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CROSS-BORDER TRADE AND COMMODITY PRICES OF PRINCIPAL FOOD ITEMS

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Dhaka: 27th January 1994 MAHFOOZUR RAHMAN

EXECUTIVE SUMMARY

1. **Introduction**: Informal cross-border trade is practised where there are enough incentives and economic rewards for these activities. Cross-border trade in food-items with India is a fact of life in Bangladesh, though the nature and magnitude of it is practically unknown. An understanding of this trade is of great importance in food and agricultural policies of Bangladesh. The Indian food item prices may well be factors for consideration in such policy formulations as determination of procurement price, assessment of national grain balance and imposition of import tariff. Any macro-modelling may be incomplete without allowing for the quantities traded.

2. **Objectives:** The objectives of the exercise was to monitor cross-border prices and also to obtain a general sense of the nature and magnitude of the cross-border trade. It was also a field test of the data collected by the border belt OC, LSDS. This exercise was planned as a part of the ongoing process of regular monitoring, and processing of such data by the use of an appropriate statistical software.

3. **Methodology**: Owing to the secretive nature of the work, both regular questionnaire type data collection and informal interviews were used. Uniformity in trends from a multitude of locations widely dispresed over the borders of Bangladesh, confirmed the efficacy and accuracy of the method and quality of the data. Even in such subjective question as to the effects of illegal trade, clear patterns were discernable after analysis of data.

4. **Findings and Observations**: Major findings of the survey were: (a) Informal exchange rate of Tk. has appreciated against IRS (b) There is little incentive, and reportage of illegal trade in cereal grains during the months under survey (Nov, Dec '93 & Jan '94) (c) Large scale trade in salt, sugar and on a minor scale in vegetable oils are taking place owing to huge price disparities (d) Though out of purview of this survey, trade in fertilizers, pesticides, machine parts, cattle and turtles are common and widespread.

5. **Conclusion**: Cross-border trade is a fact of life in the border belts of Bangladesh. Both quantities and direction of this trade vary widely over location and season. However, three major indicators are noticeable: (a) Informal Exchange Rate (b) Price disparity in the commodity (c) Traditional and historic trade routes and market-structure. With regular reporting, and subsequent data analysis, clear signals may be generated at a central location. Such indications should be important policy formulation input in such diverse matters as determination of government procurement price of paddy and rice, and imposition of import tariff on vegetable oil, fertilizers and machinery parts.

6. **Recommendations**: Regular collection of accurate data and a method of verification are pre-requisite to a viable system of analyses. Frequency of field investigation is to be determined by the urgency of the situation. Fast and accurate processing of collected data into digestible formats should be a priority. An appropriate system of data collection and processing should be evolved. Such processed data may now be utilized as an important input in the government policy formulations.

7. **Forecasts**: From the general sense out of the exercise, a few short-term forecasts are: (a) In the lean period of April-May, it is likely that incentives for illegal importation of cereal grain will be high (b) Sugar price disparity will enhance in the short-run, exacerbating illegal importation of sugar (c) Salt prices are expected to fall in Bangladesh reducing incentives for illegal importation (d) Incentives in vegetable oil illegal export will continue unless there is a change in import tariff structure of crude oil.

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CROSS-BORDER TRADE AND COMMODITY PRICES OF PRINCIPAL FOOD ITEMS

1. **Introduction:** Informal cross border trade implies uses of unauthorized channels of importation and exportation. It is expected to be practiced in a situation where the methods of law enforcements are lax, frontiers are many and long, and the rewards from this activity are high as compared to the legitimate trade and other economic activities. Among many methods of this trade, which uses all channels of legitimate trade, ie maritime, land and air routes, the border trade by land route is of utmost interest as far as the food items are concerned.

Still 1 - The Last Station: Biral, Dinajpur

It is common knowledge that the informal cross-border trade between Bangladesh and neighbouring India is both large and wide-spread, though the value and quantum of this trade is little known. Over the recent months, the informal exchange rate of Bangladesh currency has improved considerably vis-a-vis Indian Rupees, favouring an active cross-border trade pattern. Secondary information like import of crude soyabean oil far exceeding the countrie's total theoretical requirement, government procurement of large quantities of rice in 90-91 in the border belts of deficit zones of Khulna/ Satkhira region, capture of large number of Indian cattle by BDR etc, indicate large and active informal cross-border trade in major food items.

The nature and magnitude of this trade is of vital interest in Bangladesh's food and agricultural policies. The national food balance is incomplete without it. Large quantities of "disappearance" and "re-appearance" of agricultural commodities have always confounded the planners. Therefore, it was planned to investigate the informal cross-border trade by a joint IFPRI-FPMU collaborative effort under the current BFPP work plan.

2. **Objectives:** Under this background, the objectives of the price and trade monitoring exercises were:-

a. To understand the nature of food-commodity price structure in the border belt, including the seasonal price movements.

b. To monitor Indian food-commodity prices

c. To monitor informal exchange-rates

d. To estimate the direction and magnitude of cross-border trade in various food-commodities.

e. To establish a procedure to monitor and report to the MOF these vital information on a regular basis by:

   i) A standard questionnaire method

   ii) Training and controlling key informants (OC, LSDS) in the border belt to make regular reports.

   iii) Developing a computer databank in an appropriate software system so that these information are presented quickly and accurately in a standard format/formats.

f. Such processed data should ultimately lead to policy-formulation inputs, specially in such matters as fixation of procurement price and national food balance.

Still 2 - A small Rice Mill in the Border Belt: Bhajanpur, Thakurgaon

3. **Research Methodology:** There are numerous theoretical methods to detect illegal trade. Key indicators are several kinds of disparities between the countries to generate sufficient incentives for illegal trade. Experts suggest the following major indicators:

(a) Value of various domestic prices
(b) Neighboring country prices
(c) Exchange rates
(d) Legal versus illegal commodity price disparities

Added to these text-book indicators are:

(a) Physical nature of the border including infrastructure to establish ease or otherwise of movement of goods.
(b) Availability of developed markets in the border belt.

(c) Communication between border belt and large internal markets.

(d) Border security status.

(e) Bulk, and ease of transportation of the commodities themselves.

For the purpose of the MOF, the most important indicator, however, is the relative prices, corrected by the prevailing informal exchange rate. Because of the anticipated difficulties, questionnaire method and reconnaissance type of field work were both combined for data collection. (See appendix "B" PF' 2: Method)

For the purpose of the survey, the border belt was divided into four major segments ie South Western, North Western, North and South Eastern. It was expected that major activities will take place in these areas of Jessore/ Kushtia, Comilla, Rajshahi/Bogra and Dinajpur/Rangpur. From the list of border districts, 13 were selected. From these 21 thanas were sampled. The key locations were LSDS located nearest to the border, none of which was more than 13 km away from the nearest border, the average being 3.11 km. The key informants were OC, LSDS and the labours employed in the LSDS. Beside the LSDS, local haats and market places were also investigated. In all, 144 formal interviews were conducted by the investigating teams (Appendix A) who conducted the survey between 15th to 31st Dec. 1993. (Map-1). In addition to these, hundreds of informal interviews and discussions were held with the people residing in the border areas. In all eight different types of occupation of these people were classified (Table -3, Appendix - B).

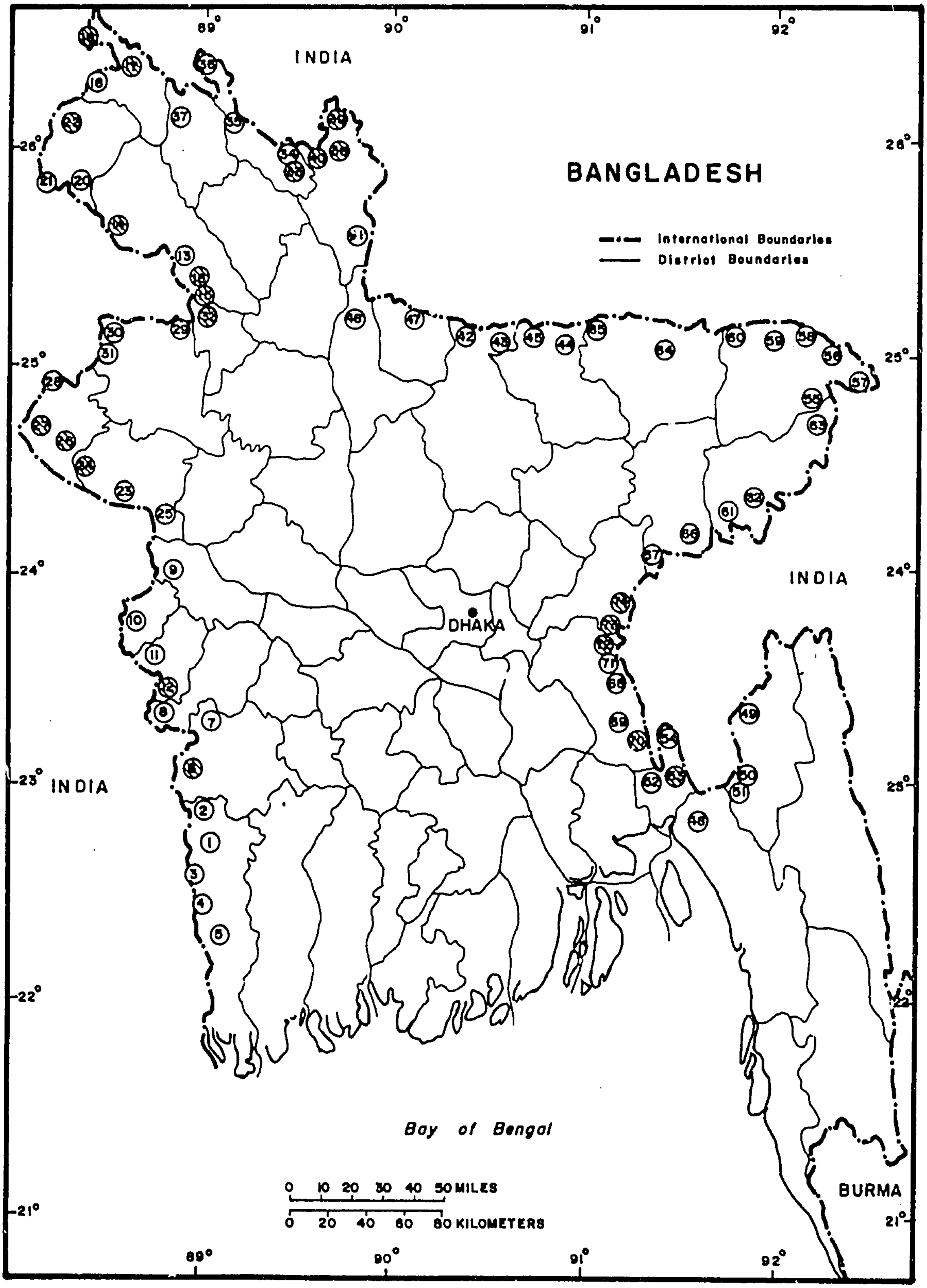
The results, as elaborated, indicated that the expectations of extensive border trade were not unfounded. Cut of the total survey population, over 50% respondants reported moderate, 43% high and 5.6% very high cross-border trade activities. Less than 1% locations reported no cross-border trade. (Figure - 13)

The field investigation plan is attached as Appendix "B"

4. Preliminary Results and Findings

(a) Data collected by questionnaire and interview method covering the sample of 21 thanas were fairly representative. Eight different occupational classifications were identified (Table - 3) and covered by 144 field questionnaires and hundreds of

BORDER BELT THANAS & ADJOINING AREAS

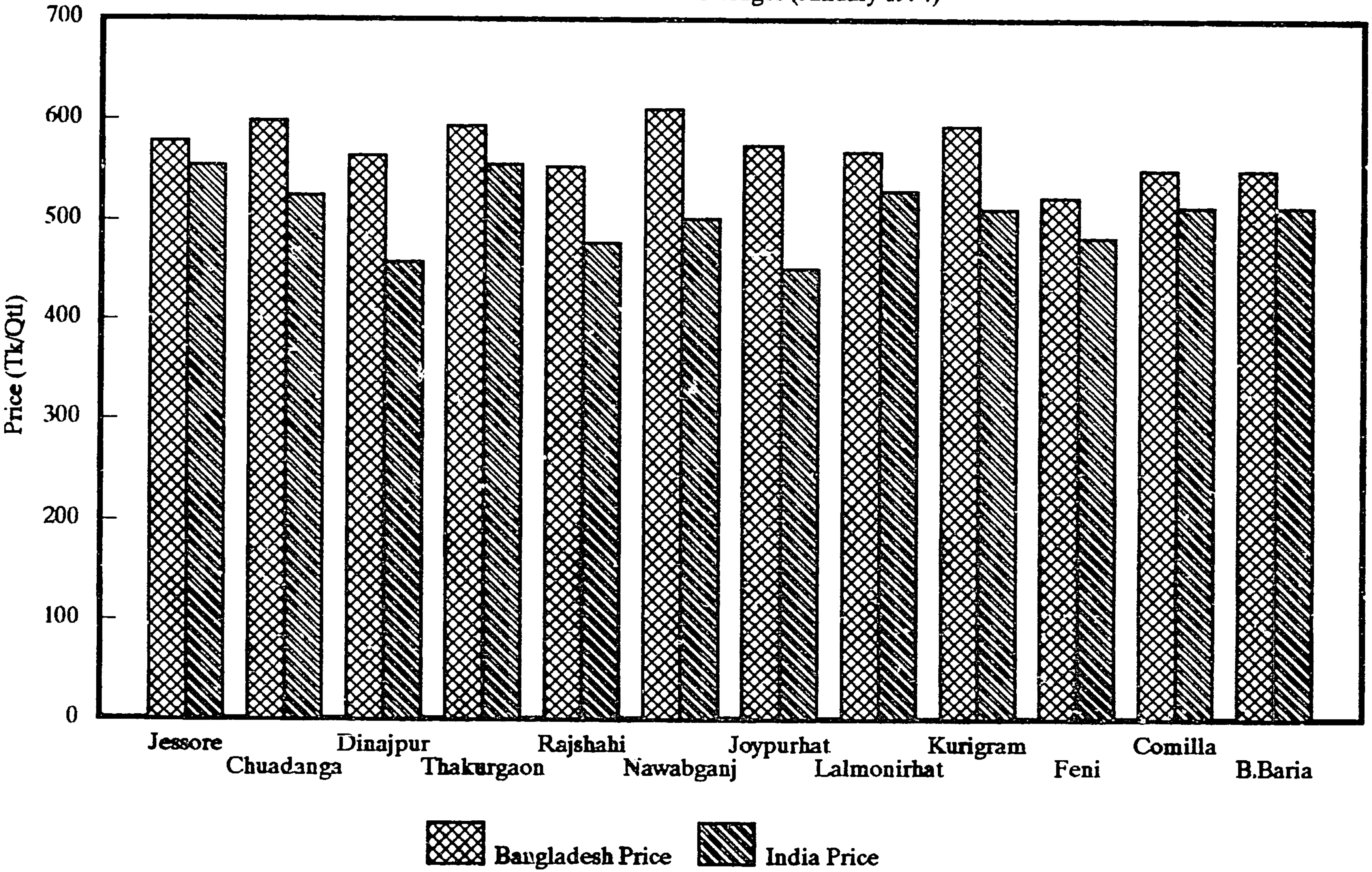


○ Border Thanas where questionnaires were sent.

⊘ Border Thanas and adjoining areas visited by IFPRI-FPMU survey teams.

Figure 1 – Comparison of Paddy Prices in Border Belts

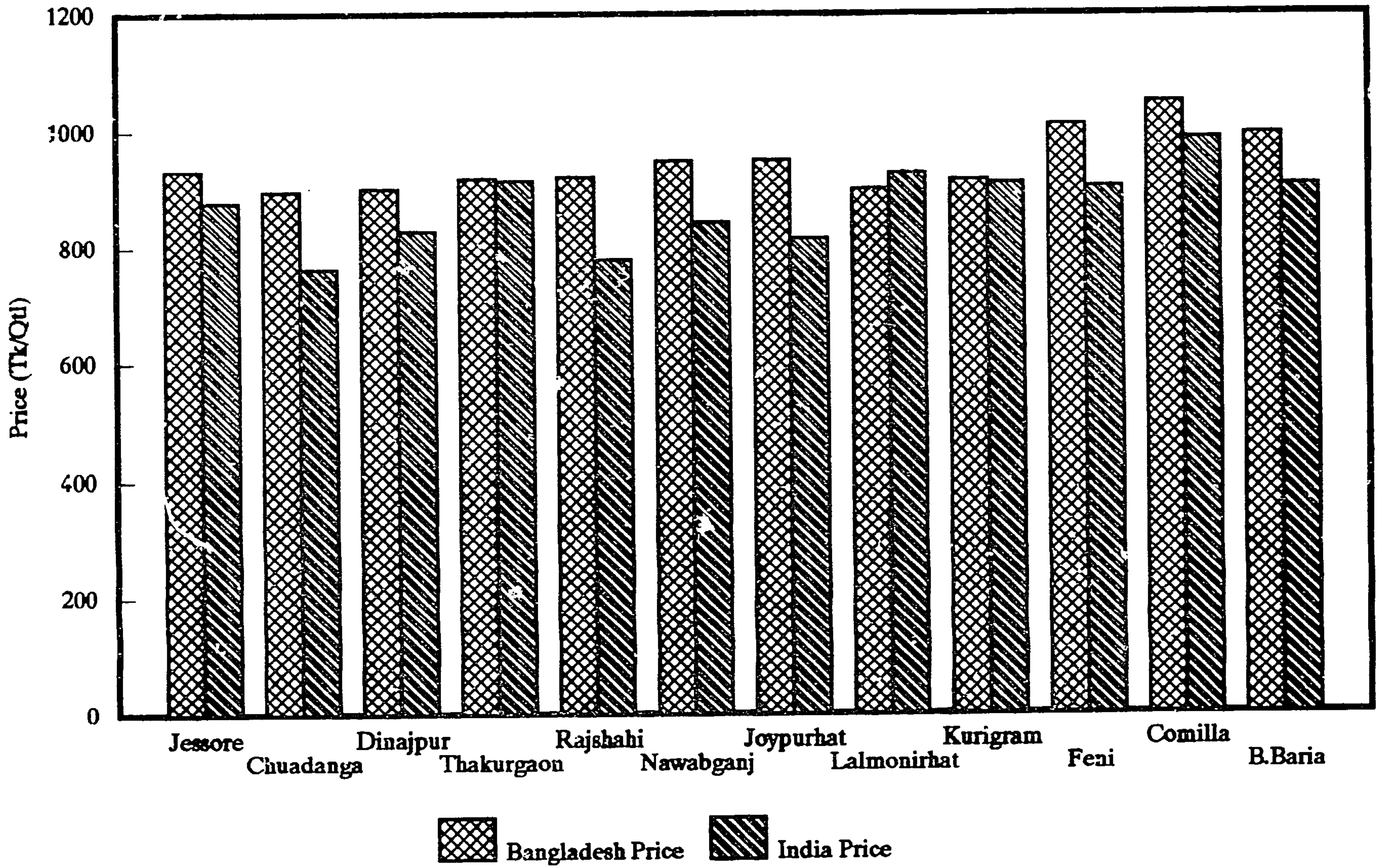
Border District Averages (January 1994)



Note : Prices in India Rupees Converted to Bangladesh Taka at Local Unofficial Exchange Rates
Source : IFPRI–FPMU Field Survey 1993/94

Figure 2—Comparison of Rice Prices in Border Belts

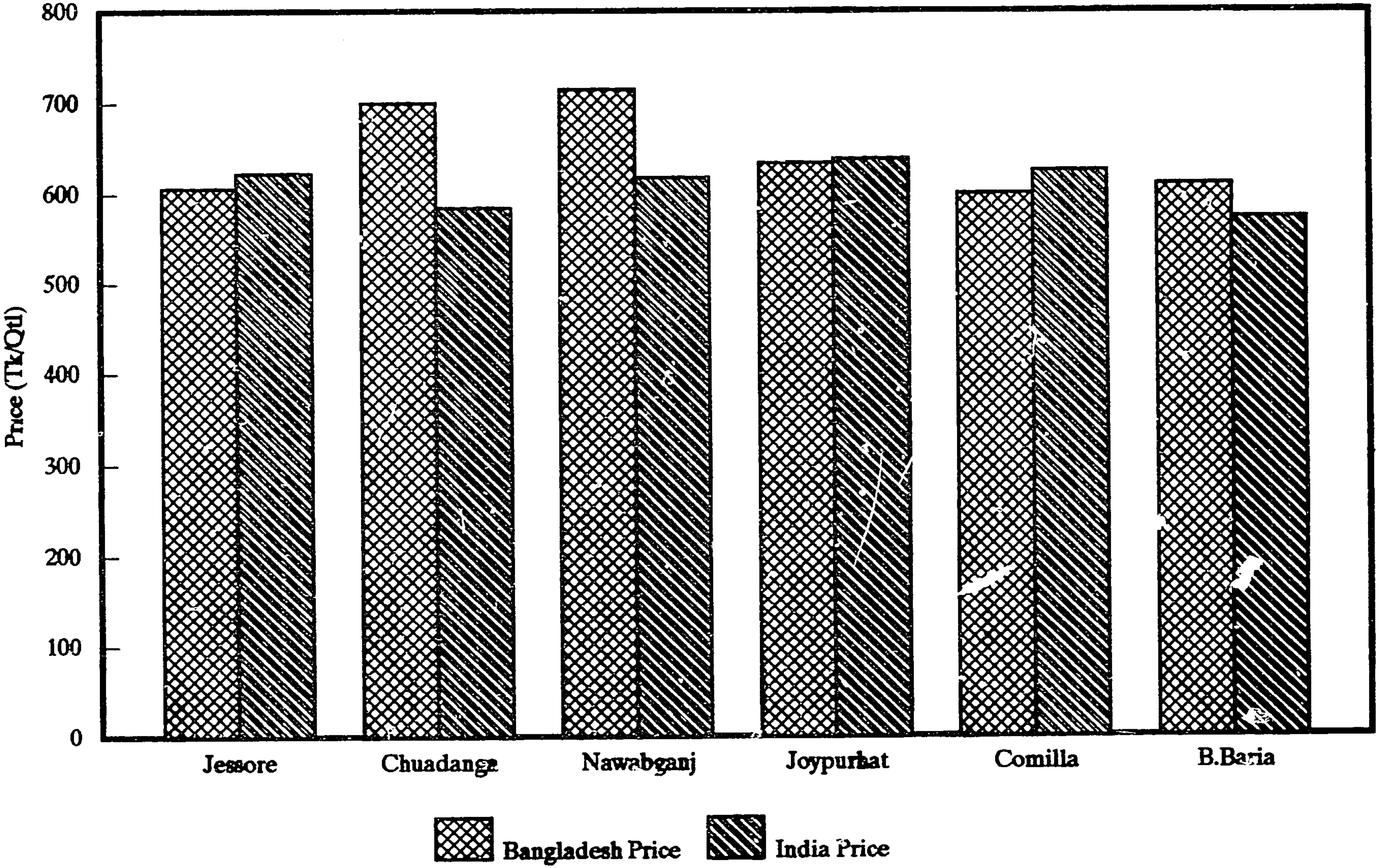
Border District Averages (January 1994)



Note : Prices in India Rupees Converted to Bangladesh Taka at Local Unofficial Exchange Rates
Source : IFPRI–FPMU Field Survey 1993/94

Figure 3—Comparison of Wheat Prices in Border Belts

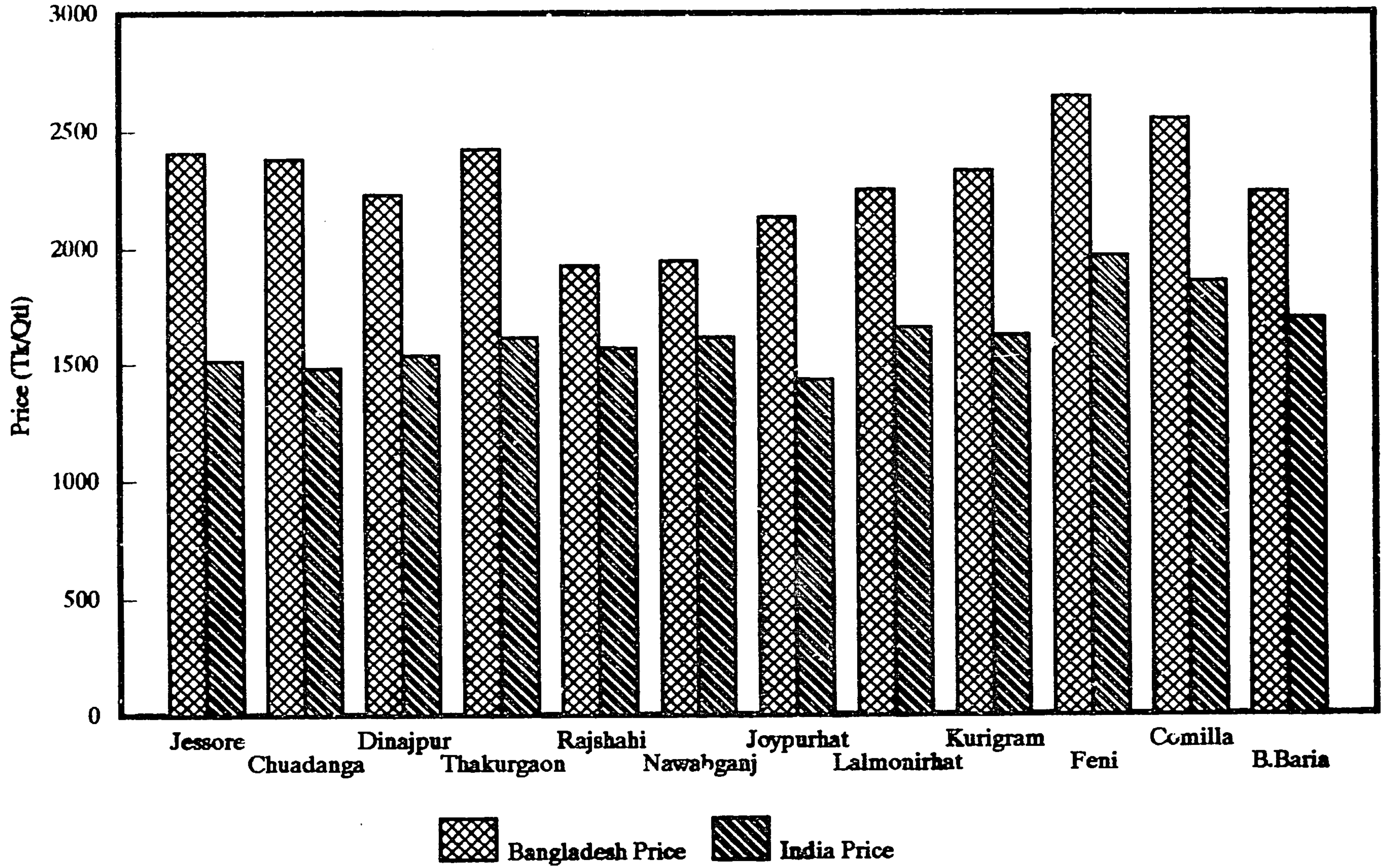
Border District Averages (January 1994)



Note : Prices in India Rupees Converted to Bangladesh Taka at Local Unofficial Exchange Rates
Source : IFPRI–FPMU Field Survey 1993/94

Figure 4–Comparison of Sugar Prices in Border Belts

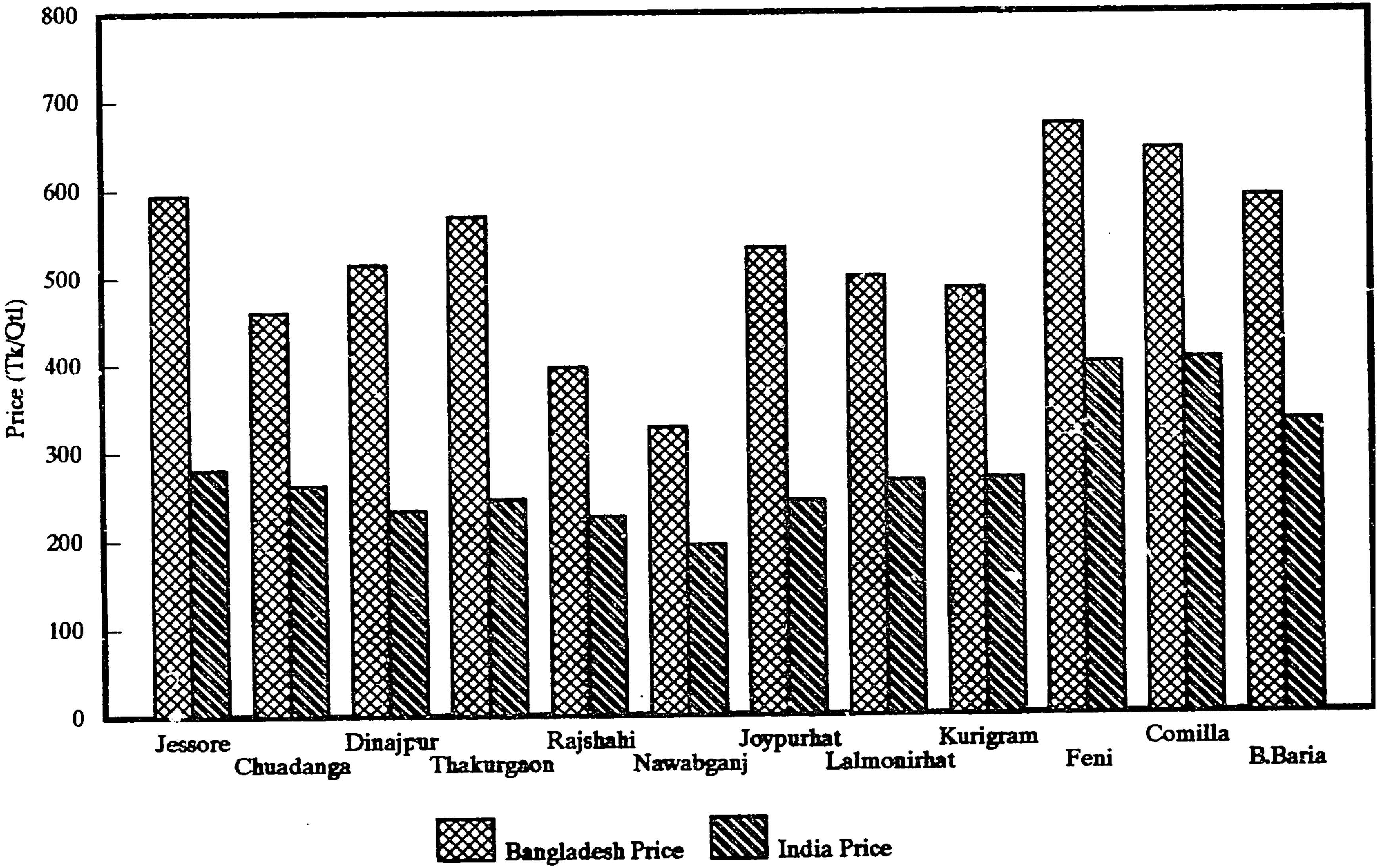
Border District Averages (January 1994)



Note : Prices in India Rupees Converted to Bangladesh Taka at Local Unofficial Exchange Rates
Source : IFPRI–FPMU Field Survey 1993/94

Figure 5—Comparison of Salt Prices in Border Belts

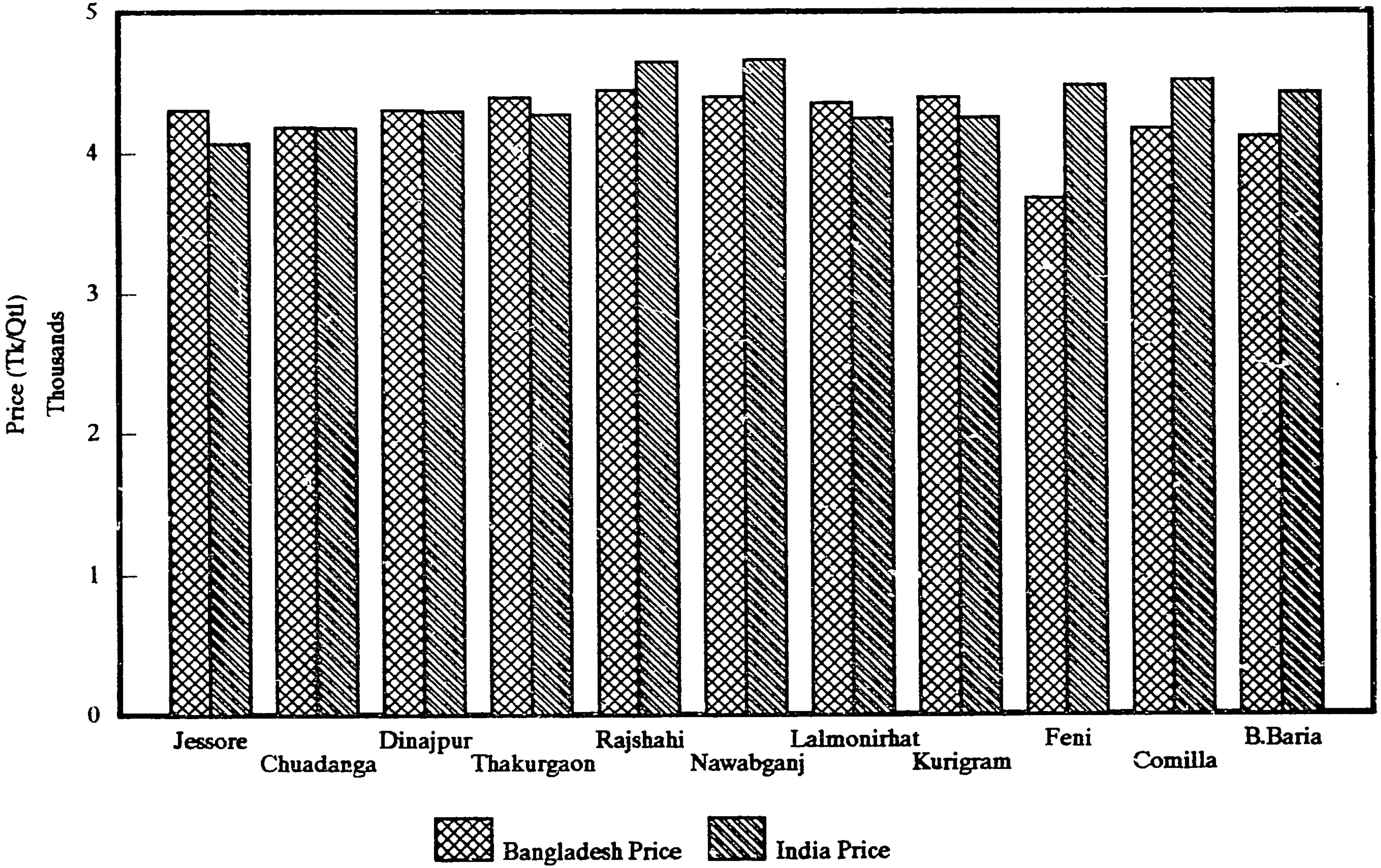
Border District Averages (January 1994)



Note : Prices in India Rupees Converted to Bangladesh Taka at Local Exchange Unofficial Rates
Source : IFPRI—FPMU Field Survey 1993/94

Figure 6—Comparison of Soyabean Oil Prices in Border Belts

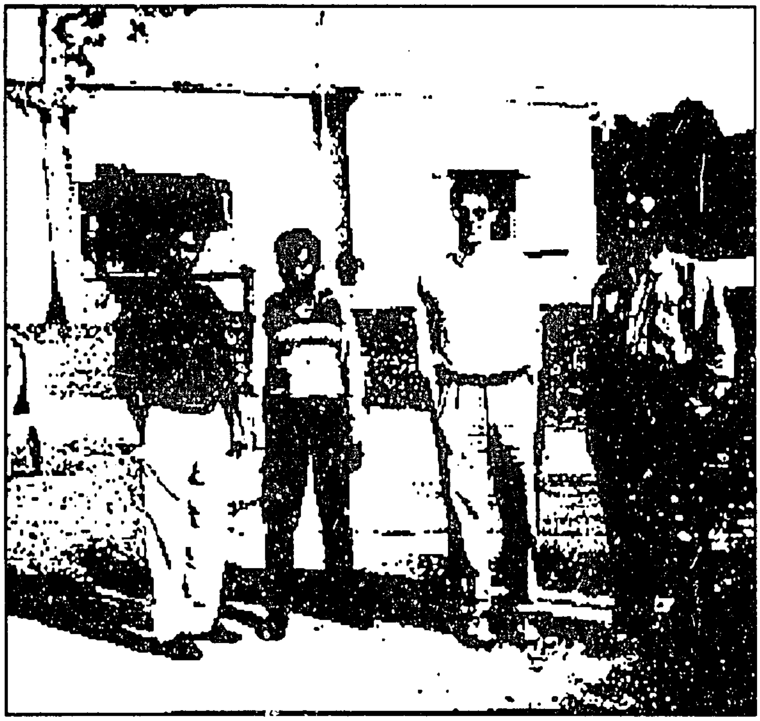
Border District Averages (January 1994)



Note : Prices in India Rupees Converted to Bangladesh Taka at Local Unofficial Exchange Rates
Source : IFPRI–FPMU Field Survey 1993/94

informal interviews. Locations varied between 0.15 km to 13 km from the nearest border and on occasions on the zero km (Table -4)

(b) Present informal exchange rate of Taka against IRS (Tk 100: IRS) varied between 80 to 75.50 in the border belt, the average being 77.44. This figure indicates an higher exchange rate for Bangladesh Taka as compared to the official exchange rate. (1IRS=BTK 1.2863 as on 9th Jan'94) (Table -6).



Still 3-A Border Belt Local Storage Depot

(c) At these exchange rates, various commodities exhibited huge variations and disparities between Indian and local prices. (Tables 15, to 23) There were large locational differences but the average trends were uniform for various commodities. A summary table is given overleaf.

(d) Difference of prices after correction at the local prevailing informal exchange rates are shwon from figures 1 to 6 covering paddy, rice, wheat, sugar, salt and soyaoil. The percentage deviations for various locations are shown from figs 7 to 12. Extent and effect of cross border trade as responded by the informants are shown in fig 14 and 14, respecrively.

Table I. Summary of deviation percentage all border belt locations

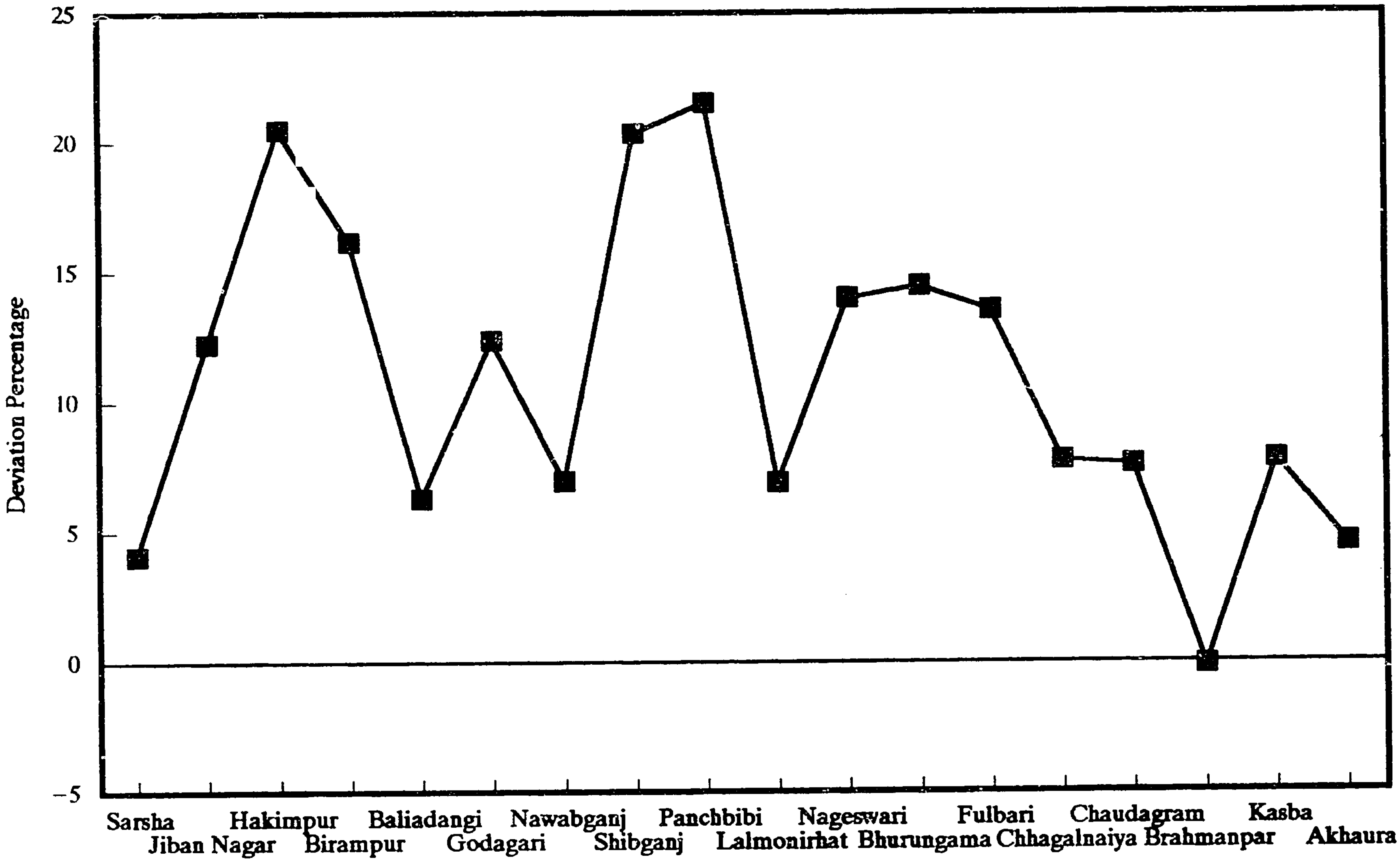
	Nov.'93	Dec.'93	Jan.'94 (Projected)
(a) Paddy	8.60	9.10	10.92
(b) Rice	3.67	5.36	8.34
(c) Wheat	5.50	6.73	6.08
(d) Atta	-3.32	-3.92	-6.12
(e) Sugar	26.38	26.12	26.79
(f) Salt	45.01	45.76	46.01
(g) Soyabean Oil	-5.38	-3.92	-3.33
(h) Palm Oil	-11.64	-11.29	-10.65
(i) Mustard Oil	11.72	12.25	11.44

Note: **Deviation Percentage=(Bangladesh Price-Indian Price)/ Bangladesh Price x 100.**
Indian prices corrected to BTK at the prevailing exchange rate.

Source: IFPRI - FPMU Cross Border Trade Field Investigation, 1993

Figure 7 – Deviation Percentage of Paddy Prices by Locations

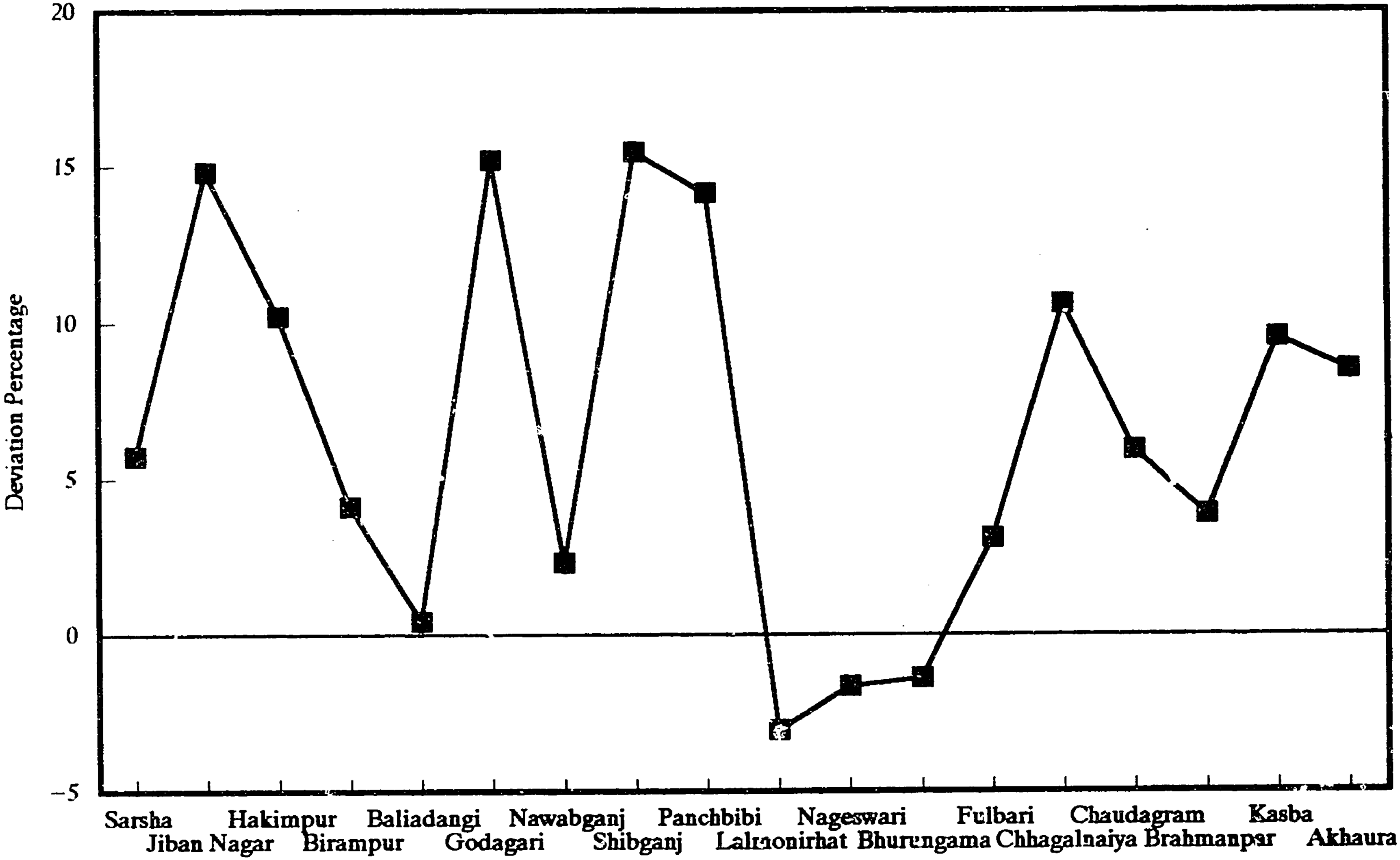
(January 1994)



Note : Percentage = (Banngladesh Price – Indian Price)/Bangladesh Price
Source : IFPRI – FPMU Field Survey 1993/94

Figure 8—Deviation Percentage of Rice Prices by Locations

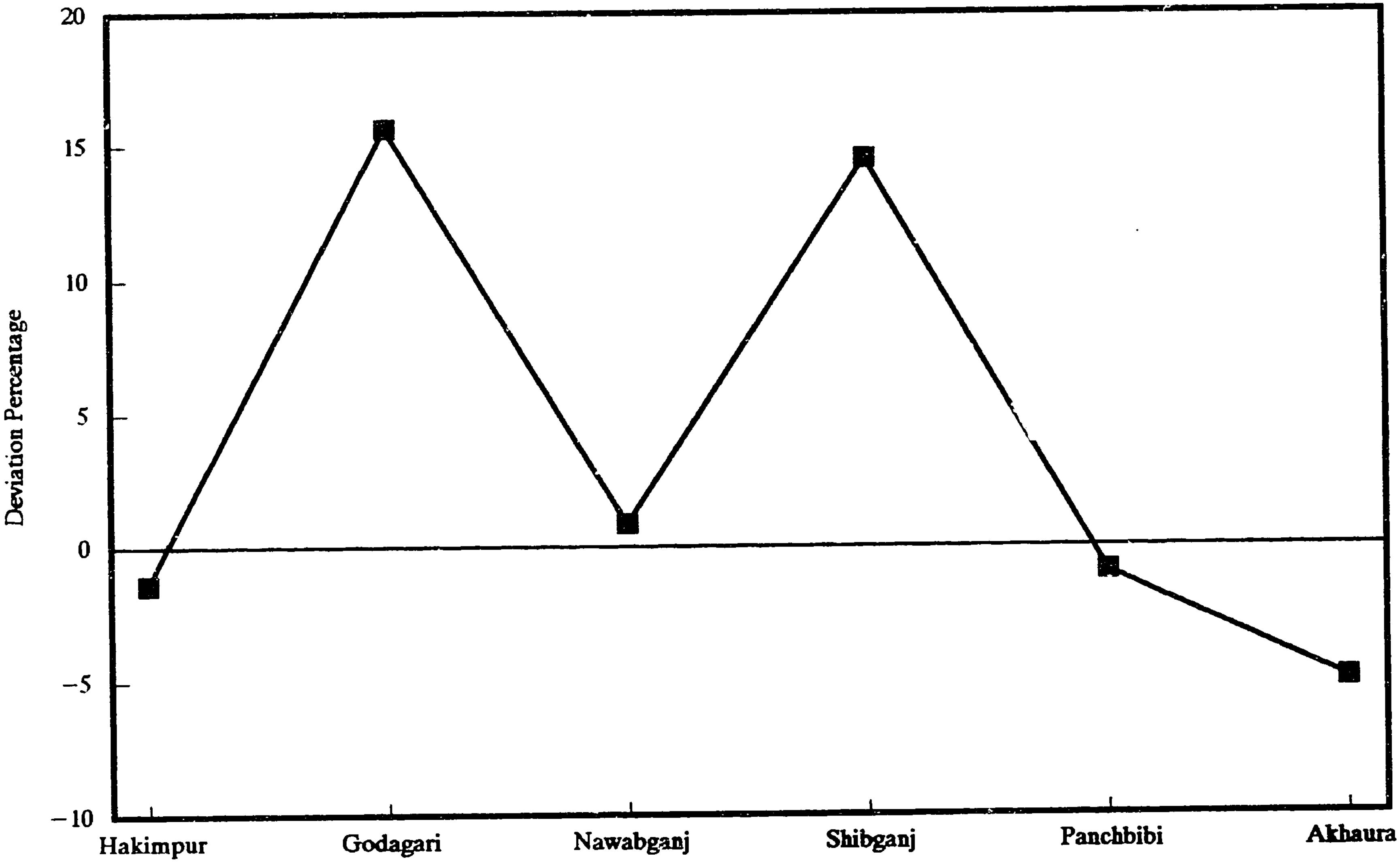
(January 1994)



Note : Percentage = (Banngladesh Price—Indian Price)/Bangladesh Price
Source : IFPRI—FPMU Field Survey 1993/94

Figure 9—Deviation Percentage of Wheat Prices by Locations

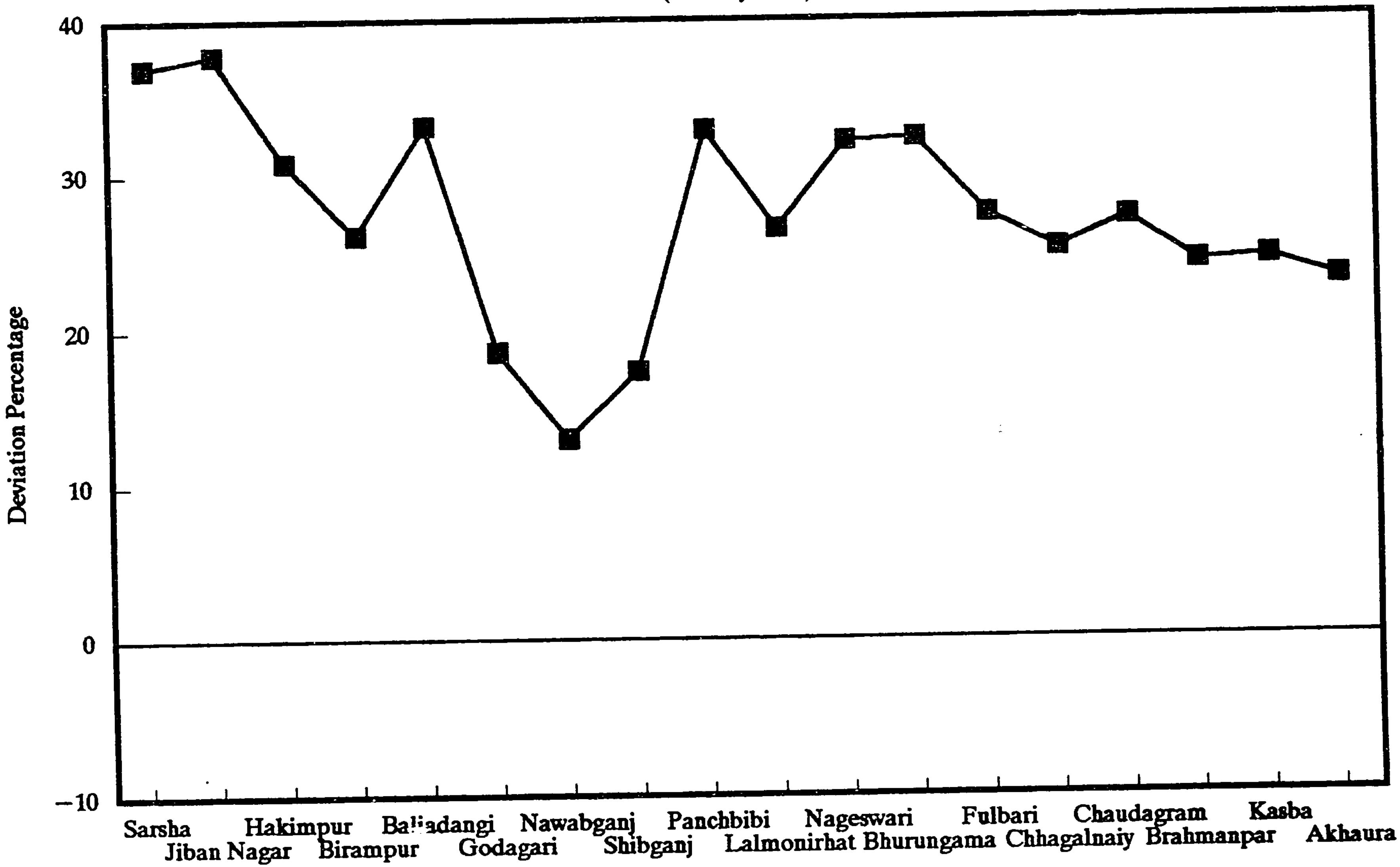
(January 1994)



Note : Percentage = (Banngladesh Price−Indian Price)/Bangladesh Price
Source : IFPRI−FPMU Field Survey 1993/94

Figure 10—Deviation Percentage of Sugar Prices by Locations

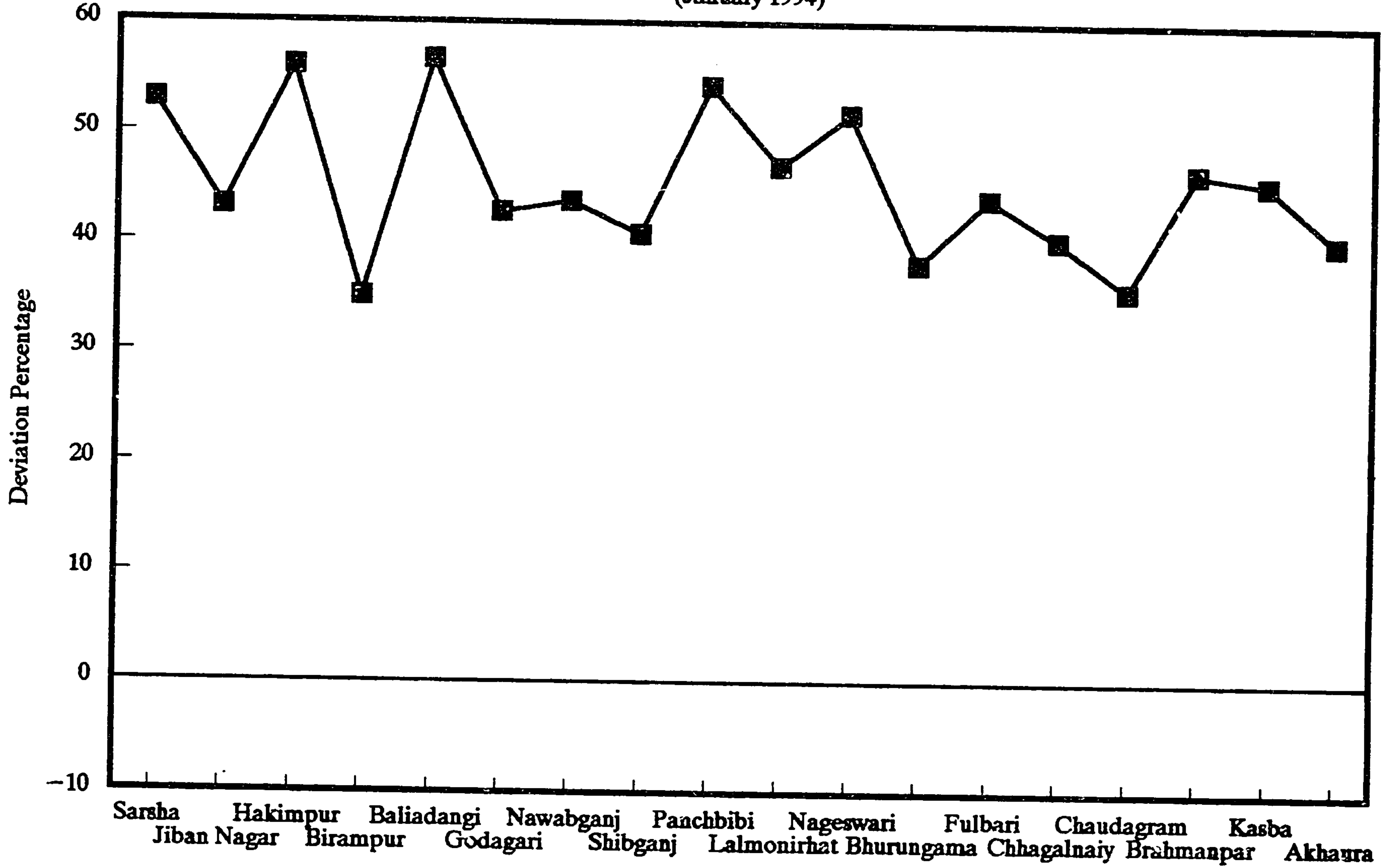
(January 1994)



Note : Percentage = (Banngladesh Price−Indian Price)/Bangladesh Price
Source : IFPRI−FPMU Field Survey 1993/94

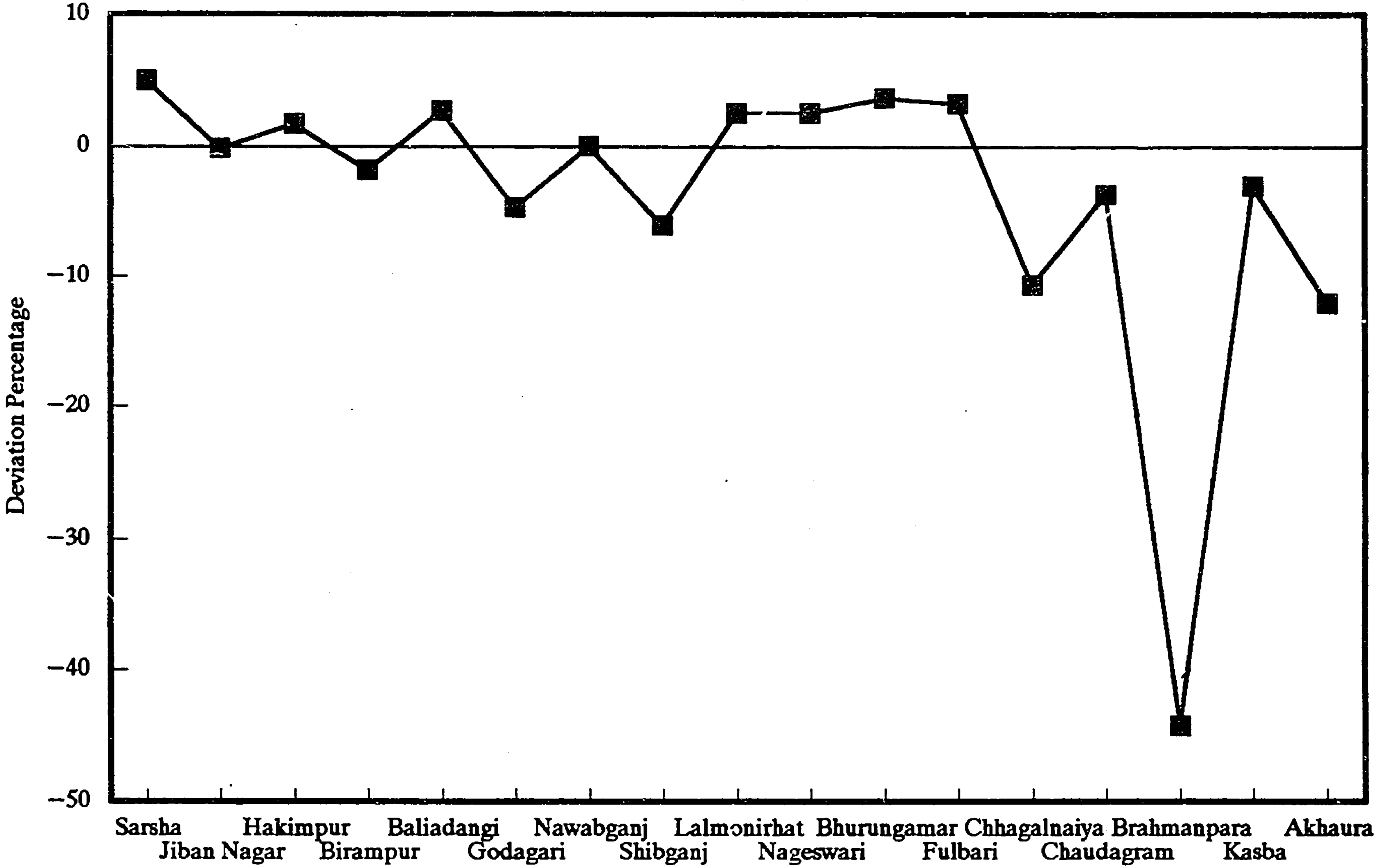
Figure 11 – Deviation Percentage of Salt Prices by Locations

(January 1994)



Note : Percentage = (Banngladesh Price – Indian Price)/Bangladesh Price
Source : IFPRI – FPMU Field Survey 1993/94

Figure 12—Deviation Percentage of Soyabean Oil Prices by Locations
(January 1994)



Note : Percentage = (Banngladesh Price—Indian Price)/Bangladesh Price
Source : IFPRI—FPMU Field Survey 1993/94

(e) These variances indicate little incentive for cross-border traffic in paddy, rice, wheat, and atta. Highest incentive exist for salt, sugar and mustard oil. Enough price disparities encourage trade in soyabean, palm and mustard oils. It is to be noted that only crude price disparities do not necessarily result cross border trade on a large scale. Other factors like infrastructure, status of border security, availability of markets, and last but not least, the traditional linkage between the markets across the border play a large part in determining the magnitude of the trade. Hence, 50.3% and 43.4% of location reported moderate and high levels of cross-border trade. Almost none reported nil trade and only 5.6% of locations reported very high levels of this illegal activity. (Fig. 13).

(f) Nonetheless, in almost all border belts, active trade in salt and sugar from India was noticeable by both physical availability and price variations with domestic prevailing prices of these two commodities. Second in magnitude was the informal export of Soyabean and Palm oil. Many small markets in the border belt were stocked with large quantities of packaged soyabean oil. These quantities were ..viously much more than what the local consumption would demand, indicating their eventual shipment across the border.

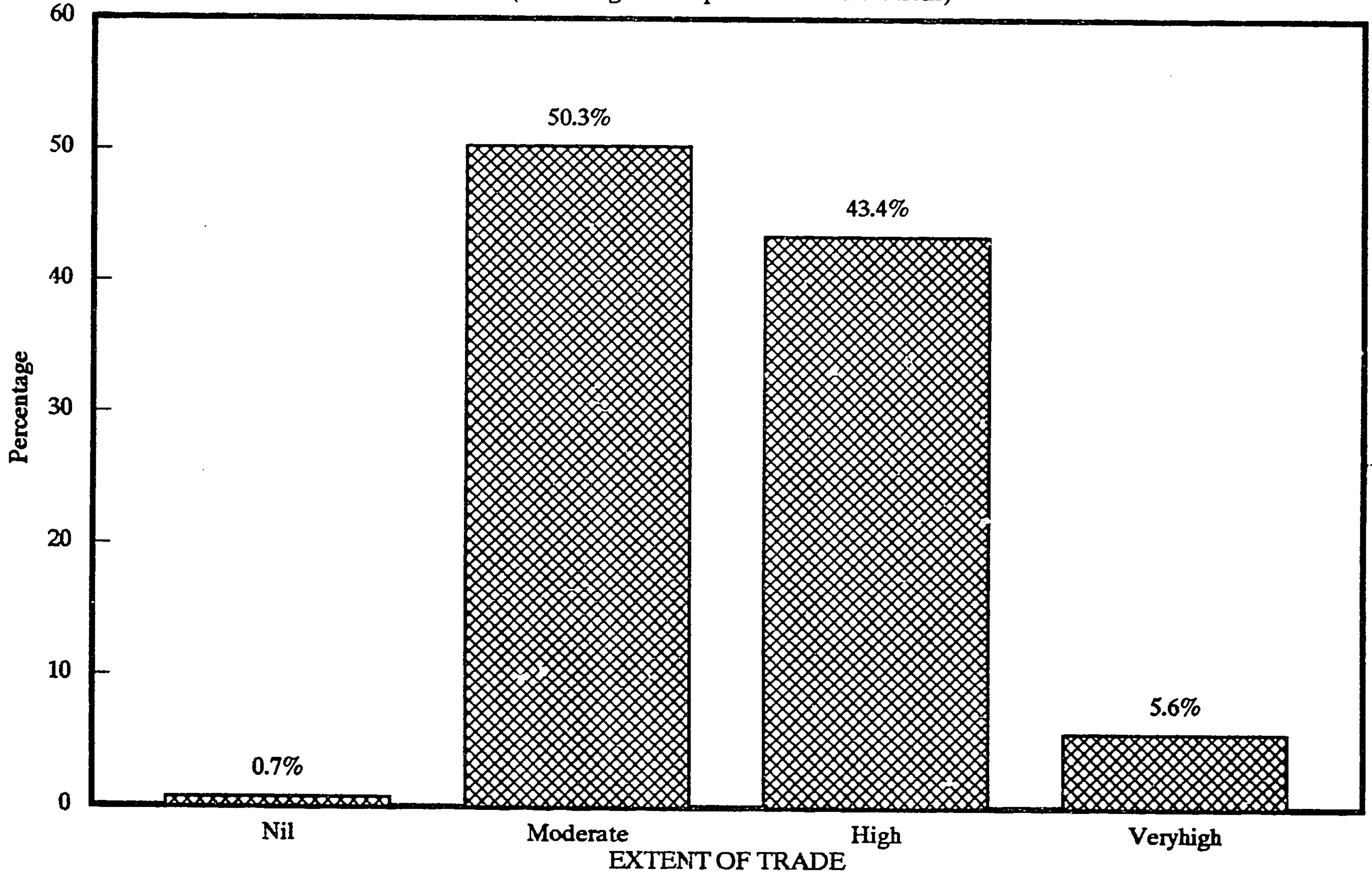
5. **General Observations:** In addition to the questionnaires and personal interviews, the investigating teams were extensively debriefed to get a general sense of the matter. To condense these very subjective opinions, intuition rather than hard empirical evidence was the guiding beacon in attempts to unravel the complex scenario. However, the following are the general sense on the extensive cross-border trade:

(a) There is active trade in Bangladesh currencies in all borders, whether or not there is an active trade in commodities, indicating demand of Bangladesh currency in secondary exchange markets in the nearest free markets (ME, HK, Singapore, etc).

(b) There is little evidence and feeling that extensive cross border trade in cereal grains (paddy, rice and wheat) are taking place in recent months. However, owing to peculiar nature of communication network and market locations, pockets of deficit and surplus situation periodically develop in both sides of the border, when trans-

Figure 13—Extent of Cross Border Trade

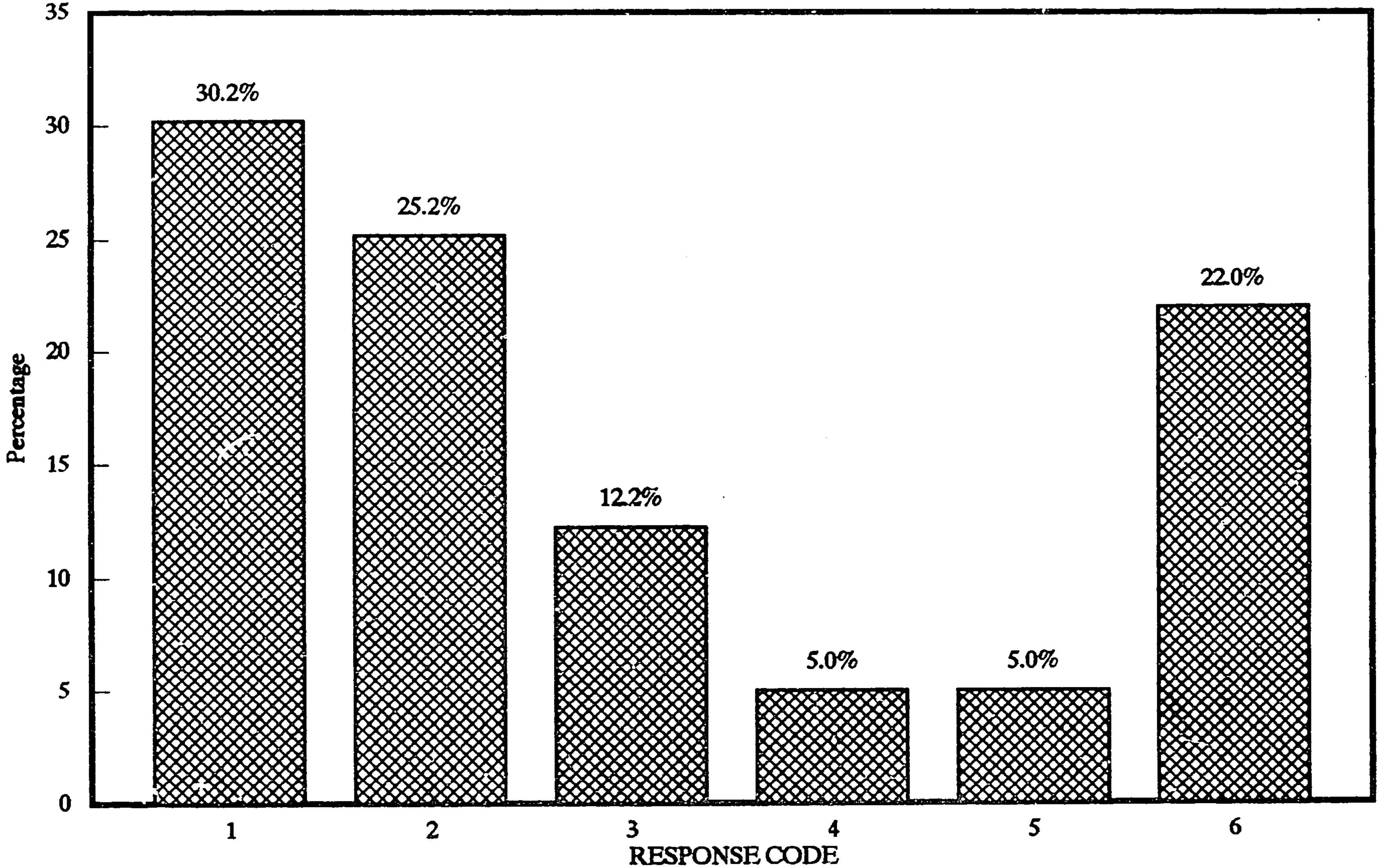
(Percentage of Responses – All Locations)



Source : IFPRI–FPMU Field Survey 1993/94

Figure 14—Effects of Cross Border Trade

(Respondants' Five Major Responses in Percentages)



Responses : 1. Employment Generation 2. Uninterrupted Supplies of Essentials 3. High Risk of Local Trade
4. It Causes Low Crime Rate 5. Cross Border Trade is a Low Risk Venture 6. Others

border trade assume local importance. At the present time (Nov to Jan '94) little or no activity was reported in the cereal grains.

(c) Due to high price disparity in salt, sugar, soyabean oil and palm oil, extensive trade is taking place in these commodities in most areas of Indo-Bangladesh border. (Salt and sugar are imported; soyabean and palm oil are exported)

(d) As stated by them, people in general are active purchasers, and thus recipients of benefits of lower prices of these illegally imported items. It was generally reported that law and order situation is good to excellent, where there is an active cross border trade, presumably, because the criminal elements are engaged in illegal trade rather than in conventional crime. (Fig 14 and Table 28).

(e) As stated by in the responses, border belt people are most skeptical that this trade will diminish by any administrative action. However, most agreed that such a trade is detrimental to Bangladesh economy.

(f) Other items of active trade, like cattle, machinery parts, fertilizers, turtles etc were ignored on account of limited objectives of this investigation. Nonetheless, other interested ministries in the government may take serious view on the extensive illegal trade in these items. Particularly illegal importation of low quality Indian pesticides may constitute serious environmental hazards.

6. **Conclusions:** Cross-border trade is a fact of life in the border belts of Bangladesh. Many factors are at the root of this phenomenon, the central being the price disparity between the market prices prevailing in local markets of the two countries. Recent appreciation of Bangladesh currency against Indian rupee has given added fillip to illegal importation of Indian commodities like salt and sugar, where the greatest disparity in prices exist.

Both the quantities and direction of this trade vary over a wide range of circumstances. Like in all legitimate markets, the informal value of currencies and prices of commodities also fluctuate widely over time and location. However, three major indicators need be watched to diagnose active trade namely: (a) Informal exchange rate (b) Price disparity (c) Traditional and historic trade routes and markets.

With a regular reporting system from the border belts on these key information and analysis by an appropriate statistical software, clear indicators will be discernable to the policy planners. Such a system is in the process of development at FPMU, Situation Room Computer Centre, MOF. The present field investigation is only a step towards that direction. Regular field investigations should also be arranged to augment and verify the routine reports.

Still 4 - The Northernmost Point of Bangladesh: Tetulia

7. **Recommendations**: As discussed, the continued monitoring of cross border trade and processing of such data as an input for policy formulation processes should be of interest to the MOF. Indian commodity prices should thus be monitored on a regular basis. To implement such a programme, following are recommended:

(a) Regular questionnaires be despatched to the identified border belt LSD's via the concerned D.C. Foods to obtain a monthly data flow into the MOF computer centre at the FPMU.

(b) Fastest means of communication should be used. Courier service for regular questionnaire and fax/talex link for urgent information are suggested.

(c) After due processing, the data output may be incorporated in the monthly food-situation bulletin in a digestable form.

Still 5 - The last mile post: Tetulia

(d) Regular reconnaissance type rapid appraisals be undertaken to check the accuracy of collected data. Urgency of the situation should be the determinant of the frequency of the investigation.

(e) Such rapid surveys, (lasting no more than 3/4 days) should also be undertaken whenever the Ministry feels the necessity of such information.

(f) Standard statistical packages (Fox-Pro, SPSS) are adequate to process the data when data volume is going to proliferate rapidly in coming months. However, the output format may need to be developed as per MOF's needs and requirements.

(g) It is recommended that the out-put format as required by MOF be developed and incorporated in the soft-ware custom-designed by IFPRI-Consultant working at the MOF Situation Room. This should also ensure permanent storage of India border prices in the data bank of MOF.

(h) Presently, Burma borders were not investigated owing to difficulties of communication and prevailing disturbed conditions. A short survey should be undertaken at a suitable time to Cox's Bazar/Teknaf areas to cover the entire Bangladesh border areas.

8. **Forecasts:** Although extremely risky, a few forecasts are made in respect of illegal cross border trade for the short run:

(a) From all indications, the local prices of paddy and rice are expected to rise in the coming months, specially in April-May, just before the Boro harvests. If the prices in India remain steady, there are great possibilities of large scale illegal imports of Indian rice and paddy in the near future. The most likely zones are Jessore/ Kustia, Bogra/Rajshahi and Rangpur/Lalmonirhat regions.

(b) With sugar cane crushing season in progress, the market price of Indian sugar will decline further in next few months giving additional incentive to smuggling of Indian sugar. A careful watch may be kept on the market prices and other indicators of illegal trade in sugar.

(c) With new salt coming in the season, salt prices in Bangladesh are expected to fall, reducing the incentive for illegal importation of this commodity into Bangladesh.

(d) Soyabean and Palm oil prices are expected to be at the levels reported, with continued incentive for illegal export out of Bangladesh of these commodities. Relevant ministries of the government may appropriately plan and take suitable actions as regards import tariff structure and the market trends and forecasts.

(e) With seasonal rise in fertilizer prices in the N.W. regions for the ensuring Boro plantation and a very active crop diversification programme. the prices of fertilizers specially TSP and MP is on the rise. There are reports of low cost Indian fertilizers mostly SSP, coming in the Northern markets. This trend will exacerbate unless immediate steps are taken to improve the TSP and MP supply in N.W. regions.

APPENDICES

APPENDIX - A

APPENDIX - A.

Investigation Teams

Border Area/Zone		Members
1.	Jesscre/Kustia:	Ruhul Amin (FPMU
	(Bagachara, Maherpur	Abu Bakar (IFPRI
	Jiban Nagar)	Mizanur Rahman (IFPRI)
		Nilufar Jahan (MOA)
2.	Comilla:	Modiful Islam (FPMU)
	(Kasba, Akhaura,	Khairul Anam (IFPRI)
	Brahmanpara)	Md. Zakaria (IFPRI)
		Shahjahan Mia (IFPRI)
3.	Rajshahi:	Imtiaz Ahmed (FPMU)
	(Porsha, Balahat,	Khairul Anam (IFPRI)
	Godagari)	Md. Zakaria (IFPRI)
		Haider Ali (MOA)
4.	Dinajpur/Rangpur/Bogra:	Naser Farid (FPMU)
	(Fulbari, Madhabpur, Lahirihat)	Abu bakar (IFPRI)
		Mizanur Rahman (IFPRI)
		Shahjahan Mia (IFPRI)
5.	(Biral, Bhajanpur:	Steven Haggblade (IFPRI)
	Punchagarh, Tetylia	Mahfoozur Rahman (IFPRI)
	Burimari, Bhurungamari)	Shahjahan Mia (IFPRI)
		Mizanur Rahman (IFPRI)

APPENDIX - B

SUPPLEMENTARY TABLES

Table 1-The break down of sample size by District

District	District Code	Frequency	Percent
Jessore	2	8	5.6
Chuadanga	6	5	3.5
Dinajpur	7	23	16
Panchagar	8	3	2.1
Thakurgaon	9	14	9.7
Rajshahi	10	13	9
Nawabganj	11	18	12.5
Joypurhat	13	3	2.1
Lalmonirhat	14	2	1.4
Kurigram	16	7	4.9
Feni	23	11	7.6
Comilla	28	8	5.6
Brahmanbaria	29	29	20.1
	Total	144	100

Source : IFPRI-FPMU Field Survey '93

Table 2-The break down of sample size by Thana

Thana	Thana Code	Frequency	Percent
Sarsha	6	8	5.6
Jiban Nagar	12	5	3.5
Biral	14	1	0.7
Hakimpur	15	17	11.8
Birampur	16	5	3.5
Panchagar	17	1	0.7
Tetulia	19	2	1.4
Baliadangi	22	14	9.7
Godagari	24	13	9
Nawabganj	26	1	0.7
Shibganj	27	17	11.8
Panchbibi	32	3	2.1
Lalmonirhat	33	2	1.4
Nageswari	38	2	1.4
Bhurungamari	39	2	1.4
Fulbari	40	3	2.1
Chhagalnaiya	53	11	7.6
Chaudagram	70	7	4.9
Brahmanpara	72	1	0.7
Kasba	73	17	11.8
Akhaura	74	12	8.3
	Total	144	100

Source: IFPRI-FPMU Field Survey '93

Table 3-Types of Business/Occupation

Type of Business	Business Code	Frequency	Percent
O.C. LSD	1	13	9
Trader	2	73	50.7
Service Holder	3	14	9.7
Farmer	4	30	20.8
Local U.P. Member	6	3	2.1
Local Intellectual	7	5	3.5
Rickshaw/Day Labour	9	4	2.8
Student	10	2	1.4
	Total	144	100

Source: IFPRI-FPMU Field Survey '93

Table 4-Communication Facilities in the border area by Thana
(Percentage)

Code	Thana	Excellent	Good	Bad	Very Bad	Total
6	Sarsha	12.5	75	12.5	0	100
12	Jiban Nagar	0	0	100	0	100
14	Biral	0	0	0	100	100
15	Hakimpur	82.4	17.6	0	0	100
16	Birampur	0	0	100	0	100
17	Panchagar	100	0	0	0	100
19	Tetulia	0	0	100	0	100
22	Baliadangi	0	28.6	71.4	0	100
24	Godagari	0	0	61.5	38.5	100
26	Nawabganj	0	0	100	0	100
27	Shibganj	0	5.9	94.1	0	100
32	Panchbibi	100	0	0	0	100
33	Lalmonirhat	0	0	100	0	100
38	Nageswari	0	0	100	0	100
39	Bhurungamari	0	100	0	0	100
40	Fulbari	0	0	100	0	100
53	Chhagalnaiya	27.3	45.5	27.3	0	100
70	Chaudagram	0	100	0	0	100
72	Brahmanpara	0	100	0	0	100
73	Kasba	35.3	47.1	17.6	0	100
74	Akhaura	25	50	25	0	100
Avg. of Total Sample		21.5	29.9	44.4	4.2	100

Source: IFPRI-FPMU Field Survey '93

able 5-Distance from the Nearest Border by Thana

ode	Thana	Distance (Km)	Sample Size
6	Sarsha	3.88	8
l2	Jiban Nagar	6.70	5
l4	Biral	7.00	1
l5	Hakimpur	0.15	17
l6	Birampur	2.00	5
l7	Panchagar	3.00	1
l9	Tetulia	0.75	2
22	Baliadangi	3.29	14
24	Godagari	5.62	13
26	Nawabganj	13.00	1
27	Shibganj	7.00	17
32	Panchbibi	8.42	3
33	Lalmonirhat	0.75	2
38	Nageswari	11.50	2
39	Bhurungamari	4.00	2
40	Fulbari	2.33	3
53	Chhagalnaiya	0.69	11
70	Chaudagram	0.51	7
72	Brahmanpara	0.50	1
73	Kasba	1.14	17
74	Akhaura	1.08	12
vg. of Total Sample		3.11	144

ource: IFPRI-FPMU Field Survey '93

Table 6-Average Local Unofficial Exchange Rate (Tk/Rs)

Code	Thana	Ex.Rate (Tk/Rs)	Sample Size
6	Sarsha	77.63	8
12	Jiban Nagar	77.00	5
14	Birai	80.00	1
15	Hakimpur	77.09	17
16	Birampur	76.40	5
17	Panchagar	80.00	1
19	Tetulia	78.00	1
22	Baliadangi	77.39	14
24	Godagari	78.14	13
26	Nawabganj	78.00	1
27	Shibganj	77.78	17
32	Panchbibi	76.83	3
33	Lalmonirhat	75.50	2
38	Nageswari	75.50	2
39	Bhurungamari	75.50	2
40	Fulbari	76.00	3
53	Chhagalnaiya	76.18	11
70	Chaudagram	78.29	7
72	Brahmanpara	78.00	1
73	Kasba	77.82	17
74	Akhaura	78.25	12
Avg. of Total Sample		77.44	143

Source: IFPRI-FPMU Field Survey '93

Table 7-Paddy Price in Bangladesh and India (in Nov'93-Jan'94)

(Tk/Qtl)

Code	Thana	November B.desh	November India	December B.desh	December India	January B.desh	January India
6	Sarsha	522	542	502	536	578	554
12	Jiban Nagar	537	539	523	513	598	525
14	Biral	490	--	523	463	544	--
15	Hakimpur	486	427	494	408	555	444
16	Birampur	482	389	528	421	601	504
17	Panchagar	--	--	509	419	--	--
19	Tetulia	402	--	509	--	536	--
22	Baliadangi	461	422	527	491	594	556
24	Godagari	518	474	543	468	554	477
26	Nawabganj	560	555	560	556	620	577
27	Shibganj	566	489	575	478	611	492
32	Panchbibi	508	434	500	432	575	451
33	Lalmonirhat	457	442	507	497	569	530
38	Nageswari	444	430	500	480	588	505
39	Bhurungamari	475	419	531	448	600	513
40	Fulbari	447	416	503	455	596	515
53	Chhagalnaiya	537	475	485	449	524	483
70	Chaudagram	553	488	520	463	555	513
72	Brahmanpara	480	449	500	513	525	526
73	Kasba	558	512	510	481	555	512
74	Akhaura	542	521	496	493	545	519
Avg. of Total sample		519	474	518	470	569	504

Note : Prices in IRS Converted to BDT at Local Prevailing Rates
Source: IFPRI-FPMU Field Survey '93

Table 7.1-Paddy Price in Bangladesh and India (in Nov'93-Jan'94)

(Tk/Qtl)

Code	District	November B.desh	November India	December B.desh	December India	January B.desh	January India
2	Jessore	522	542	502	536	578	554
6	Chuadanga	537	539	523	513	598	525
7	Dinajpur	486	418	502	413	564	458
8	Panchagar	402	--	509	419	536	--
9	Thakurgaon	461	422	527	491	594	556
10	Rajshahi	518	474	543	468	554	477
11	Nawabganj	566	492	574	483	611	502
13	Joypurhat	508	434	500	432	575	451
14	Lalmonirhat	457	442	507	497	569	530
16	Kurigram	454	421	510	460	595	512
23	Feni	537	475	485	449	524	483
28	Comilla	544	483	517	469	552	514
29	Brahmanbaria	551	516	504	486	551	515
Avg. of Total Sample		519	474	518	470	569	504

Note: Prices in IRS Converted to BDT at Local Prevailing Rates
Source: IFPRI-FPMU Field Survey '93

Table 8-Rice Price in Bangladesh and India (in Nov'93-Jan'94)

(Tk/Qtl)

Code	Thana	November B.desh	November India	December B.desh	December India	January B.desh	January India
6	Sarsha	807	837	836	820	931	877
12	Jiban Nagar	810	727	827	746	895	762
14	Biral	817	--	839	660	839	--
15	Hakimpur	807	798	821	768	901	811
16	Birampur	763	738	807	778	914	877
17	Panchagar	--	--	844	688	--	--
19	Tetulia	804	--	875	--	898	--
22	Baliadangi	762	750	829	812	918	914
24	Godagari	831	767	856	772	920	778
26	Nawabganj	978	981	980	981	1050	1026
27	Shibganj	906	834	881	805	942	815
32	Panchbibi	825	794	825	772	950	814
33	Lalmonirhat	775	821	850	884	900	927
38	Nageswari	700	811	813	834	913	927
39	Bhurungamari	775	861	820	894	915	927
40	Fulbari	742	770	800	801	917	888
53	Chhagalnaiya	1011	926	951	872	1011	903
70	Chaudagram	1000	967	987	925	1057	991
72	Brahmanpara	900	897	950	897	1000	962
73	Kasba	1001	939	930	890	1003	913
74	Akhaura	957	897	893	867	985	898
Avg. of Total Sample		875	839	872	825	950	873

Note : Prices in IRS Converted to BDT at Local Prevailing Rates
Source: IFPRI-FPMU Field Survey '93

Table 8.1-Rice Price in Bangladesh and India (in Nov'93-Jan'94)

(Tk/Qtl)

Code	District	November B.desh	November India	December B.desh	December India	January B.desh	January India
2	Jessore	807	837	836	820	931	877
6	Chuadanga	810	727	827	746	895	762
7	Dinajpur	798	784	818	766	901	827
8	Panchagar	804	--	865	688	898	--
9	Thakurgaon	762	750	829	812	918	914
10	Rajshahi	831	767	856	772	920	778
11	Nawabganj	910	842	887	815	949	842
13	Joypurhat	825	794	825	772	950	814
14	Lalmonirhat	775	821	850	884	900	927
16	Kurigram	739	808	809	837	915	911
23	Feni	1011	926	951	872	1011	903
28	Comilla	988	958	983	922	1050	987
29	Brahmanbaria	983	921	914	880	996	907
Avg. of Total Sample		875	839	872	825	950	873

Note: Prices in IRS Converted to BDT at Local Prevailing Rates
Source: IFPRI-FPMU Field Survey '93

Table 9-Wheat Price in Bangladesh and India (in Nov'93-Jan'94)

(Tk/Qtl)

Code	Thana	November B.desh	November India	December B.desh	December India	January B.desh	January India
14	Biral	678	--	544	--	536	--
15	Hakimpur	635	636	615	623	611	622
17	Panchagar	--	--	563	--	--	--
19	Tetulia	504	--	536	--	536	--
24	Godagari	703	609	705	597	700	584
26	Nawabganj	560	555	560	555	560	555
27	Shibganj	707	630	755	633	730	626
32	Panchbibi	627	629	605	629	633	638
70	Chaudagram	--	663	--	--	--	625
73	Kasba	700	688	650	625	700	--
74	Akhaura	578	573	563	573	550	573
Avg. of Total Sample		663	625	658	615	655	610

Note : Prices in IRS Converted to BDT at Local Prevailing Rates
Source: IFPRI-FPMU Field Survey '93

Table 9.1-Wheat Price in Bangladesh and India (in Nov'93-Jan'94)

(Tk/Qtl)

Code	District	November B.desh	November India	December B.desh	December India	January B.desh	January India
7	Dinajpur	638	636	611	623	606	622
8	Panchagar	504	--	545	--	536	--
10	Rajshahi	703	609	705	597	700	584
11	Nawabganj	695	623	738	625	715	617
13	Joypurhat	627	629	605	629	633	638
28	Comilla	--	663	--	--	600	625
29	Brahmanbaria	618	611	592	591	610	573
Avg. of Total Sample		663	625	658	615	655	610

Note: Prices in IRS Converted to BDT at Local Prevailing Rates
Source: IFPRI-FPMU Field Survey '93

Table 10-Atta Price in Bangladesh and India (in Nov'93-Jan'94)

(Tk/Qtl)

Code	Thana	November B.desh	November India	December B.desh	December India	January B.desh	January India
6	Sarsha	617	585	604	589	591	597
12	Jiban Nagar	642	533	642	521	660	561
14	Biral	--	796	--	--	--	--
15	Hakimpur	558	687	600	796	600	796
16	Birampur	570	--	610	720	600	746
22	Baliadangi	599	742	596	776	596	776
24	Godagari	767	690	817	705	800	700
27	Shibganj	796	790	842	795	813	--
33	Lalmonirhat	638	762	600	795	600	795
38	Nageswari	600	728	638	795	600	795
39	Bhurungamari	650	795	650	800	625	795
40	Fulbari	633	702	617	790	617	790
53	Chhagalnaiya	863	718	813	671	838	681
70	Chaudagram	875	680	838	659	863	674
72	Brahmanpara	725	769	800	833	800	833
73	Kasba	832	776	821	752	839	763
74	Akhaura	833	764	822	753	856	783
Avg. of Total Sample		713	719	714	725	718	731

Note : Prices in IRS Converted to BDT at Local Prevailing Rates
Source: IFPRI-FPMU Field Survey '93

Table 10.1-Atta Price in Bangladesh and India (in Nov'93-Jan'94)

(Tk/Qtl)

Code	District	November B.desh	November India	December B.desh	December India	January B.desh	January India
2	Jessore	617	585	604	589	591	597
6	Chuadanga	642	533	642	521	660	561
7	Dinajpur	566	728	606	749	600	765
9	Thakurgaon	599	742	596	776	596	776
10	Rajshahi	767	690	817	705	800	700
11	Nawabganj	796	790	842	795	813	—
14	Lalmonirhat	638	762	600	795	600	795
16	Kurigram	629	736	632	793	614	793
23	Feni	863	718	813	671	838	681
28	Comilla	845	702	830	702	850	714
29	Brahmanbaria	833	772	822	752	846	770
Avg. of Total Sample		713	719	714	725	718	731

Note: Prices in IRS Converted to BDT at Local Prevailing Rates
Source: IFPRI-FPMU Field Survey '93

Table 11-Sugar Price in Bangladesh and India (in Nov'93-Jan'94)

(Tk/Qtl)

Code	Thana	November B.desh	November India	December B.desh	December India	January B.desh	January India
6	Sarsha	2313	1467	2363	1539	2406	1516
12	Jiban Nagar	2360	1493	2400	1533	2380	1480
14	Biral	2900	--	2900	--	2900	--
15	Hakimpur	2226	1530	2206	1527	2212	1521
16	Birampur	2100	1414	2140	1480	2160	1597
17	Panchagar	--	--	2800	1625	--	--
19	Tetulia	3000	--	2800	--	2800	--
22	Baliadangi	2293	1514	2343	1542	2421	1616
24	Godagari	1927	1555	1938	1567	1925	1569
26	Nawabganj	1868	1626	1868	1626	1868	1626
27	Shibganj	1926	1619	1921	1640	1950	1612
32	Panchbibi	2133	1453	2167	1453	2133	1432
33	Lalmonirhat	2150	1655	2200	1589	2250	1655
38	Nageswari	2400	1579	2350	1579	2350	1590
39	Bhurungamari	2500	1722	2400	1589	2450	1655
40	Fulbari	2167	1492	2200	1667	2233	1623
53	Chhagalnaiya	2636	2012	2673	1976	2645	1964
70	Chaudagram	2600	2019	2629	2054	2600	1883
72	Brahmanpara	2200	1667	2200	1667	2200	1667
73	Kasba	2300	1693	2259	1679	2247	1698
74	Akhaura	2275	1735	2242	1723	2225	1694
Avg. of Total Sample		2247	1637	2258	1648	2264	1645

Note : Prices in IRS Converted to BDT at Local Prevailing Rates
Source: IFPRI-FPMU Field Survey '93

Table 11.1-Sugar Price in Bangladesh and India (in Nov'93-Jan'94)

(Tk/Qtl)

Code	District	November B.desh	November India	December B.desh	December India	January B.desh	January India
2	Jessore	2313	1467	2363	1539	2406	1516
6	Chuadanga	2360	1493	2400	1533	2380	1480
7	Dinajpur	2228	1504	2222	1516	2230	1539
8	Panchagar	3000	--	2800	1625	2800	--
9	Thakurgaon	2293	1514	2343	1542	2421	1616
10	Rajshahi	1927	1555	1938	1567	1925	1569
11	Nawabganj	1923	1620	1918	1640	1945	1613
13	Joypurhat	2133	1453	2167	1453	2133	1432
14	Lalmonirhat	2150	1655	2200	1589	2250	1655
16	Kurigram	2329	1583	2300	1626	2329	1623
23	Feni	2636	2012	2673	1976	2645	1964
28	Comilla	2550	1975	2575	2006	2550	1856
29	Brahmanbaria	2290	1711	2252	1697	2238	1696
Avg. of Total Sample		2247	1637	2258	1648	2264	1645

Note: Prices in IRS Converted to BDT at Local Prevailing Rates
Source: IFPRI-FPMU Field Survey '93

Table 12-Salt Price in Bangladesh and India (in Nov'93-Jan'94)

(Tk/Qtl)

Code	Thana	November B.desh	November India	December B.desh	December India	January B.desh	January India
6	Sarsha	588	277	591	270	594	279
12	Jiban Nagar	450	244	450	256	460	261
14	Biral	660	--	660	375	660	--
15	Hakimpur	528	230	518	232	529	231
16	Birampur	420	238	416	241	436	238
17	Panchagar	--	--	750	175	--	--
19	Tetulia	800	--	800	--	800	--
22	Baliadangi	527	245	543	233	570	246
24	Godagari	388	225	392	221	396	226
26	Nawabganj	467	263	467	263	467	263
27	Shibganj	321	186	315	189	319	189
32	Panchbibi	533	243	517	243	533	243
33	Lalmonirhat	475	265	500	252	500	265
38	Nageswari	525	252	525	252	525	252
39	Bhurungamari	538	397	525	364	538	331
40	Fulbari	408	263	417	246	425	237
53	Chhagalnaiya	691	402	673	395	673	400
70	Chaudagram	700	417	664	417	650	417
72	Brahmanpara	600	321	600	321	600	321
73	Kasba	579	336	600	329	606	332
74	Akhaura	571	335	567	331	567	334
Avg. of Total Sample		518	279	520	275	526	281

Note : Prices in IRS Converted to BDT at Local Prevailing Rates
Source: IFPRI-FPMU Field Survey '93

Table 12.1-Salt Price in Bangladesh and India (in Nov'93-Jan'94)

(Tk/Qtl)

Code	District	November B.desh	November India	December B.desh	December India	January B.desh	January India
2	Jessore	588	277	591	270	594	279
6	Chuadanga	450	244	450	256	460	261
7	Dinajpur	510	232	502	240	515	233
8	Panchagar	800	--	783	175	800	--
9	Thakurgaon	527	245	543	233	570	246
10	Rajshahi	388	225	392	221	396	226
11	Nawabganj	329	191	323	193	327	194
13	Joypurhat	533	243	517	243	533	243
14	Lalmonirhat	475	265	500	252	500	265
16	Kurigram	479	298	479	281	486	268
23	Feni	691	402	673	395	673	400
28	Comilla	688	405	656	405	644	405
29	Brahmanbaria	576	336	586	330	590	333
Avg. of Total Sample		518	279	520	275	526	281

Note: Prices in IRS Converted to BDT at Local Prevailing Rates
Source: IFPRI-FPMU Field Survey '93

Table 13-Soyabean Price in Bangladesh and India (in Nov'93-Jan'94)
(Tk/Qtl)

Code	Thana	November B.desh	November India	December B.desh	December India	January B.desh	January India
6	Sarsha	4213	4025	4325	4002	4300	4066
12	Jiban Nagar	4163	4039	4150	4039	4175	4170
14	Biral	4100	--	4100	--	4100	--
15	Hakimpur	4250	4168	4138	4217	4300	4217
16	Birampur	4150	4397	4200	4296	4350	4427
17	Panchgar	--	--	3500	--	--	--
19	Tetulia	4000	--	4000	--	4000	--
22	Baliadangi	4179	4285	4279	4220	4386	4266
24	Godagari	4333	4630	4400	4656	4436	4643
26	Nawabganj	4200	4199	4200	4199	4200	4199
27	Shibganj	4288	4677	4388	4689	4407	4697
33	Lalmonirhat	4250	4039	4200	4239	4350	4239
38	Nageswari	4200	4304	4250	4105	4350	4239
39	Bhurungamari	4000	4239	4250	4106	4400	4239
40	Fulbari	4267	4122	4333	4168	4400	4255
53	Chhagalnaiya	4127	4497	4073	4457	3677	4470
70	Chaudagram	4000	4332	4157	4312	4186	4330
72	Brahmanpara	3800	5385	4000	5385	4000	5769
73	Kasba	4106	4227	4053	4155	4112	4247
74	Akhaura	4008	4579	4092	4561	4100	4623
Avg. of Total Sample		4168	4383	4204	4363	4224	4403

Note : Prices in IRS Converted to BDT at Local Prevailing Rates
Source: IFPRI-FPMU Field Survey '93

Table 13.1-Soyabean Price in Bangladesh and India (in Nov'93-Jan'94)
(Tk/Qtl)

Code	District	November B.desh	November India	December B.desh	December India	January B.desh	January India
2	Jessore	4213	4025	4325	4002	4300	4066
6	Chuadanga	4163	4039	4150	4039	4175	4170
7	Dinajpur	4208	4244	4154	4243	4300	4287
8	Panchagar	4000	---	3833	---	4000	---
9	Thakurgaon	4179	4285	4279	4220	4386	4266
10	Rajshahi	4333	4630	4400	4656	4436	4643
11	Nawabganj	4282	4647	4376	4659	4394	4659
14	Lalmonirhat	4250	4039	4200	4239	4350	4239
16	Kurigram	4171	4207	4286	4133	4386	4246
23	Feni	4127	4497	4073	4457	3677	4470
28	Comilla	3975	4464	4138	4446	4163	4510
29	Brahmanbaria	4066	4382	4069	4342	4107	4420
Avg. of Total Sample		4168	4383	4204	4363	4224	4403

Note: Prices in IRS Converted to BDT at Local Prevailing Rates
Source: IFPRI-FPMU Field Survey '93

Table 14-Mastard Price in Bangladesh and India (in Nov'93-Jan'94)
(Tk/Qtl)

Code	Thana	November B.desh	November India	December B.desh	December India	January B.desh	January India
15	Hakimpur	4750	4113	4775	4113	4750	4113
16	Birampur	4200	4156	4000	4416	4200	4545
24	Godagari	4525	4205	4650	4205	4525	4141
27	Shibganj	4771	4104	4800	4104	4800	4103
32	Panchbibi	4667	4078	4733	4078	4733	4078
Avg. of Total Sample		4683	4124	4722	4135	4695	4134

Note : Prices in IRS Converted to BDT at Local Prevailing Rates
Source: IFPRI-FPMU Field Survey '93

Table 14.1-Mustard Price in Bangladesh and India (in Nov'93-Jan'94)
(Tk/Qtl)

Code	District	November B.desh	November India	December B.desh	December India	January B.desh	January India
7	Dinajpur	4689	4118	4689	4147	4689	4161
10	Rajshahi	4525	4205	4650	4205	4525	4141
11	Nawabganj	4771	4104	4800	4104	4800	4103
13	Joypurhat	4667	4078	4733	4078	4733	4078
Avg. of Total Sample		4683	4124	4722	4135	4695	4134

Note: Prices in IRS Converted to BDT at Local Prevailing Rates
Source: IFPRI-FPMU Field Survey '93

Table 15-Palm Oil Price in Bangladesh and India (in Nov'93-Jan'94)
(Tk/Qtl)

Code	Thana	November B.desh	November India	December B.desh	December India	January B.desh	January India
12	Jiban Nagar	3700	4103	3700	4231	3700	4231
15	Hakimpur	3700	4076	3700	4076	3600	--
24	Godagari	3200	3797	3200	3544	3200	3544
27	Shibganj	3600	3846	3500	3846	3600	3846
Avg. of Total Sample		3550	3956	3525	3924	3525	3874

Note : Prices in IRS Converted to BDT at Local Prevailing Rates
Source: IFPRI-FPMU Field Survey '93

Table 15.1-Palm Oil Price in Bangladesh and India (in Nov'93-Jan'94)
(Tk/Qtl)

Code	District	November B.desh	November India	December B.desh	December India	January B.desh	January India
6	Chuadanga	3700	4103	3700	4231	3700	4231
7	Dinajpur	3700	4076	3700	4076	3600	--
10	Rajshahi	3200	3797	3200	3544	3200	3544
11	Nawabganj	3600	3846	3500	3846	3600	3846
Avg. of Total Sample		3550	3956	3525	3924	3525	3874

Note: Prices in IRS Converted to BDT at Local Prevailing Rates
Source: IFPRI-FPMU Field Survey '93

Table 16-Deviation Percentage of Paddy Price

Code	Thana	November	December	January
6	Sarsha	-3.79	-7.27	4.06
12	Jiban Nagar	-0.45	1.60	12.26
14	Biral	--	11.57	--
15	Hakimpur	12.16	17.39	20.51
16	Birampur	19.15	20.23	16.16
17	Panchagar	--	17.73	--
22	Baliadangi	8.36	6.82	6.27
24	Godagari	8.17	13.81	12.38
26	Nawabganj	0.87	0.64	6.95
27	Shibganj	13.00	16.15	20.34
32	Panchbibi	14.48	13.69	21.53
33	Lalmunirhat	3.18	1.71	6.88
38	Nageswari	3.04	3.95	13.98
39	Bhurungamari	11.88	15.69	14.44
40	Fulbari	6.95	9.38	13.54
53	Chhagalnaiya	10.73	7.14	7.72
70	Chaudagram	11.36	10.74	7.57
72	Brahmanpara	6.52	-2.56	-0.12
73	Kasba	8.18	5.69	7.76
74	Akhaura	3.15	0.52	4.52
Avg. of Total Sample		8.60	9.10	10.92

Note: Percentage=(Bangladesh Price - Indian price)/Bangladesh Price
Source: IFPRI-FPMU Field Survey '93

Table 17-Deviation Percentage of Rice Price

Code	Thana	November	December	January
6	Sarsha	-3.75	1.72	5.73
12	Jiban Nagar	10.20	9.83	14.83
14	Biral	--	21.33	--
15	Hakimpur	1.04	6.16	10.23
16	Birampur	3.20	3.68	4.10
17	Panchagar	--	18.54	--
22	Baliadangi	1.41	2.01	0.43
24	Godagari	7.02	9.78	15.22
26	Nawabganj	-0.28	-0.08	2.32
27	Shibganj	7.65	8.60	15.46
32	Panchbibi	3.62	6.30	14.15
33	Lalmonirhat	-5.96	-4.01	-3.02
38	Nageswari	-15.88	-2.67	-1.62
39	Bhurungamari	-11.09	-9.03	-1.37
40	Fulbari	-3.89	-0.08	3.10
53	Chhagalnaiya	8.26	8.26	10.58
70	Chaudagram	2.85	6.28	5.90
72	Brahmanpara	0.28	5.53	3.85
73	Kasba	5.96	4.20	9.52
74	Akhaura	6.05	2.83	8.49
Avg. of Total Sample		3.67	5.36	8.34

Note: Percentage=(Bangladesh Price - Indian price)/Bangladesh Price
Source: IFPRI-FPMU Field Survey '93

Table 18-Deviation Percentage of Wheat Price

Code	Thana	November	December	January
15	Hakimpur	-0.63	-1.80	-1.38
24	Godagari	13.14	15.27	15.66
26	Nawabganj	0.87	0.87	0.87
27	Shibganj	10.14	16.02	14.52
32	Panchbibi	-0.84	-4.18	-0.90
73	Kasba	1.79	3.85	--
74	Akhaura	0.71	-1.96	-4.95
Avg. of Total Sample		5.50	6.73	6.08

Note: Percentage=(Bangladesh Price - Indian price)/Bangladesh Price
Source: IFPRI-FPMU Field Survey '93

Table 19-Deviation Percentage of Atta Price

Code	Thana	November	December	January
6	Sarsha	5.15	2.76	-0.95
12	Jiban Nagar	16.81	18.83	14.69
15	Hakimpur	-42.74	-32.75	-32.75
16	Birampur	-21.13	-18.10	-24.36
22	Baliadangi	-23.90	-30.12	-30.12
24	Godagari	10.01	13.64	12.45
27	Shibganj	0.77	5.50	--
33	Lalmonirhat	-19.43	-32.46	-32.46
38	Nageswari	-21.35	-24.73	-32.46
39	Bhurungamari	-22.27	-23.08	-27.40
40	Fulbari	-10.84	-28.22	-28.22
53	Chhagalnaiya	16.66	17.32	18.64
70	Chaudagram	23.00	22.50	22.19
72	Brahmanpara	-6.10	-4.17	-4.17
73	Kasba	6.56	8.58	9.06
74	Akhaura	8.82	8.48	9.05
Avg. of Total Sample		-3.32	-3.92	-6.12

Note: Percentage=(Bangladesh Price - Indian price)/Bangladesh Price
Source: IFPRI-FPMU Field Survey '93

Table 20-Deviation Percentage of Sugar Price

Code	Thana	November	December	January
6	Sarsha	36.48	34.85	37.00
12	Jiban Nagar	36.71	36.14	37.80
15	Hakimpur	31.16	30.68	30.87
16	Birampur	32.43	30.80	26.09
17	Panchagar	--	41.96	--
22	Baliadangi	33.83	34.04	33.22
24	Godagari	19.26	19.26	18.63
26	Nawabganj	12.97	12.97	12.97
27	Shibganj	15.79	14.48	17.36
32	Panchbibi	31.92	32.91	32.91
33	Lalmonirhat	22.91	27.75	26.45
38	Nageswari	34.21	34.21	32.17
39	Bhurungamari	31.12	33.77	32.36
40	Fulbari	31.15	24.16	27.35
53	Chhagalnaiya	23.20	25.45	25.17
70	Chaudagram	22.33	21.92	27.12
72	Brahmanpara	24.24	24.24	24.24
73	Kasba	26.33	25.59	24.47
74	Akhaura	23.26	22.76	23.14
Avg. of Total Sample		26.38	26.12	26.79

Note: Percentage=(Bangladesh Price - Indian price)/Bangladesh Price
Source: IFPRI-FPMU Field Survey '93

Table 21-Deviation Percentage of Salt Price

Code	Thana	November	December	January
6	Sarsha	52.88	54.04	52.96
12	Jiban Nagar	45.75	43.15	43.16
14	Biral	--	43.18	--
15	Hakimpur	56.18	55.01	56.00
16	Birampur	34.31	32.90	35.12
17	Panchgar	--	76.67	--
22	Baliadangi	53.05	56.68	56.65
24	Godagari	41.80	43.44	42.77
26	Nawabganj	43.72	43.72	43.72
27	Shibganj	41.28	39.41	40.79
32	Panchbibi	54.58	53.03	54.35
33	Lalmonirhat	44.09	49.65	47.02
38	Nageswari	51.80	52.08	51.87
39	Bhurungamari	26.02	30.66	38.16
40	Fulbari	35.48	40.81	44.11
53	Chhagalnaiya	40.97	41.06	40.37
70	Chaudagram	40.03	37.14	35.77
72	Brahmanpara	46.58	46.58	46.58
73	Kasba	41.81	44.80	45.61
74	Akhaura	40.79	41.01	40.18
Avg. of Total Sample		45.01	45.76	46.01

Note: Percentage=(Bangladesh Price - Indian price)/Bangladesh Price
Source: IFPRI-FPMU Field Survey '93

Table 22-Deviation Percentage of Soyabean Price

Code	Thana	November	December	January
6	Sarsha	3.72	7.31	5.03
12	Jiban Nagar	2.63	2.35	-0.14
15	Hakimpur	1.75	-3.63	1.70
16	Birampur	-5.90	-2.29	-1.79
22	Baliadangi	-2.71	1.36	2.73
24	Godagari	-6.69	-5.62	-4.65
26	Nawabganj	0.03	0.03	0.03
27	Shibganj	-9.14	-7.06	-6.06
33	Lalmonirhat	4.95	-0.92	2.56
38	Nageswari	-2.49	3.36	2.56
39	Bhurungamari	-5.96	3.36	3.67
40	Fulbari	3.36	3.70	3.30
53	Chhagalnaiya	-8.75	-9.43	-10.68
70	Chaudagram	-8.19	-3.91	-3.67
72	Brahmanpara	-41.70	-34.62	-44.23
73	Kasba	-3.56	-3.68	-3.02
74	Akhaura	-14.71	-11.47	-12.08
Avg. of Total Sample		-5.38	-3.92	-3.33

Note: Percentage=(Bangladesh Price - Indian price)/Bangladesh Price
Source: IFPRI-FPMU Field Survey '93

Table 23-Deviation Percentage of Mustard Price

Code	Thana	November	December	January
15	Hakimpur	13.37	13.84	13.39
16	Birampur	1.05	-10.39	-8.23
24	Godagari	6.52	9.61	8.32
27	Shibganj	13.96	14.50	14.53
32	Panchbibi	12.59	13.86	13.86
Avg. of Total SAmple		11.72	12.25	11.44

Note: Percentage=(Bangladesh Price - Indian price)/Bangladesh Price
Source: IFPRI-FPMU Field Survey '93

Table 24-Deviation Percentage of Palm Oil Price

Code	Thana	November	December	January
12	Jiban Nagar	-10.88	-14.36	-14.35
15	Hakimpur	-10.17	-10.17	--
24	Godagari	-18.67	-10.76	-10.76
27	Shibganj	-6.84	-9.89	-6.84
Avg.of Total Sample		-11.64	-11.29	-10.65

Note: Percentage=(Bangladesh Price - Indian price)/Bangladesh Price
Source: IFPRI-FPMU Field Survey '93

Table 25.1–Cross Border Traffic of Commodities (in Nov'92-Jan'93)

(Percentage)

Code	Thana	From India (Paddy)	From B.desh (Paddy)	From India (Rice)	From B.desh (Rice)	From India (Salt)	From B.desh (Salt)	From India (Sugar)	From B.desh (Sugar)	From India (C.Oil)	From B.desh (C.Oil)	From Both (C.Oil)
6	Sarsha	0	0	0	0	100	0	100	0	0	0	0
12	Jiban Nagar	0	0	0	0	100	0	100	0	0	0	0
14	Biral	0	0	0	0	100	0	100	0	100	0	0
15	Hakimpur	100	0	100	0	100	0	100	0	100	0	0
16	Birampur	0	0	0	0	100	0	100	0	0	0	0
17	Panchagar	0	0	0	0	0	0	0	0	0	0	0
19	Tetulia	0	0	0	0	100	0	100	0	0	0	0
22	Baliadangi	0	0	0	0	100	0	100	0	0	0	0
24	Godagari	100	0	100	0	100	0	100	0	57.1	42.9	0
26	Nawabganj	0	0	0	0	100	0	100	0	0	0	0
27	Shibganj	80	20	100	0	100	0	100	0	20	53.3	26.7
32	Panchbibi	100	0	100	0	100	0	100	0	100	0	0
33	Lalmonirhat	0	0	0	0	100	0	100	0	0	0	0
33	Nageswari	0	0	0	0	100	0	100	0	0	0	0
39	Bhurungamari	0	0	0	0	100	0	100	0	0	0	0
40	Fulbari	0	0	0	0	100	0	100	0	0	0	0
53	Chhagalnaiya	100	0	100	0	100	0	100	0	0	100	0
70	Chaudagram	100	0	0	0	100	0	100	0	0	100	0
72	Brahmanpara	0	0	0	0	100	0	100	0	0	100	0
73	Kasba	100	0	100	0	100	0	100	0	0	100	0
74	Akhaura	100	0	100	0	100	0	100	0	0	100	0

Source: IFPRI-FPMU Field Survey '93

Table 25.1.1-Cross Border Trafic of Commodities (Nov'92-Jan'93)
(Responces from Informants)

(Percentage)

Commodities	From India	From B.desh	From Both	No Answer	Total
Paddy	22.2	0.7	0	77.1	100
Rice	31.9	0	0	68.1	100
Salt	96.5	0	0	3.5	100
Sugar	97.9	0	0	2.1	100
Cooking Oil	8.3	32.6	2.8	56.3	1[illegible]

Source : IFPRI-FPMU Field Survey '93

BEST AVAILABLE DOCUMENT

Table 25.2-Cross Border Traffic of Commodities (in Feb'93-April'93)

(Percentage)

Code	Thana	From India (Paddy)	From B.desh (Paddy)	From India (Rice)	From B.desh (Rice)	From India (Salt)	From B.desh (Salt)	From India (Sugar)	From B.desh (Sugar)	From India (C.Oil)	From B.desh (C.Oil)	From Both (C.Oil)
6	Sarsha	0	0	0	0	100	0	100	0	0	0	0
12	Jiban Nagar	0	0	0	0	100	0	100	0	0	0	0
14	Biral	0	0	0	0	0	0	0	0	0	0	0
15	Hakimpur	100	0	100	0	100	0	100	0	100	0	0
16	Birampur	0	0	0	0	100	0	100	0	0	0	0
17	Panchagar	0	0	0	0	0	0	0	0	0	0	0
19	Tetulia	0	0	0	0	100	0	100	0	0	0	0
22	Baliadangi	0	0	0	0	100	0	100	0	0	0	0
24	Godagari	0	0	100	0	100	0	100	0	57.1	42.9	0
26	Nawabganj	0	0	0	0	100	0	100	0	0	0	0
27	Shibganj	100	0	100	0	100	0	100	0	13.3	53.3	33.3
32	Panchbibi	100	0	100	0	100	0	100	0	100	0	0
33	Lalmonirhat	0	0	0	0	100	0	100	0	0	0	0
38	Nageswari	0	0	0	0	100	0	100	0	0	0	0
39	Bhurungamari	0	0	0	0	100	0	100	0	0	0	0
40	Fulbari	0	0	0	0	100	0	100	0	0	0	0
53	Chhagalnaiya	88.9	11.1	85.7	14	100	0	100	0	0	100	0
70	Chaudagram	100	0	0	0	100	0	100	0	0	100	0
72	Brahmanpara	100	0	100	0	100	0	100	0	0	100	0
73	Kasba	100	0	100	0	100	0	100	0	0	100	0
74	Akhaura	100	0	100	0	100	0	100	0	0	100	0

Source: IFPRI-FPMU Field Survey '93

Table 25.2.1 Cross Border Trafic of Commodities (Feb'93-Apr'93)
(Responces from Informants)

(Percentage)

Commodities	From India	From B.desh	From Both	No Answer	Total
Paddy	26.4	0.7	0	72.9	100
Rice	42.4	0.7	0	56.9	100
Salt	94.4	0	0	5.6	100
Sugar	96.5	0	0	3.5	100
Cooking Oil	6.3	35.4	3.5	54.9	100

Source : IFPRI-FPMU Field Survey '93

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Table 25.3-Cross Border Traffic of Commodities (in May'93-Jul'93)

(Percentage)

Code	Thana	From India (Paddy)	From B.desh (Paddy)	From India (Rice)	From B.desh (Rice)	From India (Salt)	From B.desh (Salt)	From India (Sugar)	From B.desh (Sugar)	From India (C.Oil)	From B.desh (C.Oil)	From Both (C.Oil)
6	Sarsha	0	0	0	0	100	0	100	0	0	0	0
12	Jiban Nagar	0	0	0	0	100	0	100	0	0	0	0
14	Biral	0	0	0	0	0	0	0	0	0	0	0
15	Hakimpur	33.3	66.7	33.3	66.7	100	0	100	0	100	0	0
16	Birampur	0	0	0	0	100	0	100	0	0	0	0
17	Panchagar	0	0	0	0	0	0	0	0	0	0	0
19	Tetulia	0	0	0	0	100	0	100	0	0	0	0
22	Baliadangi	0	0	0	0	100	0	100	0	0	0	0
24	Godagari	50	50	83.3	16.7	92.3	7.7	92.3	7.7	66.7	33.3	0
26	Nawabganj	0	0	0	100	100	0	100	0	0	100	0
27	Shibganj	75	25	100	0	100	0	100	0	13.3	53.3	33.3
32	Panchbibi	0	0	33.3	66.7	100	0	100	0	100	0	0
33	Lalmonirhat	0	0	0	0	100	0	100	0	0	0	0
38	Nageswari	0	0	0	0	100	0	100	0	0	0	0
39	Bhurungamari	0	0	0	0	100	0	100	0	0	0	0
40	Fulbari	0	0	0	0	100	0	100	0	0	0	0
53	Chhagalnaiya	100	0	100	0	100	0	100	0	0	100	0
70	Chaudagram	100	0	100	0	100	0	100	0	0	100	0
72	Brahmanpara	0	0	0	0	100	0	100	0	0	0	0
73	Kasba	100	0	100	0	100	0	100	0	0	100	0
74	Akhaura	100	0	100	0	100	0	100	0	0	100	0

Source: IFPRI-FPMU Field Survey '93

Table 25.3.1-Cross Border Tráfic of Commodities (May'93-Jul'93)
(Responces from Informants)

(Percentage)

Commodities	From India	From B.desh	From Both	No Answer	Total
Paddy	10.4	8.3	0	81.3	100
Rice	18.8	8.3	0	72.9	100
Salt	91	0.7	0	8.2	100
Sugar	95.8	0.7	0	3.5	100
Cooking Oil	6.9	31.9	3.5	57.6	100

Source : IFPRI-FPMU Field Survey '93

Table 25.4-Cross Border Traffic of Commodities (in Aug'93-Oct'93)

(Percentage)

Code	Thana	From India (Paddy)	From B.desh (Paddy)	From Both (Paddy)	From India (Rice)	From B.desh (Rice)	From Both (Rice)	From India (Salt)	From B.desh (Salt)	From India (Sugar)	From B.desh (Sugar)	From India (C.Oil)	From B.desh (C.Oil)	From Both (C.Oil)
6	Sarsha	0	0	0	0	0	0	100	0	100	0	0	0	0
12	Jiban Nagar	0	0	0	0	0	0	100	0	100	0	0	0	0
14	Biral	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Hakimpur	60	20	20	60	10	30	100	0	100	0	100	0	0
16	Birampur	0	0	0	0	0	0	100	0	100	0	0	0	0
17	Panchagar	0	0	0	0	0	0	100	0	100	0	0	0	0
19	Tetulia	0	0	0	0	0	0	100	0	100	0	0	100	0
22	Baliadangi	0	0	0	0	0	0	100	0	100	0	0	0	0
24	Godagari	100	0	0	81.8	9.1	9.1	100	0	100	0	66.7	33.3	0
26	Nawabganj	100	0	0	100	0	0	100	0	100	0	0	0	0
27	Shibganj	100	0	0	90	0	10	100	0	100	0	15.4	46.2	38.5
32	Panchbibi	100	0	0	66.7	0	33.3	100	0	100	0	100	0	0
33	Lalmonirhat	0	0	0	0	0	0	100	0	100	0	0	0	0
38	Nageswari	0	0	0	0	0	0	100	0	100	0	0	0	0
39	Bhurungamari	0	0	0	0	0	0	100	0	100	0	0	0	0
40	Fulbari	0	0	0	0	0	0	100	0	100	0	0	0	0
53	Chhagalnaiya	100	0	0	0	100	0	100	0	100	0	0	100	0
70	Chaudagram	0	0	0	0	100	0	100	0	100	0	0	100	0
72	Brahmanpara	0	0	0	0	0	0	100	0	100	0	0	100	0
73	Kasba	100	0	0	100	0	0	100	0	100	0	0	100	0
74	Akhaura	100	0	0	100	0	0	100	0	100	0	0	100	0

Source: IFPRI-FPMU Field Survey '93

Table 25.4.1-Cross Border Trafic of Commodities (Aug'93-Oct'93)
(Responces from Informants)

(Percentage)

Commodities	From India	From B.desh	From Both	No Answer	Total
Paddy	22.9	1.4	1.4	74.3	100
Rice	25.7	2.8	4.2	67.4	100
Salt	94.4	0	0	5.6	100
Sugar	97.2	0	0	2.8	100
Cooking Oil	6.9	29.9	3.5	59.7	100

Source : IFPRI-FPMU Field Survey '93

Table 26-Extent of Cross Border Trade by Thana

(Percentage)

Code	Thana	Nil	Moderate	High	Veryhigh	Total
6	Sarsha	0	50	50	0	100
12	Jiban Nagar	0	20	80	0	100
14	Biral	0	100	0	0	100
15	Hakimpur	0	17.6	47.1	35.3	100
16	Birampur	0	100	0	0	100
17	Panchagar	0	100	0	0	100
19	Tetulia	50	0	50	0	100
22	Baliadangi	0	100	0	0	100
24	Godagari	0	46.2	53.8	0	100
26	Nawabganj	0	0	100	0	100
27	Shibganj	0	52.9	41.2	5.9	100
32	Panchbibi	0	0	66.7	33.3	100
33	Lalmonirhat	0	100	0	0	100
38	Nageswari	0	100	0	0	100
39	Bhurungamari	0	100	0	0	100
40	Fulbari	0	0	100	0	100
53	Chhagalnaiya	0	63.6	36.4	0	100
70	Chaudagram	0	71.4	28.6	0	100
72	Brahmanpara	0	0	100	0	100
73	Kasba	0	47.1	52.9	0	100
74	Akhaura	0	25	75	0	100
Avg. of Total Sample		0.7	50.3	43.4	5.6	100

Source: IFPRI-FPMU Field Survey '93

Table 27-Estimated Quantity of Commodities Traded Across the Border per Month

(Quantity in md)

Code	Thana	Paddy	Rice	Sugar	Soyabean	Salt	Mustard
6	Sarsha	0	0	3063	0	3563	0
12	Jiban Nagar	0	0	3000	0	4400	0
14	Biral	0	0	27	0	0	0
15	Hakimpur	5494	2721	5800	0	1982	320
16	Birampur	0	0	1460	0	1980	0
22	Baliadangi	0	0	1332	0	1871	0
24	Godagari	3695	954	4751	162	1290	215
26	Nawabganj	0	0	11250	0	12000	0
27	Shibganj	2463	1609	1905	197	2213	390
32	Panchbibi	6900	3067	5667	0	625	160
33	Lalmonirhat	0	0	1750	0	2350	0
38	Nageswari	0	0	650	0	1100	0
39	Bhurungamari	0	0	1600	0	2300	0
40	Fulbari	0	0	2500	0	4000	0
53	Chhagalnaiya	2563	1079	937	160	600	0
70	Chaudagram	1600	400	1650	171	400	0
72	Brahmanpara	1400	900	3000	250	0	0
73	Kasba	2960	3907	2456	453	1610	0
74	Akhaura	3377	3206	3306	443	929	0
Avg.of Total Sample		3709	2276	2919	315	2157	283

Source: IFPRI-FPMU Field Survey '93

Table 28-Effects of cross border trafic on the local economy: Responses Received

(Percentage)

Code	Thana	1 Code	2 Code	3 Code	4 Code	5 Code	6 Code	7 Code
6	Sarsha	75	12.5	0	0	0	12.5	0
12	Jiban Nagar	20	60	0	0	0	20	0
14	Biral	100	0	0	0	0	0	0
15	Hakimpur	35.3	29.4	5.9	0	0	5.9	11.8
16	Birampur	0	20	0	0	0	20	20
17	Panchagar	0	100	0	0	0	0	0
19	Tetulia	0	100	0	0	0	0	0
22	Baliadangi	35.7	7.1	0	7.1	0	0	7.1
24	Godagari	33.3	33.3	0	0	0	16.7	16.7
26	Nawabganj	0	0	0	0	0	100	0
27	Shibganj	25	37.5	0	6.3	0	25	6.3
32	Panchbibi	33.3	0	0	0	0	66.7	0
33	Lalmonirhat	100	0	0	0	0	0	0
38	Nageswari	0	50	0	0	0	0	0
39	Bhurungamari	0	50	0	0	0	50	0
40	Fulbari	66.7	33.3	0	0	0	0	0
53	Chhagalnaiya	18.2	9.1	18.2	9.1	9.1	0	0
70	Chaudagram	33.3	50	0	0	0	16.7	0
72	Brahmanpara	0	100	0	0	0	0	0
73	Kasba	5.9	23.5	0	0	35.3	11.8	0
74	Akhaura	45.5	0	9.1	0	0	0	0
Avg. of Total Sample		30.2	25.2	2.9	2.2	5	12.2	5

Source: IFPRI-FPMU Field Survey '93

Table 28-(Contd.)

(Percentage)

Code	Thana	8 Code	9 Code	10 Code	11 Code	12 Code	14 Code	15 Code
6	Sarsha	0	0	0	0	0	0	0
12	Jiban Nagar	0	0	0	0	0	0	0
14	Biral	0	0	0	0	0	0	0
15	Hakimpur	5.9	0	0	0	5.9	0	0
16	Birampur	0	20	0	0	0	20	20
17	Panchagar	0	0	0	0	0	0	0
19	Tetulia	0	0	0	0	0	0	0
22	Baliadangi	7.1	0	14.3	14.3	7.1	0	0
24	Godagari	0	0	0	0	0	0	0
26	Nawabganj	0	0	0	0	0	0	0
27	Shibganj	0	0	0	0	0	0	0
32	Panchbibi	0	0	0	0	0	0	0
33	Lalmonirhat	0	0	0	0	0	0	0
38	Nageswari	0	0	0	50	0	0	0
39	Bhurungamari	0	0	0	0	0	0	0
40	Fulbari	0	0	0	0	0	0	0
53	Chhagalnaiya	0	0	18.2	9.1	0	0	9.1
70	Chaudagram	0	0	0	0	0	0	0
72	Brahmanpara	0	0	0	0	0	0	0
73	Kasba	5.9	5.9	0	5.9	0	0	5.9
74	Akhaura	0	27.3	0	0	0	0	18.2
Avg. of Total Sample		2.2	2.9	2.9	3.6	1.4	0.7	3.6

Source: IFPRI-FPMU Field Survey '93

APPENDIX - B

Respondent's Replies on Effects of Cross Border Trade

1. **Employment Generation:** Many people are involved in the cross border trade. This trade provides employment opportunities to the Border Belt people.

2. **Supplies Essential Commodities:** Essential Commodities are now available at a fair price which reduces the pressure on scarce domestic supply.

3. **Source of Economic Security:** The border belt people feel they are economically secure with the help of cross border trading.

4. **Lower Cost of Living:** Due to the availability of goods and their reasonable prices, cost of living is within tolerable limits.

5. **Low Crime Rate:** Due to higher employments opportunities, crime rates are within limits in the border belt areas.

6. **High Risk of Domestic Trade:** The trade in domestic goods is subject to high risk.

7. **High Wage Rate:** Cross-border trade has low risk factor. Wage rate of labour is high in the cross-border trade.

8. **Low Capital Generation:** There is no scope of capital formation by local trade hence no surplus is generated in the border area.

9. **Causes Erosion of Moral Values:** The people involved in the cross border trading are losing their morality and ultimately it pollutes the society.

10. **Non-Standard Commodities:** Commodities are imported into our country in unhygienic ways which are dangerous and detrimental to health.

11. **Cause of Deficit Balance of Payment:** Cross border trade causes deficit balance of payment which is always disfavourable to Bangladesh.

12. **Causes losses to Local Industries:** The weak industries of BD are facing much competition in expanding their activities due to influx of illegally imported manufactured goods.

13. **Loss of Custom Duties & Taxes:** Govt. is deprived of custom duties and taxes in this trade.

14. **Unrecorded Transactions:** There is no record of smuggled quantities to the Govt. or to the private traders.

15. **Expansion of Smuggling:** Smuggling is increasing in our society. So it should be stopped.

16. **Prices will Stabilize :** If smuggling is stopped, prices in Bangladesh will be comparable to Indian prices.

APPENDIX - C

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Ref: USA/18-93/94

Joint MOA, MOF — IFPRI Field Trip

Cross Border Price Monitoring: Rapid Survey

1. **Background**: Bangladesh is contiguous on three sides to India and on one side to Burma. Unlike many modern nation-states, by a quirk of history — the Radcliff Award in 1947 partition of British India — the borders of Bangladesh do not, in most parts, consist of a natural barrier. On the contrary, they have, in many places, cut through the natural lay of the land, long established communication lines or even the traditional market-hinterland couplings. Even after nearly half a century of independent extinence, these inbuilt distortions exert powerful influences in the internal trade of the country. In any dispassionate analysis of the cross border-trade, albeit illegal, these factors should always be borne in mind.

   Lures of profit and ease of trade know no law. Cross border trade is a fact of life in the border belts of Bangladesh. Many factors other than those based on traditional marketing elements fuel the movement both ways. Unofficial exchange rate of currencies, prices of commodities, specially availability and price of imported items, strength of the border security arrangements and periodic shortages of special commodities are some of the known variables. An estimation of this informal trade from the economic point of view is essential to understand many marketing phenomena. Any computation or modeling on national food grain balance is incomplete and inaccurate without at least a rough estimate of 'disappearance' and 'reappearance' of large quantities of grains, a quantity which this trade represents. It is, therefore, felt that in a liberalized market and a freely floated Indian Rupee and Taka being on the verge of being floated, serious efforts may be made to estimate Indian foodgrain and other essential food commodity prices which are the key elements in the informal cross-border trade.

2. **Object**: Under these historic and economic backgrounds, to understand and monitor India food Commodities prices, a rapid survey is proposed to be launched under the

general methods described below. FPMU, IFPRI and MOA/AST will jointly collaborate in this effort. The plan and schedules are described below.

The object of the exercise is to establish a procedure to monitor cross-border foodgrains and other food commodity prices in the border belt areas and to evaluate the accuracy and efficacy of the method by rapid field surveys in carefully select places.

3 **Authorization**: The exercise/survey is authorized by the Ministry of Food, Government of Bangladesh, under the relevant TAPP and approved under specific Work Plan of the Bangladesh Food Policy Project, IFPRI, under USAID fundings.

4. **Finance**: The survey/monitoring expenses are budgeted under the authorization described in para (3). Appropriate budget head of BFPP will be debited for all authorized expenses in connection with the survey.

5. **Method**: The monitoring on the border prices will utilize two methods: (i) a standard questionnaire response from the key reliable informants in the border belt-ie OC, LSDS located close to the border (ii) a sample survey of selected border areas as represented by these LSD by teams consisting of MOF (FPMU) officers and IFPRI field investigators. MOA/AST members are expected to collaborate and pursue their own plan of action.

A total of 80 (Eighty) LSDS have been selected for mailed questionnaire which are spread around the entire periphery of Bangladesh. No LSD is located at distance of more than 10 miles from the nearest Indian border. All are well connected by road communication with developed rural markets located at both sides of the border. They are thus ideal areas for cross border trade, if any.

The Burma border is ignored on account of extreme inaccessibility, rough terrain and disturbed environment because of Rohinga refugee situation. There is, infact, little evidence that Burma prices has any significant influence on Bangladesh market.

Written questions will be supplied in advance to these 80 LSDS out of which 13 (Thirteen) will be visited by the survey team as per the travel schedule described below. All replies are expected to be received shortly, which will be bolstered further by investigations by the field teams. The number of LSDS to be surveyed will constitute 16 % of the total number of border LSDS.

The sample questionnaire is attached.

6. **The Survey Plan**:

(a) Personnel and Time Schedule : The survey teams will consist of 2 teams in 4 different zones in two time schedules. For ease of operation, they are titled and named as below. The first person named in the team will be the team leader. Mr. Shahjahan, IFPRI will co-ordinate the activities of both teams in the field.

(i)

Team No.	Time Period	Members
A1	15th to 18th Dec	Ruhul Amin (FPMU) Abu Bakar, Mizanur Rahman (IFPRI)
B1	15th to 18th Dec	Mofidul Islam (FPMU) Khalid Anam, Md. Zakaria (IFPRI)
A2	23rd to 27th Dec	Imtiaz Ahmed (FPMU) Khalid Anam, Md. Zakaria (IFPRI)
B2	-do-	Naser Farid (FPMU)Abu Bakar, Mizanur Rahman (IFPRI)

Field Co-ordinator: Shahjahan Mian will make his own schedule to accompany both teams and co-ordinate survey arrangements. He will discuss the matter with PSC and obtain full details which need not be noted here.

(b) Zones : The border belt is divided into 4 zone/areas for the purpose of the survey. The zones/areas and team surveying the selected areas are given below:

Zone/Area	Time of Survey	Team Nos	LSDS and Adjoining Areas
(1) Jessore/ Kushtia	15th to 18th Dec	A1	(a) Bagachra (b) Maheshpur (c) Jibannagar
(2) Comilla	- do -	B1	(a) Kasba (b) Akhaura (c) Brahmanpara
(3) Rajshahi	23rd to 27th Dec	B2	(a) Porsha (b) Bholahat (c) Godagari
(4) Dinajpur/Rangpur	- do -	A2	(a) Fulbari (b) Madhabpur (c) Lashirihat

Note: The above schedule has been worked out in consultation with Mr. Naser Farid, FPMU and Dr. Nuimuddin Chowdhury, IFPRI.

The COP and PSC, IFPRI, will make their own travel plans later to joint the visiting teams. .The exact schedule and other arrangements for their travel will be worked out later.

(b) Transport: Motor transports along with drivers will be hired from Dhaka for the duration of the trip. The first date mentioned in schedule is the departure date from DAC and the last, the departure date from field. Preferably 4 wheel powered vehicles (jeeps) will be hired on account of the rural unpaved roads which are planned to be negotiated in the trip. Shahjahan Mia in consultation with Admin Specialist. will arrange suitable transport.

(c) Accommodations : The team leaders will arrange/book circuit-houses in the area per their schedule in advance. If this is not possible, suitable private accommodation will be used in field, keeping in view the next morning's journey schedule.

(d) Communications: The team leader is responsible for monitoring communication via telephone/telegraph with the Ministry/ IFPRI HQ as per requirement during the survey. He will guide/advise the team members during the survey to obtain accurate results from any other source deemed fit, and as ascertained locally.

(e) Contingencies: A sum of Tk. 5000/- will carried by each IFPRI rep. as contingency fund for such emergencies as:

(i) Vehicle breakdown/rehire/return by other means
(ii) Emergency repairs
(iii) Medical emergencies
(iv) Any other unforeseen needs

If not actually used, this imprest sum will be refunded on return to DAC. For any such emergency, IFPRI HQ and the Ministry will be contacted by the fastest means available. The team leader will exercise initiative and commonsense to tackle any unforeseen emergency not anticipated in this plan.

While in the field, the teams are advised to take all precautions towards road safety, food intake and personal hygiene. Caution is to be exercised regarding intake of water which should always be boiled or from a tubewell.

(f) Vehicle Hire/TA advance: Mr. Shahajahan Mia will make an estimate for each team for the trip covering all heads of expenditure eg. vehicle hire, per diem, accommodation, contingency fund and draw such sums as necessary after due approval. Immediately on return after each of the surveys, due bills will be submitted as per usual practice and advances adjusted as soon as possible.

7. **Ministry of Agriculture Collaboration** : As discussed with Mr. Doug Currie, AST, a team of MOA officials will join the visiting teams in a collaborative effort. MOA/AST team will arrange their own vehicle and other administrative requirements. All team members are requested to extend maximum co-operation to our MOA-AST colleagues.

8. **Reports** : All questionnaires, duly filled in, are to be handed over to the PSC, IFPRI. Each team will also be debriefed by him. It is expected that the mailed questionnaires will also be available by this time.

A suitable short report will be produced on the basis of the survey, debriefing and questionnaires. It is to be appreciated by all concerned that this price monitoring exercise is going to be a continuous process with the Situation Room, FPMU, eventually processing the field data in future.

9. **Conclusion**: This exercise is an important area of IFPRI work plan. The accuracy of results will go a long way in understanding important areas of foodgrain marketing in Bangladesh. The national grain balance and supply/demand analysis will also benefit immensely from the results. With continued price monitoring in the border belts, the price information picture is expected to be fully drawn.

All members are, therefore, requested to pursue the matter in all earnestness so that first class results are obtained.

Dated: 12th Dec 1993

(MAHFOOZUR RAHMAN)
Private Sector Co-ordinator

Distribution
Internal

1. Dr. Steven Haggblade - COP
2. Dr. Nuimuddin Chowdhury -Marketing Economist
3. Mr. M.H. Chowdhury - Admin Specialist
4. Mr. Shahjahan Mia - With a request to circulate and co-ordinator this plan to other field investigators and submit estimates for approval soonest.

External

1. Mr. Ruhul Amin, Acting Chief, FPMU
2. Mr. Naser Farid, Asst Chief, FPMU : 100 questionnaires are being despatched for onward mailing to the border belt LSDS.
3. Mr. Imtiaz Ahmed, Asst. Chief, FPMU
4. Mr. Mofidul Islam, Research Officer, FPMU
5. Dr. Craig Anderson, Program Officer, USAID
6. Mr. Doug Currie, AST, CIDA: Our discussion of the 12th refers. Please let us know on the provision of the jeep as soon as possible.

APPENDIX - D

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List of Selected LSDs in Border Area
(Located at less than 10 miles of the Border)

Name of District	Sl. No. Name of Thanas	Sl.No. Name of LSDs
1. Satkhira	1. Satkhira	1. Satkhira
	2. Kalaroa	2. Kalaroa
	3. Debhata	3. Parulia
	4. Kaliganj	4. Bashantapur
	5. Shyamnagar	5. Harinagar
		6. Bhotkhali
		7. Nakipur
2. Jessore	6. Sarsha	8. Baghachra
		9. Navaran
	7. Chaugacha	10. Chaugacha
3. Jhenaidah	8. Moheshpur	11. Moheshpur
4. Kushtia	9. Daulatpur	12. Daulatpur
5. Meherpur	10. Meherpur	13. Meherpur
6. Chuadanga	11. Damurhuda	14. Darsana
	12. Jiban Nagar	15. Jiban Nagar
7. Dinajpur	13. Fulbari	16. Fulbari
	14. Biral	17. Biral
		18. Mangalpur
	15. Hakimpur	19. Hilli
	16. Birampur	20. Charkai
8. Panchagar	17. Panchagar	21. Panchagar
	18. Atwari	22. Fakirganj
		23. Mirzaganj
	19. Tetulia	24. Tetulia
		25. Bhajanpur
9. Thakurgaon	20. Pirganj	26. Pirganj
	21. Haripur	27. Haripur
	22. Baliadangi	28. Baliadangi
		29. Laherihat
10. Rajshahi	23. Boalia	30. Rajshahi
	24. Godagari	31. Godagari
	25. Charghat	32. Charghat

11. Nawabganj	26. Nawabganj	33. Nawabganj
		34. Amnura
	27. Shibganj	35. Shibganj
	28. Bholahat	36. Bholahat
12. Naogaon	29. Dhamoirhat	37. Dhamoirhat
	30. Shapahar	38. Shapahar
	31. Porsha	39. Nithpur
13. Jaipurhat	32. Panchbibi	40. Panchbibi
14. Lalmonirhat	33. Lalmonirhat	41. Lalmonirhat
	34. Aditmari	42. Aditmari
	35. Hatibanda	43. Hatibanda
	36. Patgram	44. Patgram
15. Nilphamari	37. Domar	45. Chilahati
16. Kurigram	38. Nageswari	46. Nageswari
	39. Bhurungamari	47. Joymonirhat
	40. Fulbari	48. Fulbari
	41. Rahumari	49. Rahumari
17. Mymensingh	42. Haluaghat	50. Haluaghat
	43. Dhobaura	51. Munshirhat
18. Netrokona	44. Kalmakanda	52. Kalmakanda
	45. Durgapur	53. Birisiri
19. Jamalpur	46. Dewanganj	54. Sanandabari
20. Sherpur	47. Jhinaigati	55. Jhinaigati
21. Chittagong	48. Mirsharai	56. Mirsharai
22. Khagrachari	49. Panchari	57. Panchari
	50. Matiranga	58. Talabchari
		59. Taindang
	51. Ramgar	60. Ramgar
23. Feni	52. Feni (Sadar)	61. Feni
	53. Chhagalnaiya	62. Chhagalnaiya
	54. Parashuram	63. Parashuram
		64. Fulgazi
24. Sylhet	55. Beani Bazar	65. Saola
	56. Kanaighat	66. Kanaighat
	57. Jakiganj	67. Jakiganj
	58. Jaintapur	68. Jaintapur
	59. Goaninghat	69. Goaninghat
	60. Companiganj	70. Companiganj

25. Moulavibazar	61. Srimangal	71. Srimangal
	62. Kamalganj	72. Samsherpur
	63. Barlekha	73. Barlekha
26. Sunamganj	64. Sunamganj	74. Sunamganj
	65. Bishambapur	75. Bishambapur
27. Habiganj	66. Chunarughat	76. Chunarughat
	67. Madhabpur	77. Madhabpur
28. Comilla	68. Comilla	78. Dharmapur
		79. Chakbazar
	69. Laksam	80. Daulatganj
	70. Chaudagram	81. Chaudagram
		82. Gunabati
	71. Burichang	83. Burichang
	72. Brahmanpara	84. Brahmanpara
		85. Saldanadi
29. Brahmanbaria	73. Kasba	86. Kasba
	74. Akhaura	87. Akhaura

Total LSDs: 87

APPENDIX - E

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IFPRI-FPMU JOINT SURVEY

Questionnaire for Cross-Border Price Information

Serial No. ________________

Section (A)

1. (a) District ______________ (b) Name of D.C. Food ______________

2. (b) Thana ______________ (b) Name of TFO ______________

3. (c) LSD ______________ (b) Name of O.C. LSD ______________

]Section (B)

1. How far is your LSD located from the nearest border: ________ Km

2. How is the communication in the border area? excellent/good/bad/very bad

3. Name the most important local haats (rural markets) in your area on:

   (a) Bangladesh Side : (i) (ii) (iii)

   (b) Indian Side : (i) (ii) (iii)

4. What are the main commodities traded in those haats? :____________

5. What is the present unofficial exchange rate (of Tk: RS) in your area?

   Tk. 100 = ________ IRS

6. Please fill in the following commodity & price information for your area (per quintal/maund)

Year : 1993

	November		December		January (projected)	
	In Bangladesh (Tk)	In India (IRS)	In Bangladesh (Tk)	In India (IRS)	In Bangladesh (Tk)	In India (IRS)
(a) Paddy						
(b) Rice						
(c) Wheat						
(d) Sugar						
(e) Salt						
(f) Soybean/ (cooking oil)						

Section (c)

1. Please indicate by ticking your estimate of the cross border traffic in the periods shown:

Period	From India	From Bangladesh
Nov-Jan	Paddy/Rice/Salt/Sugar/Cooking oil	Paddy/Rice/Salt/Sugar/Cooking oil
Feb-April	Paddy/Rice/Salt/Sugar/Cooking Oil	Paddy/Rice/Salt/Sugar/Cooking oil
May-July	Paddy/Rice/Salt/Sugar/Cooking Oil	Paddy/Rice/Salt/Sugar/Cooking oil
Aug-Oct	Paddy/Rice/Salt/Sugar/Cooking Oil	Paddy/Rice/Salt/Sugar/Cooking oil

2. In your area the extent of cross border trade is:nil/moderate/high/very high:

3. Could you estimate the quantities of commodities traded across the border, as described below:

   (a) Paddy - /month (From Bangladesh/To Bangladesh)

   (b) Rice - /month (From Bangladesh/To Bangladesh)

   (c) Sugar - /month (From Bangladesh/To Bangladesh)

   (d) Soyabean Oil /month (From Bangladesh/To Bangladesh)

4. In your opinion what are the effects of this cross border traffic on the local economy. Briefly describe (in one line)

   (a)

   (b)

   (c)

In case of interviewing local people (traders, shopkeepers, farmers etc.), ignore section (a) and fill in the following:

(i) Profession ____________ (ii) Place of ordinary residence ____________

(iii) Area of his activity ______________________

Maximum co-operation is to be sought from the respondents. That this questioning is <u>not</u> a government administrative action must be communicated. Informal and friendly manner of questioning is to be practised. Please remember, the border belt is a very sensitive area; caution and descretions are the watch words.

APPENDIX - F

Two Recent Newspaper reports: Financial Express, 17th & January '94.

Smuggled Goods Drive Out Local Products

Inadequate protection to indigenous products, influx of foreign goods and rise of informal trade have thrown most of local industries into a state of ruination.

Sales of different firms or industries, producing items that face tough competition from "imported" supplies have dropped by 30 to 40 per cent, according to some industrial operators.

The prices of foreign 'consumer goods' coming to the country through legal or illegal ways, are cheaper, squeezing the market of local products.

Local industrial circles said they are not afraid of competition but the playing-field must be even while high transaction costs and distortions in infrastructure and other utility services pervade, competition is not possible between uneven players, the same circle said.

Local producers of toiletries have alleged that foreign items are also being dumped into the country.

According to some retailers at New Market with the liberalization of import policy, the local markets are flooded with wide varieties of foreign goods, specially with consumer items.

Taking advantage of the liberal import policy, smugglers bring in a huge quantity items into the country according to retailers. They manage to bring in goods and items in quantities larger than what is shown in the letter of credits (LCs) through illegal channels and sell them in various city markets including the capital Dhaka.

As a result, local industries are facing an uneven competition with foreign goods in marketing their products. "This hinders their development of local industries", said the Managing Director of Kohinoor Chemical industries Obaidul Karim.

Customers, specially buyers of consumer goods, prefer these items to the locally manufactured ones due to low prices, fascination for foreign goods and sometimes for quality too.

Indian Colgate tooth past, Fair and Lovely and Nivea Cream, Five Star Shaving Cream, Godrej, True Ton, Black Night and Peacock Hair Dyes, Lakhme, Japan Airlines and Marline lipsticks, Keokarpin, Alma, Luma, Himtaj and Jabakushum hair oil, Supermax and Topaz blades, some nail polish and shaving lotions are now dominating the local markets.

An Indian Colgate is now being sold at Tk. 45, whereas a same size local product of Peps Gel or Close Up are being sold between Tk. 50-54.

Indian lipsticks cost Tk. 20 to 25 as against local products Madora and Yardley which sell at Tk. 55 and 75 respectively.

Although prices of local medicated hair oil is less than those of India the quality of the Indian products is often much better, claimed a retailer in New Market in the city.

In case of razor blade and hair dyes Indian goods are still enjoying the monopoly.

Most Indian goods are brought into the country by smugglers through land routes allegedly either in connivance with a section of dishonest law enforcing personnel or by deceiving their vigilance.

Numerous groups and individuals are engaged in this illegal trade. Unemployed youths, landless day labourers, destitute women and sometimes pauper children of border areas are used in smuggling these items in return for a fixed amount of money, the source said.

A good of individuals make arrangements for transfer of money to parties across the border through hoondi. Parties in border areas contact the gangs who carry smuggled goods.

Not that only cosmetics are smuggled into the country. The smuggled goods range from cosmetics to rubber slippers, cloth, machinery, spare parts, chemicals and medicines.

Absence of proper data and statistics over the volume of "information trade" has made it difficult to find out the extent of smuggling by unscrupulous traders.

"If the government does not take some concrete steps to stop smuggling, raise duty structure on imported finished goods or take measures to help reduce the cost of local production, the local industry will be destroyed," said the Managing Director of Kohinoor Chemical Industries.

Smuggling puts local blades in die straits

Largescale smuggling of foreign blades has almost crippled the local blade industries.

According to industries circles, about 120 million pieces of razor blades worth about Tk. 144 million are being smuggled into the country per year flooding the markets and causing constraints in the marketing of domestic products.

As a result, a large quantity of indigenous products, worth about Tk. 25 million has piled up and remained unsold with various public and private sector industries.

About 13 million pieces of the total blade worth about Tk. 16 million remained stockpiled with the Bangladesh Blade Factory, the lone public sector blade industries in the country.

About six million pieces of blades have remained stockpiled with Samah Razor blade Industry, the largest private sector blade industry in the country, for the last two months.

According to sources, traders are doing brisk business earning high profits, consumers are happy to have 'quality' products at 'reasonable' prices, abut the government is being deprived of a substantial amount of revenue.

According to some industrial operators 1000 Chinese Flying Eagle blades are being sold at Tk. 500 at Teknaf. The wholesale price per 1000 pieces of Japanese Feather and Indian Super Max blades is Tk. 2600 and Tk. 500 to 600 respectively.

Informed circles said that prices of indigenous products and their quality have failed to attract many of local customers because of abundant supply of foreign blades at comparatively lower prices.

The government, sources said, is being deprived of at least Tk. 140 million per year due to evasion of import and other duties on blades, said Faruq Hasan Mallick, Director, Corporate Affairs of GMG Industrieal Corporation Ltd.

The blades being smuggled into the country include Indian Super Max, Topaz, 365 and Laser, Chinese Flying Eagle, Japanese Feather and the Pakistani Treet.

Of them inflow of Indian Super Max and Chinese Flying Eagle reached its peak in recent months adversely affecting the local industries. These blades are now available in hats and bazars around the country particularly in the border districts.

Import of blades was banned from 1986 to February 1993. After the introduction of a liberal import policy, some traders imported Indian Super Max.

But the court in September, 1993 issued an injunction on selling, distributing and marketing Indian Super Max, as the Bangladeshi enterprise Messrs Samah Razor Blade Industries Ltd. has been producing the item under the same trade mark for the last three years.

Since then the item was not imported, although the local markets are still flooded with the Indian Super Max.

"If the blades come through the proper channel, the importers have to pay 60 per cent import duties and 15 per cent VAT. If the importers pay these taxes duly, these items cannot compete with local products," said Syed Alamgir, Marketing Manager of Samah Razor Blade Industries Ltd.

At present, the three blade industries int he country - Bangladesh Blade Industry, Samah Razor Blade Industry and North Bengal Razor Blade Industry in Bogra produce about 180 million pieces of blades annually as against the national demand of about 300 million pieces. The rest is met by imported and smuggled blades.

Despite, a great short fall, in the normal supply of blades in the market, the mills are running at 60 per cent of their full capacity because of abundance of blades in the market coming through 'informal' way.

Of the mills, North Bengal which produces 'Eagle' is limping Bangladesh Blade Industry which produces, "Sword" has been incurring consecutive losses since its inception in 1985. The only factory Samah Razor Industry which produces 'Balaka' and 'Super Max' is comparatively in a better position.

Meanwhile, the government has invited tenders three times to sell out the Bangladesh Blade Industry.

The industry has incurred a loss of Tk. 28.8 million since its inception including payment of Tk. 9.2 million bank interest and installments of loans provided for installment of the industry.

Local entrepreneurs urged the government to reduce duties on raw materials to protect the local industries from this uneven competition.

"Duty structure on imported items and raw materials should be redesigned in a way that deters smugglers from entering the market," Faruq said.