

Bangladesh: Economically sustainable alternatives to tobacco growing (in relation to Articles 17 and 18 of the FCTC)

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Bangladesh has a dual problem of tobacco

High consumption:

- 41.3 million people use tobacco in any form
 - 43% of adult population: smoking 23% and smokeless 27%.
- 66,000 m sticks of Cigarettes produced a year.



Large scale production:

- Bangladesh ranks 20th among the tobacco-producing nations
- 74000 hectare land is used for tobacco cultivation and 98000MT tobacco produced a year.
- Prices of tobacco among the cheapest in the world.



History of Tobacco Cultivation in Bangladesh

- Tobacco is not indigenous crops to Bangladesh
- Cultivation introduced in mid sixties in 18th century
- Widely cultivated after 1971 by BAT
- Three varieties of tobacco grows :
 1. Virginia
 2. Jati
 - & 3. Motihari
- BAT first started growing Virginia tobacco in 1971 on experimental basis
- In 1976 starts commercially
- Now Virginia is the most popular variety grown here.

Tobacco cultivation: Bangladesh perspective

- Bangladesh is predominantly an agricultural country.
- More than 70% of its population dependent on farming as a livelihood.
 - Mostly are small farmers those who have less than 2.5 acres of land
- About 100,000 tobacco cultivators across the country
 - 25,000 are associated with BAT



Tobacco Cultivation: BD

- Tobacco cultivation posing threats to the public health
 - Cultivation and processing related diseases:
 - Anecdotal evidences available, but scientific research going on
 - Environmental threats
 - Huge deforestation (30% of total deforestation)
 - At least 60 to 70 thousand metric tones of firewood burnt in 2,000 tobacco processing kilns every year, causing depletion of reserve and natural forests, threatening environment and ecology.
- Negative impact on the soil fertility
 - Once tobacco is cultivated, difficult to grow other crops on the same land.
 - Posing long term threat to food security of the country.

Myth of profitability

- Guaranteed market (for registered growers)
- Receipt of full amount of loan in advance
- Support package includes technical assistance, fertilizer, pesticides, free seeds etc.



The illusion of profitability

- Tobacco growing is highly profitable—for the industry
- For farmers, much of the profit disappears when labor is taken into account
 - High labor costs
 - Opportunity costs when family labor utilized, including children not attending school



Cash crop for the Industry not farmers : Evidence of Rangpur

- Farmers of Rangpur, a northern district in Bangladesh, has been cultivating tobacco for more than 100 years. But tobacco could not change their economic condition. Still Rangpur is the poorest area in Bangladesh. The land has lost its fertility. Farmers are not interested to cultivate tobacco. As a result tobacco industries are shifting to Chittagong Hill Tracts, in the southeast part of Bangladesh.

Why farmers don't switch to other crops

- Difficult to obtain inputs for other crops
- Marketing problem of other crops
- Easily perishable nature of other crops in many cases
- Difficult to get loans for other crops



Why farmers don't switch to other crops

- Poor knowledge of alternatives
 - Lack of technical support
- Promotion by tobacco industry – loan at doorstep.



Bangladesh initiative in response to FCTC article 17 & 18

- Tobacco control law 2005

Sec.12 : Banks will provide soft loan to the farmer for alternative crops instead of tobacco.

- Accordingly Central Bank has instructed all the scheduled bank to provide easy loan to the farmer and also not to sanction loan for tobacco cultivation.
- Promoting the farmers to switch to alternative crops through established govt. mechanism :
 - District taskforce committee
 - Sub-District taskforce committee

[Chairman of the above committee are also the Chairman of 'Agriculture Loan Distribution' Committee]
- Govt. will make policy to regulate tobacco cultivation that will be reflected in the upcoming amended law.

Bangladesh initiative in response to FCTC article 17 & 18...Contd.

- Department of Agriculture has dropped tobacco from their 'cash crop' list.
- Crop Diversification
 - Northwest Crop Diversification Project (2002-2009)
 - Northwest region; 16 districts; 61 upazilas
 - Crop zoning and better utilization of land
 - Marketing of agricultural products.
 - Second Crop Diversification Project 2010-2016)
 - Southwest and Northwest region
 - 27 districts; 52 upazilas
 - HVC production support; value addition support; credit support etc.

Bangladesh initiative in response to FCTC article 17 & 18 ...cont.

- Ministry of Industry stopped to supply fertilizer to BAT on subsidy.
- Capacity building of the Govt. officials and NGOs at different level to motivate for shifting out of tobacco cultivation.
- Established a National Tobacco Control Cell (NTCC) for overall coordination (www.ntcc.gov.bd).

THANKS

