

## **International Conference**

### **Addressing Barriers to Rice Seeds Trade between India and Bangladesh (RISTE Project)**

*22 December 2013, Dhaka, Bangladesh*

#### **Backgrounder**

##### ***Objectives***

- Review the progress made and major findings of the project so far
- Agree on steps to ensure the project progress as per the agreed Results Framework
- Facilitate productive discussions between and among major stakeholders in Bangladesh and India

##### ***Background & Context***

Seeds are increasingly commanding a centre stage in the policy making circle around the world and their relevance is further reinforced by the urgent need for increasing the food supply not only in domestic market but in the world market. South Asia has a very critical position in respect to agriculture production and supply in the world, considering all the countries in the region has agriculture-based economies and more than one-third of the world's hungry population, as per the Global Hunger Index of the International Food Policy Research Institute, are resided in this region. Therefore, increasing agriculture production is not only a tool for tackling the pertinent issue of food security but also for the livelihood security of large number of population engaged in this sector.

In Bangladesh and India, the issue of food security is directly linked to the production of rice, which is a staple food for more than half of their population. In this respect, many policy shifts in the recent past in both the countries are indicative of the fact that increasing the production of rice carries a major attention of the relevant policy-makers.

Seeds are one of the most determinant elements for increasing agriculture production. Thus, the provision of quality rice seeds of improved varieties at affordable prices to farmers, particularly marginal and small farmers as many of them are engaged in subsistence farming, is a priority in both Bangladesh and India.

However and irrespective of many efforts, there is a persistent demand and supply gap in rice seeds in Bangladesh. In 2008-09, this gap was 189,415 metric tonnes. In 2009-10, the gap decreased but still remained relatively high at a level of 180,890 metric tonnes. In India, the situation is reversed. In 2013, there is a noted surplus of 42,572 metric tonnes of rice seeds in four Eastern Indian States (viz. Bihar, Jharkhand, Odisha and West Bengal). One of the most important reasons for this is low seed replacement rate in these places, which is less than 25 per cent and lower than that in Bangladesh. However, this demand-supply scenario is to be looked at in a dynamic manner. This is because given the objectives of the Green Revolution in Eastern India, in near future there will be a huge increase in the demand for improved varieties of rice seeds, particularly HYV rice seeds, in this region.

At present, the demand and supply gap of rice seeds in Bangladesh is being partly filled by import of hybrid seeds from China. However and given the decline in the popularity of the use of hybrid rice seeds in Bangladesh, this gap can potentially be filled by export of Indian rice seeds of both hybrid and high yielding varieties. At present, there is no formal bilateral trade in rice seeds between Bangladesh and India.

It is particularly important to note that the acceptability of improved varieties of Indian rice seeds in Bangladesh is apparent from informal trade, which is happening across the border. Based on information gathered through fieldwork, it is reported that out of 48,000 hectares under rice cultivation in the Nababgunj district in Bangladesh, Indian Swarna variety accounts for nearly 70 per cent of the cultivated area. On the other hand, through informal trade, Bangladeshi BR-11 and BR-12 varieties are being used in many places in Eastern India.

Given this ‘Background’, in partnership with Dhaka-based Unnayan Shamannay and a number of local non-governmental organisations, CUTS International is implementing a project titled ‘Addressing Barriers to Rice Seeds Trade between India and Bangladesh’, supported by the Bill & Melinda Gates Foundation.

This project aims to study trade and trade-related benefits and constraints to rice seeds trade and knowledge sharing between Bangladesh and India. The validation of demand and mutual acceptance of specific varieties of rice seeds is apparent from wide-spread informal trade in both sides of the border.

The moot question is about understanding trade and trade-related regulatory issues, which are currently hindering formal trade in improved varieties of rice seeds between Bangladesh and India – mainly non-tariff barriers due to seed regulatory regimes in Bangladesh and India but there are some tariff-related issues as well. A related question is how a formal and institutional process of bilateral knowledge sharing about the development and use of improved varieties of rice seeds varieties in both the countries can create an enabling environment for this formal trade to happen which will result in a win-win situation.

Given this ‘Background & Context’, this Stakeholders’ Conference will deliberate on the project’s findings including its Future Activities, Advocacy Strategy and Media Outreach Strategy in the light of the following overall Goal and Objectives of the project:

**Goal:** To develop an enabling environment to promote seeds trade and knowledge-sharing on HYV rice seeds between India and Bangladesh

### **Objectives**

- Understanding of factors that drive demand and flow (production, marketing and use) of improved varieties of rice seeds, particularly HYV rice seeds, in Eastern Indian States and Bangladesh to identify varieties with bilateral trade potential
- Understanding of systemic enabling factors and challenges (institutions, laws, policies, regulations and practices) to bilateral knowledge-sharing and trade of seeds between India and Bangladesh, particularly HYV rice seeds
- Influence changes to policies and practices to facilitate formalisation and expansion of bilateral trade and knowledge-sharing on improved varieties of rice seeds, particularly HYV rice seeds, between Bangladesh and India