

Tajik Farmers Hit by Fuel Price Hikes

Author: [IWPR staff](#)

Plagued by locusts and deeply in debt, the country's farmers warn rising petrol costs could be the last straw.

Tajikistan's farmers face a bleak future as soaring fuel prices worsen their financial woes and drive them ever deeper into debt.

Already reeling from a summer locust plague that damaged cotton crops, farmers are now coping with a near-30 per cent rise in fuel prices last month. Petrol costs around 80 cents per litre with the Ministry for Economy and Trade predicting a further 10 per cent rise still to come.

There are several reasons for this rise, some specific to Tajikistan and others connected to world oil prices, which have fallen recently but are still high after hitting an all-time record in mid-July in the wake of the Lebanon crisis.

Tajikistan imports most of its petroleum products from Kazakstan, which recently began curtailing sales of petrol to Tajikistan and other countries, as it does every autumn to ensure its own citizens have the fuel they need for the harvest. There were also temporary restrictions by Uzbekistan on the Kazak fuel transiting its territory, adding to the shortage and high cost of oil.

A source in Tajikistan's anti-monopoly agency source told IWPR that in addition to these external constraints, the Tajik currency had fallen against the US dollar, making import and retail costs higher.

The source speculated that fuel distributors are conspiring among themselves to keep prices high. That's a claim the industry denies, with the director of the Zuhro petrol company pointing out that rising international oil prices naturally affect Tajikistan. "If this was an artificial price rise, it would have been noticed by the anti-monopoly agency which monitors the situation," he said.

Whatever the cause, those most affected are Tajikistan's farmers who use diesel fuel to power their tractors and harvesters.

The vast majority are already in huge debt to intermediaries known as futures companies, which provide loans, fuel, seeds, fertiliser and equipment at usurious interest rates. On the open market, diesel retails at around 50-80 cents a litre but the farmers complain the futures companies are selling it to them at one dollar or even more.

"We're completely dependent on the investors [the futures companies]. At the moment we have to beg them to get us just five tons of fuel. The cotton harvest has already begun, and we have to use from 280 to 300 litres of fuel per hectare of cotton fields," Kurbon Hikmatulloev, the head of the Khoja-Sartez farm in the southern Vose region, told IWPR.

"Tajik farmers work at a loss, and if things continue like this, the cotton growers will be in permanent debt to their investors."

The “futures contract” system was introduced at the outset of Tajikistan’s land reform in 1996, as sprawling collective farms left over from the Soviet era were broken up into smaller private holdings. Businesses sprang up to advance money and inputs such as fuel and seed to farmers in anticipation of income from the harvest later that year, but the system failed to take poor weather conditions into account. Local monopoly buyers also control the market, meaning the purchase value of crops is artificially depressed.

The result is that farmers like Hikmatulloev find themselves with a net loss at year-end, and a debt that rolls over into the next spring when the cycle continues as farmers take out new advance loans.

Abdusalom Karimov, the head of the Sarafali Zaripov farm in southern Tajikistan, says rising fuel prices are just making things worse. Like Hikmatulloev, he says producing his crop now costs more than he will get paid for the harvest.

But it is not only farmers who are being affected by higher petrol prices. The cost of food and services are also on the rise.

“We bring our produce to sell at markets in the capital. As the price of petrol has increase, we have also increased the price of our produce,” said Sobirjon, a farmer from the Hissar district near Dushanbe. “Of course we hear our customers’ dissatisfaction, but the market is the market. If the dollar exchange rate increases or petrol gets more expensive, then we too have to raise our prices.”

A shuttle bus driver told IWPR he’s also hearing protests from passengers. Many Tajik buses and cars used to run on natural gas contained in cylinders, but these have recently been banned due to the frequent explosions, increasing both prices and demand for the petrol they now need.

“Every day in the shuttle bus, we hear people complaining that we take too many passengers and raise prices,” he said. “But we don’t have a choice even though we feel sorry for people.”

Location: [Uzbekistan](#)
[Tajikistan](#)

Focus: [Central Asia](#)

Source URL: <https://iwpr.net/global-voices/tajik-farmers-hit-fuel-price-hikes>