

Rice Seeds Trade between India and Bangladesh

Background & Rationale

Bilateral cooperation on cross-border exchanges of rice seeds will not only open up a huge opportunity for both India and Bangladesh but can also act as a catalyst for greater cooperation in other important areas of agriculture development. This is because of their similarities in agro-climatic conditions and challenges in agricultural development, which are getting aggravated as a result of climate change and other factors.

In value terms, there is a big opportunity for India. In 2012, the value of Bangladesh's rice seeds market was estimated at US\$261mn.

The size of this potential market is reflected in their demand for rice seeds. While in India it is estimated at more than three million tonnes, in Bangladesh it is about 0.3 million

tonnes. Increased cooperation will result in economies of scale in the production and distribution of rice seeds and help millions of farmers to have more access to better quality seeds at a cheaper price.

In value terms, there is a big opportunity for India. In 2012, the value of Bangladesh's rice seeds market was estimated at US\$261mn. Of this, while high-yielding varieties (HYVs) accounts for about 64 per cent of the market, the rest by hybrid seeds. Incidentally, Bangladesh does not allow import of HYVs of rice seeds but that is where the demand is increasing.

Currently, there is no systematic attempt to explore this market. On the one hand, India does export rice seeds including HYVs but not to Bangladesh. On the other hand, while local supply of quality rice seeds in Bangladesh by both state

and private agencies constitutes just about one-fourth of its total rice seeds requirements, there is a huge gap between demand and supply.

Goal & Objectives

Given this background, CUTS International is implementing a project entitled "Addressing Barriers to Rice Seeds Trade between India and Bangladesh" (in short, RISTE Project). Its duration is 21 months – January 2013 to September 2014.

The Goal of the project is "To develop an enabling environment to promote seeds trade and knowledge-sharing on HYV rice seeds between India and Bangladesh". Its Objectives are as follows:

- Understanding of factors that drive demand and flow (production, marketing and use) of 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 on HYV rice seeds
- Influencing changes to policies and practices to facilitate formalisation and expansion of bilateral trade and knowledge-sharing on HYV rice seeds between Bangladesh and India

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

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Activities & Outputs

Besides Bangladesh, the project will be implemented in four states in Eastern India, viz. Bihar, Jharkhand, Orissa and West Bengal.

Project partners are as follows:

- Unnayan Shamannay, Bangladesh
- Bihar Water Development Society, Bihar
- Indian Grameen Services, Jharkhand
- Samrudhi, Orissa
- MUKTI, West Bengal

A recommendatory paper on demand scenarios and potential trade between India and Bangladesh in HYV rice seeds

Through interactive manner and with mutual feedback from key stakeholders there will be desk research and field research on:

- Factors driving the demand and flow

(production, marketing and use) of HYV rice seeds in respective states

- Factors driving other seeds trade between India and Bangladesh including regulatory/policy lessons from India's rice seeds exports and Bangladesh's import of hybrid rice seeds and in selected "border haats" to understand informal trade in rice seeds between India and Bangladesh
- Current status of systemic enabling factors and challenges (institutions, policies, regulations and practices) in regard to bilateral knowledge-sharing and HYV rice seeds trade between India and Bangladesh

Among others, there will be a recommendatory paper on demand scenarios and potential trade between India and Bangladesh in HYV rice seeds and a consolidated report on systemic enabling factors and challenges (institutions, laws, policies, regulations and practices) to bilateral knowledge-sharing and HYV rice seeds trade between India and Bangladesh.

Expected Outcomes

The following is a set of important and relevant stakeholders who will be targeted for policy advocacy and practice changes:

- Relevant government officials from agriculture and trade ministries
- National Seed Associations
- India-Bangladesh Chambers of Commerce & Industry
- Seed traders including potential exporters and importers
- Agriculture research institutions/universities
- Policy advocacy groups
- Media

CUTS and its project partners will prepare an advocacy and a media outreach strategy for policy and practice changes on bilateral knowledge-sharing and HYV rice seeds trade between India and Bangladesh so as to achieve the following

Outcomes:

- Consensus among major stakeholder groups on demand scenarios and bilateral trade potential between Bangladesh and India for HYV rice seeds
- Buy-in from a set of policy champions from among key stakeholder groups to promote bilateral trade between India and Bangladesh in HYV rice seeds
- Inclusion of rice seeds trade in the agenda of the India-Bangladesh joint task force on bilateral trade
- Evidence of progress on joint rice seeds research agenda between Indian and Bangladeshi research agriculture research institutions/universities
- Dialogues initiated between trade ministries and standard-setting bodies of India and Bangladesh on mutual recognition of certification methods and standards of HYV rice seeds
- Enabling private sector participation in bilateral HYV rice seeds trade

An advocacy and a media outreach strategy for policy and practice changes on bilateral knowledge-sharing and HYV rice seeds trade between India and Bangladesh