipeline to provide digital services

to farmers in 14 agricultural zones of nine districts.

Asked why the same type of programme is being undertaken, she said they had taken up the first project as per their “digitalisation plan”.

But when they got a “more updated” proposal from the World Bank, they scrapped the first project, she said.

“From the PARTNER project, each family will get a single smart card but earlier (under the previous project) more than one family member was allowed to get the card,” she said.

“We are not running the previous project,” said Akter.

Akter also said the PARTNER programme’s cards would be very “effective” and provide additional facilities.

The previous project’s card was stipulated to cost Tk 56 but under the new project, the cards would now

cost Tk 270 to Tk 275, she said.

Under the project, the ministry also plans to increase the area being used for the cultivation of fruits and vegetables through good agricultural practices to three lakh hectares while high-yielding rice varieties to two lakh hectares.

Talking to The Daily Star, Md Shakhawat Hossain Sharif, a focal point officer of the project, said they have mainly focused on crop diversification as well as exploring export possibilities through this project.

“We want to set up modern lab facilities and accredited testing processes for agricultural commodities to ensure global standards for food exports,” he said.

The project is now under the supervision of the planning commission, and it will finally be placed at the Executive Committee of the National Economic Council for final approval, he said.



## Costly Fertiliser

# Agri subsidy set to jump by Tk 100bn

HASIBUL AMAN

The government's agricultural subsidy is set to increase by nearly 63 percent, or Tk 100 billion, to Tk 260 billion in the current fiscal year due to a surge in international fertiliser prices.

Finance ministry officials have confirmed that the agricultural subsidy will be increased in the revised budget to provide farmers with additional relief from rising fertilizer costs in the global market.

The majority of the subsidy is allocated to fertiliser expenses.

In addition, the government is considering investing more in research to boost agricultural production and ensure food security, while also increasing the prices for paddy and rice procurement campaigns, sources added.

A finance ministry report on the progress of government initiatives in the agriculture sector reveals that the agricultural subsidy was initially estimated at Tk 160 billion for the ongoing FY23, a significant increase from Tk 90 billion in FY22.

However, due to the Russia-Ukraine war's impact on global energy, food, and fertilizer prices, the subsidy is now being raised to Tk

260 billion.

Global organizations are concerned about a potential food crisis resulting from the war. World Bank President David Malpass recently expressed fears that the escalating



food crisis could lead to a humanitarian disaster.

The International Grain Council (IGC), Food and Agriculture Organization (FAO), and World Food Programme have also predicted a decline in global food stocks and a sharp increase in food prices, which could be disastrous for the world's impoverished population.

Prime Minister Sheikh Hasina has directed concerned authorities to take steps to ensure that no land is left uncultivated while providing necessary facilities to farmers.

To this end, the government has

The Prime Minister has also instructed for an increase in agriculture subsidies in the current fiscal year. In August last year, the government increased the price of Urea fertilizer by Tk 6 per kg, citing a global price hike and a need to keep the use of urea at a reasonable level.

Despite this price increase, the government still has to provide Tk 59 in subsidies for each kg of Urea, compared to Tk 15 per kg in the 2005-06 fiscal year.

To address the impacts of climate change on agriculture, the government has allocated Tk 7.03 billion to 9 institutions involved in agriculture research, with Tk 5.02 billion dedicated to research-related sectors.

The government plans to increase this allocation in the current fiscal year, according to the finance ministry report.

The government also plans to purchase 17 lakh tonnes of rice and 9 lakh tonnes of paddy from farmers at a cost of Tk 42 per kilogram of rice and Tk 28 per kilogram of paddy.

The report states that the price may be increased further to ensure a fair price for farmers.

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## Agri subsidy

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To support oilseed production and agricultural rehabilitation, Tk 5 billion has been allocated, while Tk 8.42 billion has been earmarked for the mechanization of farming practices. The government provides a 20 percent subsidy on electricity bills for irrigation pumps and offers 4 percent loans for growing 24 crops, including pulse, edible oil, spices, and maize.

The original budget for the current fiscal year has set aside Tk 336.98 billion for the agriculture, food, fishery, and livestock sector, an increase from Tk 243.45 billion the previous year.