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"Challenges to Organic Farming and Sustainable Land Use in the Tropics and Subtropics"

## Prospects and Problems of Local Level Organic Vegetable Production in Bangladesh

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## Abstract

Bangladesh Agriculture is in the process of transformation from subsistence to commercial farming. Meanwhile, Bangladesh has entered the European Market with export of vegetables and other high value crops. This paper deals with two case studies where tomato was cultivated with organic and/or inorganic inputs in winter 2000, in two villages in Bangladesh. Farmers' reaction and market situation were observed. Visited farmers positively assessed the quality of the organic products. Farmers were also satisfied with the price of the daily harvest from the organic plots and the apparent soil structure improvement. However, farmers could not achieve the expected economic benefit from the organic products. Although farmer received an average 9% higher price than from inorganic plots, the fertilizer cost increased 24.6% in organic plots. This increased the total cultivation cost by 6.8%. All plots were treated with Nimbicidin (neem oil) as pest control measure. Highest yield was obtained 75% organic and 25% inorganic fertilized plots but there was no significant difference in yield between 100% organic and 75% inorganic plots.

A comparative study by small-scale and relatively large-scale production shemes gave a different scenario. Cultivation in 0.33 ha plots resulted in higher transaction cost and reached up to 23% of the daily crop sale. The cultivated area of 1.2 ha reduced the transaction cost but it reduced the price of the daily crop sale due to a supply that exceeded the local demand. In both cases, farmers were dependent on local market and the local middleman handlers or retailers exploited them even by 60% of the consumer price. After five months intensive cultivation farmers net benefit was not satisfactory in comparison to other field crops like mustard or lentil.

**Keywords:** Farmers reaction, organic and inorganic fertilizer, organic products, transaction cost

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