



## The 8<sup>th</sup> Asian Society of Agricultural Economists' Conference

*Parallel Session on*

### **Challenges and Opportunities to Trade in Rice Seeds between India and Bangladesh**

BRAC Centre for Development Management, Savar, Dhaka

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**Organizers:** CUTS International, India and Unnayan Shamannay, Bangladesh

**Moderator:** Sushil Pandey, Independent Researcher (former Sr. Scientist, International Rice Research Institute) and Advisor, CUTS RISTE Project

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

Agriculture policies in many developing countries especially in South Asia tend to prioritize self-sufficiency in agricultural production out of an overwhelming desire to reduce dependency on external markets for agricultural products. Cross-border trade in agriculture is often wrongly perceived as in direct conflict with conventional domestic agriculture policies. This needs to be reviewed as there can be substantial gains in production through sectorial specialization, trade in outputs and cheaper sourcing of agriculture inputs from international, especially regional markets.

In South Asia region, India and Bangladesh are two countries with advantages of geographical proximity and complementarities in agro-climatic conditions and diversity in agricultural production. The two countries can gain immensely by cooperating with each other in several areas, particularly in agriculture. It is expected that a mix of regional agricultural trade policies and domestic agricultural policies in right proportion can be beneficial for efficiency and sustainability of agriculture in both the countries.

Trade in rice seeds between India and Bangladesh can potentially play an important role given the similarity in agro-ecological conditions in eastern part of India and Bangladesh. Bangladesh imports seeds of hybrid rice from China and some limited quantities of such seeds from India.

Presently, informal trade in seeds of inbred rice is taking place in the border areas while formal trade is almost non-existent despite the absence of policies that prohibit or control such formal trade. However, Bangladesh formally imports seeds of jute and a number of horticultural crops from India. The existence of informal trade in rice seeds clearly indicates the implicit demand which can be met more efficiently through formal trade. Hence, it is important to understand what specific factors are limiting formal trade in rice seeds between the two countries.

Given this 'Background & Context', in partnership with Dhaka-based Unnayan Shamannay and with the support of the Bill & Melinda Gates Foundation, CUTS International, India is organizing this parallel session to stimulate a debate on *Challenges and Opportunities to Trade in Rice Seeds between India and Bangladesh*.

#### **1. Trade in seeds of inbred rice varieties between India and Bangladesh: why has it remained informal?** (Bipul Chatterjee, Deputy Executive Director, CUTS International, India)

Ensuring availability and accessibility of inbred rice seeds is critical for sustainable rice production. This can be achieved through either local production or through trade (import) or an

ideal mix of the two. In India and Bangladesh, it is observed that while there are several issues that adversely impact availability and accessibility to rice seeds, there is hardly any initiative at the government level to address the issue through trade. In such a scenario, farmers to a large extent rely on self-saved seeds. Another offshoot of such a scenario is farmers' greater reliance on variety rice seeds available in the neighboring countries, made accessible through contacts and relatives across the border. This is exactly what is happening in case of India and Bangladesh, particularly in the border areas and it is termed as informal trade.

Addressing the issue – ensuring adequate availability and accessibility of rice seeds – calls for initiatives to formalize trade in rice seeds. It is expected that such an initiative can boost up availability and accessibility to quality rice seeds to farmers at right time and at affordable price for both countries. This presentation includes an assessment of the potential for such trade and policy responses that will promote trade in rice seeds.

**2. Harmonization of varietal release/ testing procedures in India and Bangladesh** (Uma Shankar Singh, Project Coordinator, STRASA, International Rice Research Institute, India Office, New Delhi)

Lack of official acceptance of seeds produced across the border seems to be a serious issue that hinders farmers' prospects of accessing quality seeds at the right time and at affordable prices. One initiative that can facilitate trade is harmonization of seed acts, policies, regulations and seed certification systems. This presentation highlights major benefits of such harmonization based on international experiences. It also seeks to highlight lessons learnt from experiences of other countries that may be of relevance for promoting the trade in rice seeds between the two countries.

**3. Rice seed chain in India: does exportable surplus of rice seeds exist?** (Debdutt Behura, Orissa University of Agriculture and Technology, India)

Rice seeds are produced by a number of public and private sector agencies in India. The seed chain links various players involved in the production of breeder seeds, foundation seeds, certified seeds and other types of seeds that are ultimately used by farmers. This presentation highlights some key factors that determine the efficiency of rice seed chain and may constrain the production of exportable surplus of seeds.

**4. Intellectual property rights on rice seeds in Bangladesh and India** (A.K. Enamul Haque, East West University, Dhaka, Mahfuz Kabir, Senior Research Fellow, Bangladesh Institute for International and Strategic Studies, Bangladesh)

The IPR and related issue seem to be one of the important reasons which hinder formal trade in rice seeds between the two countries. Newly released rice seed varieties are usually subject to patent, royalty, copy rights, and therefore import or export of seeds might not be readily acceptable solution. There is a need for both the governments to have an appropriate framework which, while protecting the interests of the developers, facilitates cooperation between the two countries. Fortunately for the farmers, the governments in the two countries have started discussions on how to promote cooperation in varietal development, recognition of varieties, seed exchange. This presentation seeks to stimulate a discussion on creating a framework of cooperation with regard to IPR that could help both the countries to be more open for trade in rice seeds.