

EuropeAid

Project Reference

BGD/75/21A

EC Partner

International Trade
Centre (ITC)

Bangladesh Export
Promotion Bureau

Facts and Figures

- EC contribution € 1.8 million (92.32% of total)
- ITC contribution € 0.15 million (7.68% of total)
- Project period: 2006 to 2009
- Two market studies (UK and Middle East) completed
- Supply chain management training completed for 11 enterprise
- 10 exporters conducted a study tour on supply chain in Thailand and on match making in UAE
- A workshop conducted on "Improving Quality and Packaging in the Horticulture sector along the supply chain"
- 6 enterprises in the horticulture sector benefited from direct assistance on quality control and packaging



EUROPEAN
COMMISSION

Support Export Diversification in Bangladesh

Strengthening the International Competitiveness of Enterprises within the Horticulture Sector in Bangladesh

"The outcome of my participation in the BQSP has led to the formation of Bangladesh Agro Produce Exporting Company- BAPEXCO Ltd. - a group of ten like minded exporters whose aim is to adopt best practice introduced by the project experts thereby increasing the exports of horticulture fresh products from Bangladesh"

Md. Ismail Khan, Chairman, BAPEXCO LtdMoC,



Context: Improve conformity of horticulture products with requirements of selected priority markets covering supply chain, quality, packaging, market development

The Bangladesh Quality Support Programme (BQSP) had two components, one implemented by UNIDO for strengthening the quality infrastructure and the other by ITC for export diversification. Bangladesh has been exporting traditional ethnic fruits and vegetables for many years mainly to the expatriate Bangladeshi communities in the Middle East and EU mainly through family connections. A key element identified during the BQSP strategy formulation phase was the weakness of Bangladeshi exporters within the fresh horticulture sector in post-harvest practices, procurement and supply chain management. A limited range of crops, no cool chain distribution, poor packaging and lack of cold stores were seen as the major cause of high losses and poor quality. Entering the main stream market with non-traditional crops was seen as essential in order to increase country's exports. The major supermarkets in all the targeted export markets are major buyers and their demands are high especially in certification such as GAP and HACCP.

Objective

The ITC interventions had the objective to enhance awareness of export capacity of horticulture sector in Bangladesh and improve conformity of horticulture products to meet requirements of selected priority markets. Placing emphasis on quality throughout the supply and distribution chains, improving packaging, adopting the principles of GAP and HACCP and recognizing the social and environmental concerns of importing countries are the keys to enable Bangladesh horticulture exporters gain market share and increase the country's exports.

Impact

- Over 26 existing exporters and 7 potential exporters have been identified and have benefited from workshops and training sessions on various aspects of GAP, cold-chain management, preservation of Fresh Fruits and Vegetables, traceability, contract farming, packaging, quality improvement and marketing
- Visits to Thailand and the UAE have exposed several exporters to the demands of producing high value vegetables, the importance of the cold chain and modern market requirements
- Ten exporters have formed Bangladesh Agro Produce Exporting Company, BAPEXCO Ltd in a joint venture to adopt and apply all the recommendations of the Project team, and market their produce under a common brand
- BAPEXCO Ltd is to introduce IPM and GAP to their contracted growers and have signed an agreement with Bangladesh Agriculture Development Corporation (BADCO) to use their cold stores, refrigerated transport and pack-house close to the cargo area of Dhaka airport
- 7 exporters have made personal contact with major importers in the UAE during a market mission organised by the project

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“Forming of BAPEXCO Ltd.:

BAPEXCO stands for Bangladesh Agro Produce Exporting Company. It is the outcome of my participation in the BQSP. This programme was an eye opener for me as it showed me new opportunities in the international market. I have also come to know the international trade barriers and how to overcome them. It was clear to me that without improving our standard of packaging, ensuring traceability and proper supply chain management, it will become very difficult to do business in the international market, which is indeed very difficult to implement by one individual in Bangladesh’s perspective. Then I discussed these facts with some other like minded fellow vegetable exporters and they conceived it and we joined our hands together and agreed to form BAPEXCO Ltd. It is actually a consortium company consisting of 10 (ten) independent fruit and vegetable exporters who have been involved in this business for the last 10 to 15 years. We registered this company as a private limited company with the registrar of Joint Stock Company, Government of Bangladesh and BAPEXCO Limited came into reality.

The main objective of BAPEXCO is to comply with the international standards in horticulture export by promoting them through all the stakeholders starting from the grower’s level by implementing Good Agriculture Practice (GAP) and Integrated Pest Management (IPM). We also improve the total post harvest procedure, specially the supply chain and packaging. BAPEXCO already signed a contract with a grower’s co-operative for contract farming. They will grow agro products as per our guideline and BAPEXCO will finance them and train them about GAP, IPM and improved post harvest procedures. We will buy their total production for export and for local supermarkets through fair trade.

BAPEXCO have also signed a contract with the BADC for using their cold store, freezer van and well equipped modern pack house besides the cargo area of the Dhaka airport. We are proud to say that BAPEXCO is the only vegetable & fruits exporting company to practice personal hygiene in every step from harvesting to shipment. Now we are looking for international donors who can help us to start training the farmers for practicing GAP & IMP by providing them different poverty alleviation schemes.”

Md. Ismail Khan, Chairman, BAPEXCO Ltd



Exporters and advisors during a marketing mission to the UAE