

# BANGLADESH AGRO-PROCESSORS' ASSOCIATION - A BRIEF INTRODUCTION



# Outline

- Introduction of BAPA
- Objectives of BAPA
- Main Activities of BAPA
- Present Status of BAPA Members
- Agriculture Situation in Bangladesh
- Present Scenario of BAPA in Agro-Food Industry in BD
- Major Agro-processing Companies with small & medium
- Export Picture in Agro-Processing Sector of BAPA Members
- Eligible Agro-Processed Products with New and Innovated Products
- Export Performance in Agro-Processing
- Project Snapshot of BAPA
- Expected outputs and results of the Projects
- Co-operation from Govt. and other Organizations
- SWOT analysis of BAPA & recommendations
- BAPA foodPro
- Prospective Plan and Strategy
- Conclusion

# Introduction of BAPA

- ❖ Incorporated of the BAPA: 1st day of March 1998 under Registrar of Joint Stock Companies.
- ❖ Founder Members: 11
- ❖ Executive Member 14
- ❖ Founder President : Late Maj Gen Amjad Khan Chowdhury (Retd), CEO of PRAN-RFL group.
- ❖ Former President: Mr. Anjan Chowdhury, Managing Director of Square Food & Beverage Ltd.
- ❖ Present President: A F M Fakhrul Islam Munshi, Director & Group Chairman, Ayurvedia Pharmacy.

# Objectives of BAPA

- ❖ Bangladesh Agro-Processors' Association (BAPA) established as a non-profitable Trade Organization with a view to develop, support and promote all out activities and adopt steps for the total growth of Agro-Sector of the country.
- ❖ To promote, protect and safeguard the interests of the members of this Association, directly or indirectly and for the overall interest of the people of the country.

# Main Activities of BAPA

- Organizing Agro-Processors, contact and communication with Govt. and different agencies for the sake of development of activities.
- To arrange meeting, training and workshops for personnel or professionals quality improvement of agro-processed products.
- Transmission of different Govt. circulars/instructions to members of BAPA.
- To arrange participation of members in different exhibitions /fairs, issuing certificates to exporters against subsidy, recommendations for GSP, CO, SAFTA etc. with helping preparation of national budget.
- Taking steps to solve issues related to tax, vat, tariff, etc. through discussion/negotiation with the Govt.
- Further holding of election for E.C. of BAPA after each two years, holding AGM in time, arrange E.C. & Sub-Committee meetings.
- Arrange audits of all types of accounts of BAPA and arrange /hold meetings with visiting international teams for exchange of ideas for further development of this sector.

## Present Status of BAPA Members

Sl No.	Members Categories	Quantity
1.	Regular Members	264
2.	Irregular Members	247
	Total Members	511

## Nature of Business of Members

SL257	Members of Categories	Quantity
1.	Manufacturers-Exporters & Importers	191
2.	Only Manufacturers	22
3.	Only Exporters	51
4.	Others	02
5.	Total Members	264

# Agriculture Situation in Bangladesh

To enable to have ideas on the potentialities of agro-processing sector a comprehensive picture of its raw materials (agricultural products) is presented below.

- About 159 million people.
- Nearly 1, 47,570 sq. km. of land.
- Density of population is 1049 per sq. km.
- Economic growth rate of nearly 6.2.
- Agriculture contribution to GDP, nearly 17%.
- As of 2016, this sector absorbs around 45.1% of the labor force

Sources: BBS

# **Present Scenario of BAPA in Agro-Food Industry in BD**

- Local Govt. & foreign agencies heartily appreciated the latent potentials and paid possible cooperation for BAPA's faster growth. In 2013-2014 export was 153.50 million US\$ & 2014-1015 was 224.20 million US\$
- The food processing sector includes processing of cereals, pulses & oilseeds, bakery and confectionary, fruits and vegetables, dairy, carbonated beverages and non-carbonated fruit juices, drinks, other beverage and various other food items.



# Major Agro-processing Companies

PRAN-RFL Group, Square Group, ACI Group, Al-Amin Group, BRAC Dairy and Foods, BD group, Abul Khair Group, IBCO Food, Banoful & Co. Danish Food Ltd etc.

## Small and Medium agro-processing companies

Janata Foods, Nur Foods, Prome Agro Foods Co. Ltd., R. M. P Manufacturers Pvt. Ltd., The Acme Group, Kazi Group, Eurasia Food Processing BD Ltd. Golden Harvest Agro-Industries Ltd., Dekko Foods, Aftab Foods, Hifs Agro Food Industries etc.

# Export Picture in Agro-Processing Sector, BAPA Members

Major Exported Products	Major Exporting Companies	Countries where Exported
Juice, drinks, puffed rice, snacks, spices, Chanachur, biscuit, Pickle, frozen vegetable,vermicelli, Potato flakesn/starch, jam-jelly, candy, mustard oil, flattened rice, etc	PRAN Group, IBCO Food Industries Ltd., Eurasia Food Processing (BD) Ltd., Square Food & Beverage Ltd., Raj-Kamal Everest Corporation, Banoful & Co., BD Group, Aline Food Products Ltd. ACI Group, Haser Mohammed Automatic Rice Mill, Abul Khair Group, Prome Agro Food Products, etc.	Over 140 countries in 5 continents Major Countries are : UAE, KSA, India, UK, USA, Bhutan, Malaysia,Kuwait,Singapore ,Qatar, Somaliland, De Djibouti, Nepal, Angola, Bahrain, Australia, Guinea Bissau, Ghana, Senegal, South Africa, Canada, Jordan, Italy, etc.

# Eligible Agro-Processed Products

Some of these Agro-processed products that produced from local raw materials are

Products Name	Products Name	Products Name	Products Name
Juice	Chips	All kinds of sauces	Parata,
Drinks	Starch	Vermicelli	Vinegar
Biscuit	Rice	Rose water	Fresh milk,
Bread,	Flour	Nodules	Purl,
Chanachur	Flattened and puffed Rice	Extruded snacks	Spring roll
Prepared nuts	Confectionery goods	Fruit bar	Singara
Fried peanuts	Jam-Jelly	Candy	Luchi
Crackers	Marmalade	Bubble gum	Samusa
Flakes	Pickles,	Loly-pop	Chatpati
Kasundi	Molasses	Coconut oil	Date-juice
Ruti	Syrup	Milk powder	Honey
Mineral water	Ghee	Chittoi-pitha	Cigarettes
Flavored water	Sweets	Mustard oil	Biri
Flavored milk	Jarda		

# New Agro-Processed Products

- ✓ Active Drinks
- ✓ Lemon Drinks
- ✓ Oil from rice polishing
- ✓ Khichuri Mix
- ✓ Chicken Spices
- ✓ Vegetable Juice
- ✓ Chicken Biriani
- ✓ Mutton Biriani
- ✓ Jackfruit Pickle

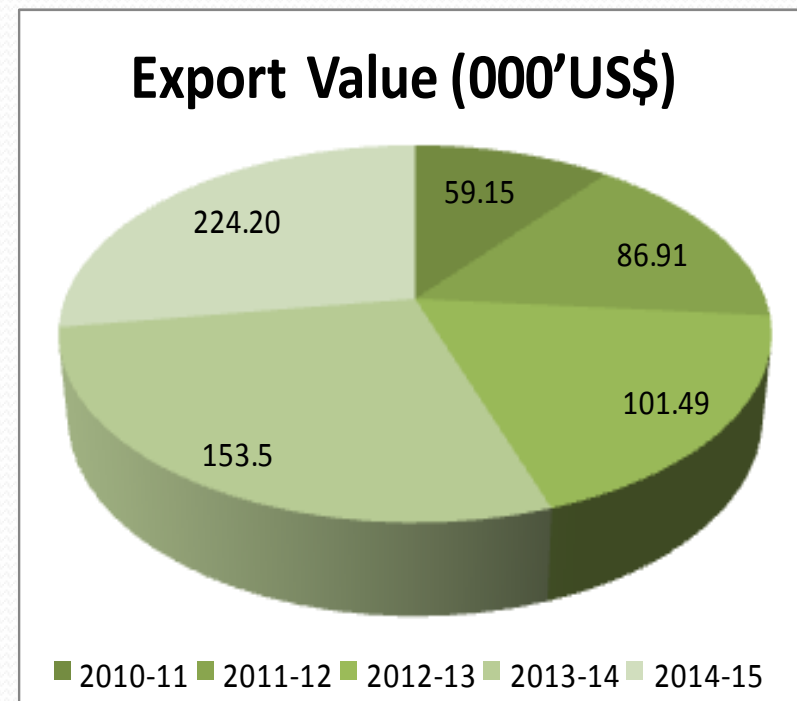
# Innovated New Agro-Processed Products

- ✓ Potato Biscuits
- ✓ O-la-la Biscuits
- ✓ Stick Biscuits
- ✓ Juice with Nuta-de-coco
- ✓ Chocolate Snacks
- ✓ Vegetable Chips Samusa
- ✓ Rumali Ruti,
- ✓ Low Fat Parata
- ✓ Chalta Pickle
- ✓ Coriander Leaf Pickle

# Export Performance in Agro-Processing

Year Wise Export by BAPA Members

Fiscal Year	Quantity Exported (MT)	Export Value (000'US\$)
2010-11	60,035.31	59.15
2011-12	80,086.43	86.91
2012-13	71,893.19	101.49
2013-14	131,896.41	153.50
2014-15	149,497.73	224.20

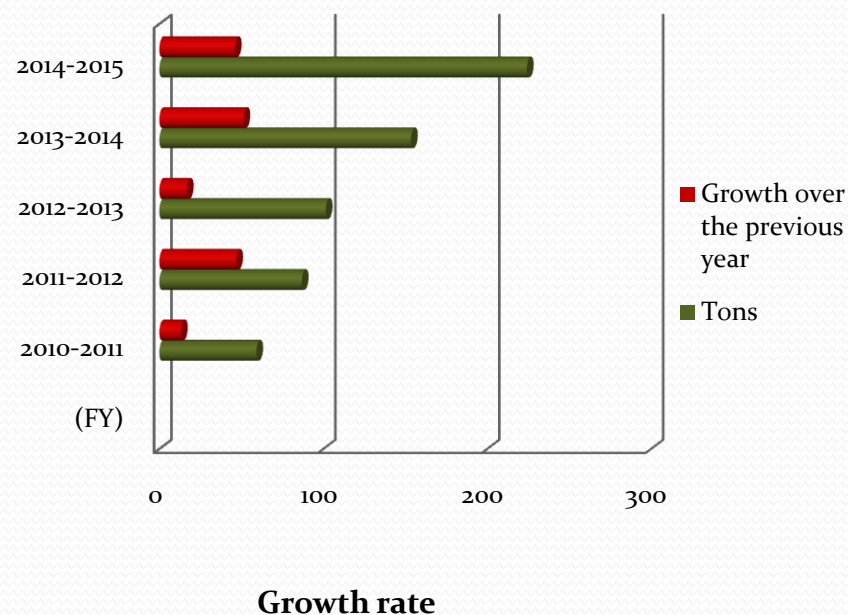


Source: Bangladesh Agro-Processors' Association (BAPA)

# Production of agro-processed products in last 5 Financial Years

Growth in approximate production apparently retarded due to constraint in energy supply

Financial Year (FY)	Tons	Growth over the previous year
2010-2011	59.15	13.14078
2011-2012	86.91	46.9151
2012-2013	101.4854	16.77543
2013-2014	153.5087	51.26175
2014-2015	224.2017	46.05152



Source: Bangladesh Agro-Processors' Association (BAPA).

# Project Snapshot of BAPA

## **BAPA-EU PROJECT**

With the award of European Union (EU) under the contracting authority of Ministry of Industries, Peoples Republic of Bangladesh, BAPA is strengthening its capacity to enhance competitiveness of its member SMEs involved in Agro-processing and sustainable Agro SME development in four clusters under the Project:

Dhaka-Savar-Gazipur Cluster;

- Narayanganj-Munshiganj, Cluster;
- Rajshahi-Natore-Bogura-Pabna Cluster;
- Hill Tracts (Tribal) Cluster;

## **PRISM PROJECT**

With the award of European Union (EU) another project PRISM named SHAMERTO will be implemented in the 7 districts of the country. In this project HELVETAS act as the applicant and BAPA as the co-applicant like other partners, TraidCraft, Dhaka Ahsania Mission, Jamalpur Chamber of Commerce & Industries.

## **PRISM PROJECT**

The aim of the project “Contributing to inclusive economic growth through the promotion of small, micro and cottage agro food processing enterprises operating in pro-poor value chains” By this time the project has been granted and the employee recruited.

## **ADB PROJECT**

BAPA has signed a contract for a project named SEIP (Skill Employment Investment Program) jointly organized by Asian Development Bank (ADB) and Ministry of Finance. The main objective of the project is to train 11000 apprentices in the industries/factories of BAPA members within 3 years to do them employed in those factories.



The apprentices will take training in production, packaging, quality maintenance, export, etc. of agro processed products.

BAPA already has selected 18 reputed companies of BAPA members where the apprentices will get opportunity for training and employment..

### MoU SINGNING BETWEEN BAPA & DAFFODIL INTERNATIONAL UNIVERSITY

A MoU have singed between BAPA & Daffodil International University and “PRISM” by titled, another project has been granted by EU and preparation on going for Implementation

# Expected outputs and results of the Projects

**Result 1:** A dedicated entrepreneurship & skills based BAPA training institutes has led to scale up agro processing SMEs for growth, and better productivity.

**Result 2:** The study tour and Asian trade fair leads to increased sales both in domestic and international market.

**Result 3:** SME front desk and resource centre established at BAPA for business development mechanism for its members for delivering value addition, gender mainstreaming and environment friendly business.

**Result 4:** Enhanced capacity on trade negotiation and advocacy improves the regulatory legislation and policy support benefiting agro SMEs to expand business.

# Co-operation from Govt. and other Organizations

Considering the potentialities of Agro-processing sector, Govt. has treated it as one of the Thrust Sectors. Govt. and other agencies have been providing different kinds of facilities to the agro-sector. The facilities worth-mentioning are-

- Introduction of cash incentive/ subsidy against the export of agro-processed items effective from 1st July of 2003.
- Facilities like GSP, SAFTA, CO, etc. are also enjoyed by the exporters of agro-processed products.
- Tax exemption at the time of establishment of the industries for processing of locally produced fruits and vegetables.
- Reduced rate of tax on the import of machineries for agro-processing plants.
- Tax-bond and duty draw-back facilities are provided for the raw materials used in the export purposes.

## Co-operation from Govt. and other Organizations (contd)

- VAT exemption is granted on fresh fruits, vegetables, grains, liquid milk, etc. produced in the country.
- VAT exempted in the production level of the packaged products like liquid milk, ghee, butter, rice, flour, shoji, bread, mustard oil, etc.
- VAT free at the import level of the products like lentil, peas, onion, garlic, dry chilies, turmeric, etc.
- FBCCI, EPB, APBPC, ILO, SMEF, HORTEX Foundation etc. are co-operating with this sector in capacity building on various fields.

# SWOT Analysis of BAPA

Strengths	Weaknesses
<ul style="list-style-type: none"> <li>✓ Round the year availability of raw materials.</li> <li>✓ Social acceptability of agro-processing as important area and support from the central government.</li> <li>✓ Vast network of manufacturing facilities all over the country.</li> <li>✓ Vast domestic market.</li> <li>✓ Available labor with low wage &amp; vast potential market in the Foreign countries</li> </ul>	<ul style="list-style-type: none"> <li>✓ Lack of efficiency of officers/ engaged in production, packaging, quality maintenance, shelf-life &amp; export documentations. &amp; special type of policy for co-operation from Govt. for their establishment of factories or new entrepreneurs.</li> <li>✓ Lack of supply of modern machineries, tools at relatively low cost, Easy non availability of fund for running business.</li> <li>✓ Lack of specialized cold storages for raw materials &amp; laboratory facilities for testing of processed products at low cost.</li> <li>✓ Lack of continuous supply of electricity &amp; gas.</li> <li>✓ Lack of strategic plan and committed business efforts</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>✓ Agro-processing sector is expanding, with many future opportunities for success.</li> <li>✓ Local government wants to encourage local businesses.</li> <li>✓ Our competitors may be slow to adopt new technologies.</li> </ul>	<ul style="list-style-type: none"> <li>✓ Competition from global players.</li> <li>✓ Loss of trained manpower to other industries and other professions due to better working conditions prevailing which create further shortage of manpower.</li> <li>✓ Rapid developments in contemporary and requirements of the industry lead to fast obsolescence</li> </ul>

# **Recommending Way to Address the Constraints for Favorable Growth of Agro-Processing Sector**

To execute the well designed and adopted plan, the following steps have to be under taken for the accelerated growth of SMES.

- Need oriented training for the employees, be centrally arranged on various aspects with provision of attractive allowances.
- For the sake of fast and extensive development of agro-processing sector, 100% rebate on taxes in the factories and comprehensively reduced tax and VAT in different cases should be imposed.
- To determine the quality and level of processed products and earn confidence of the consumers, services of trustworthy testing labs should be available.
- A central information center need to be established to provide relevant necessary information regarding products, marketing, quality and safety, export, etc. according to specific requirements.

## **Recommending Way to Address the Constraints for Favorable Growth of Agro-Processing Sector (contd.)**

- Multi-purpose modern packaging industries with necessary information for all types of consumers need to be established.
- For continuity in the production process, uninterrupted supply of energy must be ensured, if necessary through seeking joint efforts.
- The old and classical methods should be replaced by modern scientific methods along with establishment of specialized cold storage for raw materials.
- Agro-processing industrial zone need to be established in order to ensure continuous and quick supply of raw materials.
- Govt. should try seriously and take effective steps to remove different types of tariff and non-tariff barriers created or imposed by the unfriendly agencies in case of export & import.
- Local and International fair should be arranged to give exposure of SME's products through sincere and strategic plan.

# Prospective Plan and Strategy

- Massive establishment of processing industries all over the country.
- Minimize product losses.
- Add maximum value.
- Achieve high quality standards.
- Keep processing cost low and sustain competitiveness through high standard of quality.
- Ensuring fair share of added value to the producer.



**4<sup>th</sup> BAPA**  
**foodpro**  
INTERNATIONAL EXPO



# POST-SHOW REPORT 2016

[www.foodpro.com.bd](http://www.foodpro.com.bd)

THE BANGLADESH'S BIGGEST ANNUAL FOOD AND BEVERAGE SHOW

# SHOW INFORMATION

SHOW NAME	BAPA Foodpro International Expo
EDITION	4th Time
DATE	24 -26 November, 2016
VENUE	International Convention City Bashundhara (Iccb). Dhaka, Bangladesh
HALLS	01,03,04
TYPE	B2B & B2C
FREQUENCY	Annual
SHOW SIZE	100,000 Sqft
NO OF TRADE VISITORS	12,000+(Approx)
NO OF GENERAL VISITORS	15,000+(Approx)
COMPANIES/ EXHIBITORS	175 Companies Represented
SPECIALISED SECTORS	Food Processing and Packaging  Labeling Machinery and Equipment  Food and Beverage  Beverage and Beverage Equipment  Dairy & Dairy Equipment
WEBSITE	<a href="http://www.foodpro.com.bd">www.foodpro.com.bd</a>

ORGANIZED BY:



THE BANGLADESH'S BIGGEST ANNUAL FOOD AND BEVERAGE SHOW





# What's on show at BAPA FoodPro International Expo 2016 – your leading food trade event

If you've never attended a Foodpro Bangladesh Expo, be prepared to be amazed, informed and inspired by the range of food industry products and services on show and the number

## Meet and network with the people and companies that lead our food industry

Four days. Hundreds of food industry suppliers. Thousands of potential buyers from every area and level of food processing and food manufacturing. All come together for only Four days and only once a year at BAPA FoodPro International Expo 2016 From small one product processors to large multi-product and sector manufacturers, every Food & Beverage company needs a wide range of equipments, supplies and resources to bring their products to market.

And you can find them conveniently at BAPA FoodPro International Expo 2016.



## FOODPRO, THE BANGLADESH'S BIGGEST ANNUAL FOOD AND BEVERAGE EXHIBITION

**155**  
exhibitors

**100,000 Sqft**  
of exhibition space

**65%**  
Local buyers

**50%**

of exhibitors made more  
than 15% of their annual  
business in just 3 days!

**25,000+**  
visitors

**95%**

of exhibitors  
rated the show as  
good to excellent



# VISITOR PROFILE

## BAPA FoodPro International Expo 2016 Visitor Overview

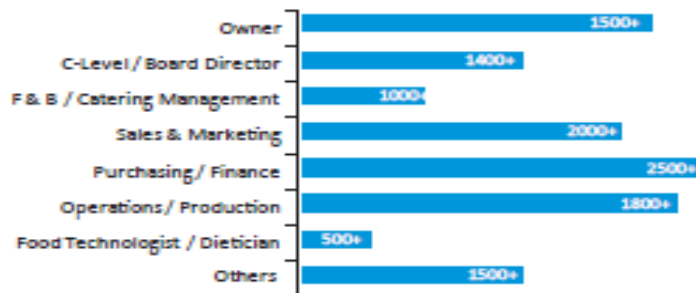
**12,000+**  
Total Trade Visitor

Over **15** Countries  
Were Represented:

**40%** International  
**60%** Local

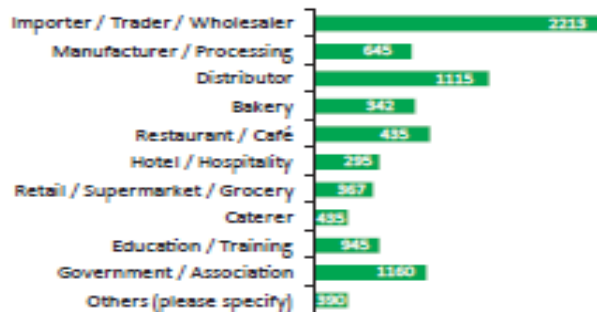
### Buyers by Job Function\*

Calculated according to the official total number of trade visitors



### Buyers by Company's Main Activity\*

Calculated according to the official total number of trade visitors



\* Respondents could make multiple selections where business operates across several industry sectors

### Visitor Purchase Interests

#### EQUIPMENT AND SERVICES MARKET

Equipment / Machinery / Services	34.45%
Catering / Foodservice	16.40%
Cleaning Products	10.04%
Coffee Machines	10.95%
Hospitality Supplies	11.35%
Machinery / Processing / Packaging Equipment	21.39%
Refrigeration / Storage	13.05%
Retail / Display	10.61%

#### FOOD

Food	61.31%
Bread / Bakery	24.21%
Canned	21.69%
Chilled	16.15%
Dairy	22.48%
Frozen	22.68%
Fruit & Vegetable	19.93%
Halal	18.66%
Health / Organic	16.87%
Meat / Poultry	18.28%

#### BEVERAGE

Beverage	27.10%
Carbonated Drinks	14.72%
Juices	24.82%
Liquid Food / Supply	13.99%
Milk / Dairy	17.48%
Tea / Coffee	17.89%
Water	12.32%

#### INGREDIENTS

Ingredients	20.94%
Additives	9.19%
Amino Acids & Derivatives	4.30%
Antioxidants	5.52%
Batters, Breading & Coatings	6.67%
Colourants	6.17%
Cultures & Fermentation Starters	4.38%
Dairy Ingredients	10.67%
Egg Ingredients	6.43%
Emulsifiers	6.09%
Encapsulated Ingredients	3.28%
Enzyme Preparations	3.89%
Fats, Oils & Waxes	8.22%
Food Analysts/Hygiene/Quality/ Safety Management	8.94%
Fibres	4.80%
Firming Agents	3.42%
Fish Powder & Extracts	4.00%
Flavours & Aromas	8.32%
Fruit Products & Extracts	8.12%
Gelling Agents/Gums	4.14%
Halal Ingredients	7.14%
Hydrocolloids & Stabilizers	3.36%
Leavening Agents	3.26%
Marine Based Ingredients	2.84%
Nutrients	5.29%
Organic Ingredients	6.50%
Pre & Pro-Biotics	3.29%
Preservatives	5.30%
Proteins	5.76%
Stabilizers/Thickeners & Binders	5.07%
Starches	5.07%
Sugars & Sweeteners	9.01%
Vitamins & Minerals	6.49%
Others (please specify)	1.74%



# EXHIBITOR PROFILE

## BAPA FoodPro International Expo 2016 Exhibitor Overview

**155**  
companies  
represented

100,000 Sqft

**35%**  
Food, Beverage  
and Ingredients

**65%**

Foodservice and Catering Equipment,  
Packaging, Processing, Labeling, Machinery  
and Equipment, Supplies and Technology

## EXHIBITOR SURVEY STATS

**95%**

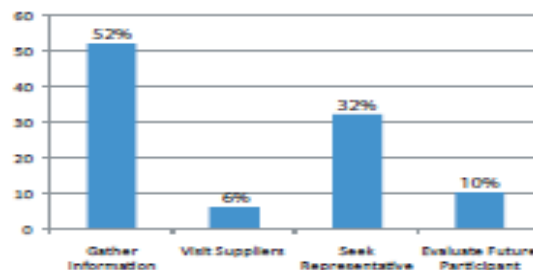
of exhibitors surveyed  
rated the overall show  
as good to excellent

**50%**

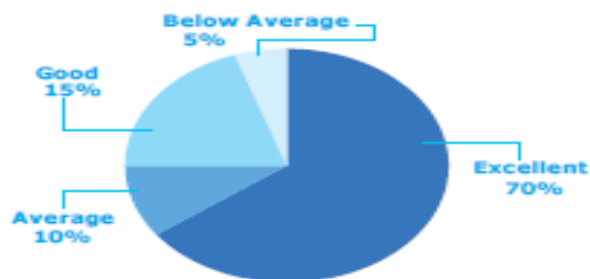
of exhibitors make more than  
15% of their annual business  
in just 3 days at FoodPro



1. How do you rate the success of your participation related to the set objectives?



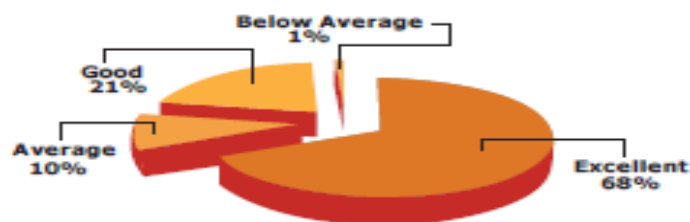
2. How do you rate your overall success?



3. Did you meet your relevant customers?



4. How do you rate the Quantity of visitors at the events?



5. Are you planning to participate in the next edition in 2017?



# Conclusion

Despite all constraints and weaknesses agro and agro-processing sector has proved to be the only path of panacea for the whole nation today by supplying No. 1 basic need, the food and also earning valuable foreign currency through export, market of which is really expanding. Parallel to garment sector, all out efforts with sincere commitments, the concerned authorities should get into action plan of implementation.



We have collaboration with innumerable organizations





*THANK YOU*