

STDF PROJECT GRANT

Application form

SUMMARY

Project title	Improving the Implementation of SPS Best Practices for Export- Oriented Vegetables in Bangladesh (IPSEV-Bangladesh)
Applicant	S.M. Jahangir Hossain
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Country/region	Bangladesh
Implementing organization	Swisscontact Head Office: Hardturmstrasse 134, CH-8005 Zurich, Switzerland Email: info@swisscontact.org
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Budget	Requested from the STDF: US\$ 895,786 (89%)
	Beneficiary's own contribution : Government partner in-kind contribution: US\$ 33,210 (3%)
	Private sector partner in-kind contribution: US\$ 77,775 (8%)
	Other sources (if any): TBD
	Total project value: US\$ 1,006,771
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1. What specific SPS problem(s) will this project address?

Vegetable exports from Bangladesh have seen a 59% decline over the last decade, in sharp contrast to the 37% increase in overall agriculture export (Figure 1). A major reason behind this decline is Bangladesh's inability to comply with international sanitary and phytosanitary (SPS) standards. Broadly, the SPS issues in Bangladesh's vegetable value chain are driven by lack of good agricultural practices (GAP) by farmers, poor hygiene control by exporters, poor pest management and control by the Plant Quarantine Wing (PQW) of the Department of Agriculture Extension (DAE), Ministry of Agriculture (MoA)¹, limited testing facilities, and lack of traceability. In addition, there are other non-SPS issues, such as high post-harvest loss, high freight charges, poor packaging, etc., also hindering the competitiveness of Bangladeshi vegetable products in the global market².

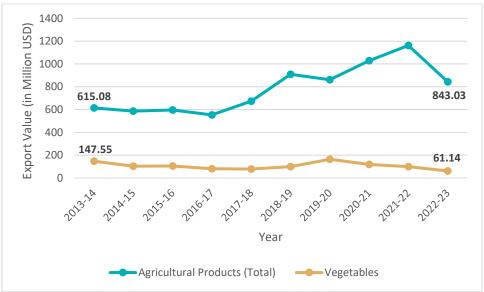


Figure 1: Agricultural Export Trend in Bangladesh (Source: Export Promotion Bureau)

In Bangladesh, 16 million+ farmers are engaged in producing 15 million metric tons (MT) of vegetables annually³. However, only 40,000 MT⁴ of the domestically produced vegetables (less than 0.3% of the total production) is exported by 245 exporters⁵, primarily to different ethnic markets in the European Union (EU), United Kingdom (UK), Middle East and Asia. According to Bangladesh Fruits, Vegetables & Allied Products Exporters' Association (BFVAPEA), addressing the various issues inhibiting Bangladesh's vegetables export potential can potentially increase exports to 7.3 million MTs by 2030⁶. Higher vegetable exports can contribute significantly to the economy of the country, particularly by facilitating increased market access and income of smallholder farmers.

Swisscontact recently applied STDF's **Prioritizing SPS Investment for Market Access (P-IMA)** framework (further discussed in Section 11) to identify and prioritize key SPS challenges inhibiting exports of selected agricultural products. This proposal builds on the findings from the P-IMA analysis to design a project that aims to improve the SPS standards for export-oriented gourd varieties. Gourd has been identified as an important export product as 10 out of the total 54 vegetable products exported from Bangladesh belong to the Cucurbitaceae (gourd) family. The annual production

¹ Ibid

² Ali, Shawkat. "Why Agri Exports Failing to Tap Full Potential." The Business Standard, 31 July 2023, https://www.tbsnews.net/economy/why-agri-exports-failing-tap-full-potential-674726.

³ DAE Statistics 2021-22

⁴ Ibid

⁵ Export Promotion Bureau. "Exporter's Database: Exporter List (Goods)." Export Promotion Bureau, https://www.epb.gov.bd/site/files/aca7df47-0d5b-4ebb-84eb-

⁴²⁷⁹⁰⁷²⁷acb0/http%3A%2F%2Fwww.epb.gov.bd%2Fsite%2Ffiles%2Faca7df47-0d5b-4ebb-84eb-42790727acb0%2FExporter-List-, Accessed 21 Feb. 2024.

⁶ Ali, Shawkat. "Bangladesh's Fruits, Vegetables Exports Plunge 68.7% in a Decade." *The Business Standard*, 21 Oct. 2023, https://www.tbsnews.net/economy/bangladeshs-fruits-vegetables-exports-plunge-687-decade-723398.

volume (in MT) of the exported gourd varieties is roughly 1.3 million Metric Ton (MT), which is 9% of the total vegetable production, while their annual export volume is only 7,093 MT, representing 18% of the vegetable export volume. Gourd is exported primarily to the ethnic markets of the UK and Middle East.

Table 2 presents the list of exported gourd products from and their annual production and export volume (In Metric Tons) in 2021-22.

SI.	Name of Product	Annual Production Volume (in MT) ⁷	Annual Export Volume (in MT)
1	Bottle Gourd	283,918.45	215.52
2	Wax Gourd	94,172.33	52.33
3	Pumpkin	368,469.51	1.33
4	Pointed Gourd	110,397.59	31583,158.78
5	Cucumber	99,984.44	205.6
6	Ribbed Gourd	60546.00	152.6
7	Spiny Gourd	40,450.37	23662,366.35
8	Snake Gourd	48,192.79	605.18
9	Bitter Gourd	65421.79	328.60
10	Sponge Gourd	144,539	6.51
Total	All Gourd Varieties	1,316,092.27	70927,092.8

The two identified SPS issues for gourd and their underlying causes are discussed below -

a. Plant Pest Management and Control

A major phytosanitary issue inhibiting gourd export is the high prevalence of harmful pests, such as Fruit Fly and Thrips. These pests are quarantine pests in the major export markets of Bangladesh, such as the UK and EU, which causes border rejections and sometimes embargoes. In addition to the phytosanitary threats, such high pest prevalence also contributes to at least 25% loss in production⁸, affecting economic performance of smallholder farmers. Major reasons behind prevalence of invasive quarantine pests include lack of knowledge and technical capacity for pest surveillance, control, and management at the field level, and poor implementation of institutional pest management framework by DAE.

Another associated SPS concern for vegetable products in Bangladesh is high pesticide residue. To combat the high pest prevalence, Bangladeshi farmers use an estimated 37,000 tons of pesticide every year⁹. Moreover, around 95% of the farmers do not wait for the pre-harvest interval (PHI) following pesticide application¹⁰. As a result, between 2010-2020, 15 shipments of vegetables from Bangladesh were rejected due to presence of pesticide residue beyond the maximum residue level (MRL) set by the importing countries (Table 1). In addition to the adverse health implications for humans, such indiscriminate usage of chemical pesticides also negatively impacts plant-health, animal-health, biodiversity, and the overall ecosystem. The primary reason behind this non-compliance is vegetable farmers' lack of understanding of judicious usage of chemical pesticides and lack of awareness of affordable biopesticides, such as pheromone traps, and other integrated pest management (IPM) technologies that can help in minimizing the use of chemical pesticides.

IPM technologies and biopesticide market in Bangladesh has evolved significantly since 2010, when Swisscontact in collaboration with key national stakeholders influenced the amendment of Pesticide

⁷ Bangladesh Bureau of Statistics. Summary Crop Statistics Area Yield Rate and Production of Minor Crops. Bangladesh Bureau of Statistics,

 $[\]frac{\text{https://bbs.portal.gov.bd/sites/default/files/files/bbs.portal.gov.bd/page/16d38ef2\ 2163\ 4252\ a28b\ e65f60dab8a9/2023-12-21-08-25-c4af935e3bda58b8b6791971f6f40210.pdf}$

⁸ Khatun, Popy, et al. "Pesticides in Vegetable Production in Bangladesh: A Systemic Review of Contamination Levels and Associated Health Risks in the Last Decade." Toxicology Reports, vol. 11, Sept. 2023, pp. 199–211. PubMed Central, https://doi.org/10.1016/j.toxrep.2023.09.003.

⁹ Sohel, Abdur Razzak. Biopesticide Use, Market Swell on Safe Food Demand. 12 Feb. 2021, https://businesspostbd.com/front/2021-12-02/biopesticide-use-market-swell-on-safe-food-demand-38668.

¹⁰ Department of Agriculture Extension. Agricultural Extension Manual. 4th ed., Department of Agriculture Extension, 2018,

 $[\]frac{\text{https://dae.portal.gov.bd/sites/default/files/files/dae.portal.gov.bd/publications/f39d9608\ 396b\ 48c9\ bf9e\ a}{3df2183d2fe/2020-08-07-20-39-c25460ef7d6a342a2622c4ffc4ca2a47.pdf}.$

Act (1985), legalizing the commercial sales of biopesticides. ¹¹ As a result of the commercialization, Bangladesh has seen the influx of 25 biopesticide companies with 75 registered biopesticide products, such as Tricost 1% WP, Monexe 0.5WP, Biomax M, Q-Phero, and Sopodo-lure. Private sector-driven development of biopesticide market and ongoing promotions from DAE has resulted in 11.4% decrease in use of chemical pesticide over the last decade ¹².

Despite the encouraging signs, understanding and application of biopesticides is still at a nascent stage in Bangladesh, due to lengthy registration process, lack of awareness and understanding among small farmers, and lack of affordable products¹³. At the government end, DAE lacks skilled manpower, understanding of standard operating procedures (SoP), and updated laboratory equipment to inspect and test vegetable in accordance with required MRLs.

b. Microbial Contamination Control and Management

Another crucial SPS issue for vegetable products is microbial contamination (such as bacteria) at different stages in the vegetable value chain. During the last decade, 63% of the border rejections of exported vegetable products happened due to lack of contaminant control (Table 1). One underlying cause behind such contamination is the low technical capacity, i.e., knowledge and awareness, of farmers to follow Good Agricultural Practices (GAP). Similarly, exporters also lack the capacity to follow best food safety management and handling practices aligned with Hazard Analysis Critical Control Point (HACCP) principles. The lack of quality testing facilities and inspection capacity of the government also contributes to poor control of contaminants at source and hence results in high rejection rate at importing borders.

Reasons for Rejection	HS07- Vegetables
Additive	7
Adulteration/missing document	24 (10%)
Bacterial contamination	149 (63%)
Heavy metal	0
Labelling	40 (17%)
Mycotoxins	0
Pesticide residues	15 (6%)
Veterinary drugs residues	0
Hygienic condition/controls	0
Packaging	0
Other Microbiological contaminants	0
Other contaminants	2

Table 1: Rejection of vegetable shipments from Bangladesh to Australia, China, EU-28, Japan, United States (2010-2020) (Source: Trade Rejection World Map | UNIDO Knowledge Hub)

2. How will addressing this problem(s) increase SPS capacity and facilitate safe

Addressing the selected SPS problems in a sustainable manner will require an integrated approach and capacity development at multiple levels, including exporters, government authorities, and farmers. Developing the capacity of these different actors will enable the project to contribute to the following medium-term benefits (Purpose) and long-term goal (Impact):

Medium Term Benefit: Improved implementation of SPS best practices for Gourd due to improved capacity of farmers, exporters and relevant government actors;

Long-term Goal (Impact): Increased market access and income of Bangladeshi vegetable exporters and farmers due to improved implementation of SPS best practices.

¹¹ Katalyst. Commercialising Bio-Pesticides in Bangladesh a Mini Case Study. Swisscontact, https://www.swisscontact.org/_Resources/Persistent/f/7/2/9/f729a7f71ed3f952108028a79ed7aecbcec0f5ae/Commercialising-Bio-Pesticides-in-Bangladesh.pdf.

¹² Ibid

¹³ Ibid

The project envisions developing both public and private sector capacity to improve pest and hygiene control and minimize pesticide residue levels of export-oriented gourd varieties.

Capacity Development of DAE: Developing the public sector capacity on plant pest management would enable better inspection and regulation of biological and chemical contamination, while also ensuring improved capacity at the farm level through government-led dissemination of information and knowledge. The government will benefit from improved technical capacity and streamlined processes related to pest surveillance, monitoring and inspection, pest risk management, and pesticide residue management.

Capacity Development of Exporters and Farmers: Given the nature of export-oriented vegetable value chain, where exporters have significant control and power over the supplier farmers and other intermediaries, collaborating with exporters to adopt improved hygiene and food safety principles while also developing capacity of farmers to adopt GAP will improve adherence to SPS standards at different stages of the value chain. At the same time, improving farmers' capacity to adopt climate-smart agriculture practices, such as regenerative agriculture, effective use of biopesticides, environment-friendly farm management, improved post-harvest management, etc. would ensure safer agricultural production that also reduces the sector's impact on the environment. Implementation of SPS best practices and promotion of climate smart agriculture will benefit the private sector, such as farmers and exporters through better productivity, quality, and global market access. Improved market access also contributes to the government's agenda of export diversification through enhancement of agricultural exports. Safe and responsibly produced vegetable products will also have a positive impact on the domestic public health and local ecology. Promotion of biopesticides among farmers will also benefit the local biopesticide producers through increased demand and application of biopesticide in the local market.

Based on our estimate from the P-IMA assessment, addressing these SPS barriers can potentially increase Bangladesh's vegetable export by USD 4 million per year. The planned activities would also advance compliance with several global standards as per the International Standards for Phytosanitary Measures (ISPM) and Codex Alimentarius for food safety (CODEX) for export-oriented gourd varieties.

Table 2 lists the ISPMs and CODEX guidelines and codes of practice that can be potentially addressed (at varying degrees) by the project's activities:

Activity Area	Relevant IPPC standards and CODEX guidelines and codes of practice
Improved management	ISPM 02: Framework for pest risk analysis
of pests and microbial	ISPM 06: Surveillance
contaminants	ISPM 07: Phytosanitary Certification System
	ISPM 08: Determination of pest status in an area
	ISPM 11: Pest risk analysis for quarantine pests
	ISPM 12: Phytosanitary Certificates
	ISPM 14: The use of integrated measures in a systems approach for pest risk management
	ISPM 22: Requirements for the establishment of areas of low pest prevalence
	ISPM 23: Guidelines for Inspection
	ISPM 27: Diagnostic protocols for regulated pests
	ISPM 28: Phytosanitary treatments for regulated pests
	CXG 30-1999 Principles and Guidelines for the Conduct of Microbiological Risk Assessment
	CXG 60-2006: Principles for Traceability / Product Tracing as a Tool Within a Food Inspection and Certification System
	CXG 63-2007: Principles and Guidelines for the Conduct of Microbiological Risk Management (MRM)
	CXC 44-1995: Code of Practice for Packaging and Transport of Fresh Fruit and Vegetables
	CXC 53-2003: Code of Hygienic Practice for Fresh Fruits and Vegetables
Pesticide residue management and control	CXG 33-1999: Recommended Methods of Sampling for the Determination of Pesticide Residues for Compliance with MRLs
	CXG 40-1993: Guidelines on Good Laboratory Practice in Pesticide Residue Analysis

Table 2: Relevant CODEX and IPPC standards to be potentially addressed by the project

3. What specific deliverables are envisaged to address the SPS problem(s)?

The project envisages achieving the following outcomes and outputs to address the identified SPS problems:

Outcome 1: Improved on-site implementation of pest risk management principles for gourd varieties by DAE;

- Output 1.1: DAE's capacity on pest risk management for gourd varieties improved;
- **Outcome 2:** Improved implementation of SPS best practices by vegetable exporters and farmers for gourd varieties;
 - Output 2.1: Vegetable exporters' capacity to adopt globally accepted hygiene principles for gourd varieties improved;
 - Output 2.2: Vegetable farmers' capacity to adopt GAP and climate smart agricultural practices for gourd production improved;
- Outcome 3: Improved trade linkage of Bangladeshi vegetable exporters with institutional buyers in the EU and the UK;
 - Output 3.1: BFVAPEA's capacity to secure shipment contracts from institutional buyers improved;

To achieve outcome 1, the project will leverage Swisscontact's longstanding relationship with DAE through its <u>Katalyst</u>, <u>M4C</u> and <u>Prabriddhi</u> projects to address the specific areas of capacity development required to improve control and management of harmful pests in export-oriented gourd products. The envisioned activities aim to equip DAE officials with practical knowledge and tools for export certification, pest surveillance, and integrated pest management (IPM) to improve SPS compliance for gourd varieties. This includes a comprehensive assessment of DAE's institutional and technical capacity and approach for pest risk management and documenting areas of improvement. This support also includes building the capacity of DAE to manage pest risks, such as adopting a systems approach to manage risks of fruit flies and thrips in gourd varieties.

The project will review DAE's role in export certification and regulatory oversight to ensure alignment with international SPS standards. This will include a review of current mandates and protocols for pest risk management, in partnership with stakeholders like IPPC and regional agricultural bodies. Specific focus will be given to capacity-building efforts aimed at enabling DAE to streamline the registration process for biopesticides and facilitate GAP implementation. Additionally, this may include capacity development on sampling, inspection and testing for improved management and control of microbial contaminants, such as bacteria. DAE will also be supported to improve management of pesticide residue levels to ensure adherence to global MRL standards.

The training content and materials will also integrate relevant IPPC guides e-learning courses, particularly the ones focused on export certification and phytosanitary inspection. These will include:

- IPPC Guide for Establishing a Phytosanitary Certification System (ISPM 7): For structuring certification processes.
- Pest Surveillance Guide (ISPM 6): For enhancing field-level pest monitoring and reporting.
- Guide to Pest Risk Analysis (ISPMs 2, 11, and 14): To improve risk analysis processes and develop mitigation strategies.

The project will leverage the IPPC e-learning platform as a prerequisite for foundational knowledge. Relevant modules, such as Export Certification (2022), Phytosanitary Inspection (2022), and Pest Risk Analysis (2022), will be assigned to DAE officials before in-person training. This blended learning approach will standardize basic understanding and maximize in-person training effectiveness. The project will also leverage on other existing digital tools, such as the <u>AAPARI SPS Information Management System</u> and/or <u>CABI Plantwise Plus Digital Tool</u> to support DAE and other stakeholders to adopt digital tools (existing or new) to identify, monitor and report pest risks and suggest

appropriate mitigation measures effectively and efficiently. The project will engage in a strategic collaboration with AAPARI or CABI (based on relevance with the identified capacity gaps) to enhance the scope of using digital tools for pest risk management. This means that the project will not provide any direct technical or financial support to AAPARI or CABI. Instead, both parties will closely coordinate to assess and decide content improvement scope in the digital tools. Furthermore, the project in collaboration with AAPARI/CABI will promote increased usage and implementation of the tools by DAE field-level officials of the Field Services Wing (FSW).

Recognizing the limited scope of this project to address broader regulatory gaps, the project will explore opportunities to support ongoing initiatives, including collaborations with STDF-funded projects and other regulatory capacity-building programs. Discussions will be initiated with stakeholders to identify feasible contributions without diluting the project's primary focus.

Under outcome 2, the project will collaborate with BFVAPEA, the apex association for vegetable exporters in Bangladesh, to build the capacity of vegetable exporters to adopt global best practices related to food safety. This includes conducting a Gourd Export Market Study to analyze:

- **Compliance Costs and Steps:** Key steps and associated costs for meeting SPS standards in export markets;
- **Certification Requirements:** Phytosanitary, HACCP, and traceability needs, along with local certification capacity;
- Infrastructure Gaps: Testing labs, storage, and packaging upgrades required for compliance.
- Best Practices: Practical guidance for meeting SPS standards across the value chain.

The draft Terms of Reference (ToR) will be shared with IPPC for feedback, ensuring alignment and completeness of the study. The study findings will guide the project to design appropriate technical support to at least 25 gourd exporters to adopt improved hygiene and food safety management systems based on HACCP principles (**Output 2.1**), and intensive capacity development of 1,500 farmers within the network of the exporters to adopt GAP (**Output 2.2**). The project will support the development and validation of GAP guidelines for targeted gourd varieties, incorporating compliance with SPS requirements. This activity will involve a structured collaboration between DAE, agricultural experts, and an international IPPC consultant to ensure the guidelines are globally benchmarked and locally applicable. The guidelines will be disseminated to farmers through tailored training and awareness campaigns.

Given the intricate relationship between climate change, pest and microbial contamination, and agriculture practices, the project will also build the capacity of the farmers to adopt climate-smart agricultural practices addressing both climate change adaptation and mitigation potential. The climate-smart agricultural practices to be promoted by the project may include promotion of biopesticides, soil management to conserve carbon, sustainable pest and disease management, efficient irrigation and water management, increased energy efficiency, etc. The training content and materials will also be informed by relevant IPPC guides and training materials, particularly on phytosanitary inspection, pest risk management, export certification for producers, etc.

These farmers will be selected from specific vegetable growing clusters in the Jashore and Narsingdi districts in collaboration with local farmers organizations and groups. The farmers will be selected and supported following a cluster-farming approach to ensure improved control and management of phytosanitary issues and GAP adoption. Collaborating with local farmers groups and organizations to enhance the ownership of the project activities at the local level and promote the SPS best practices to a wider range of farmers in the region.

Lastly, the project will collaborate with SGS¹⁴, a global leader in providing food safety related consulting services, as the local private sector champion for technical service provision related to safe and quality vegetable export, such as implementation of HACCP. SGS has been operating in Bangladesh since 1974, offering international standard testing, certification, training, and consultancy services in the agriculture sector. However, their global technical expertise is still

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¹⁴ https://www.sgs.com/en-bd

underutilized in Bangladesh, due to lack of linkages with relevant public and private actors, such as DAE and BFVAPEA and lack of clarity regarding the value proposition of investing in improved food safety and hygiene among exporters. The project will collaborate with SGS to build linkages with the highlighted stakeholders to provide technical support related to implementation of SPS best practices. Through this collaboration, the project will demonstrate to vegetable exporters the value of investing in food safety capacity development. The project will facilitate a collaborative agreement between BFVAPEA and SGS to set up HACCP training unit within BFVAPEA which, in collaboration with DAE, will provide technical support to association members on hygiene and food safety management systems based on HACCP principles (under Output 2.1). Similarly, under Output 2.2, SGS will be engaged to build capacity of DAE and BFVAPEA to set up dedicated GAP training units which will provide capacity development and technical support to farmers to implement GAP.

Under outcome 3, the project will build on Swisscontact's global experience of implementing the SIPPO ¹⁵ project in 11 countries. SIPPO strengthens the export capabilities of exporters and facilitates market access to Switzerland, the EU, and regional markets, through innovative and targeted export promotion services. The project will collaborate with the Ministry of Commerce (MoC) of Government of Bangladesh (GoB) to complement the SPS capacity development activities under outcome 1 and 2 by establishing trade linkages between BFVAPEA and mainstream agricultural buyers, such as super shops, restaurants and consumer food companies in the US, EU, and UK.

A planned list of prospective activities under each output are listed below:

Outcomes	Corresponding Outputs	Tentative List of Activities
Outcome 1: Improved on-site implementation of pest risk management principles for gourd varieties by DAE	Output 1.1: DAE's capacity on pest risk management for gourd varieties improved	Activity 1.1.1: Institutional and technical capacity needs assessment of DAE pest risk management process Activity 1.1.2: Training module and materials development for training Activity 1.1.3: Training of Trainers (DAE officials) Activity 1.1.4: Training of field-level DAE officials Activity 1.1.5: Implementation support on better pest risk management principles
Outcome 2: Improved implementation of SPS best practices by vegetable exporters and farmers for gourd varieties	Output 2.1: Vegetable exporters' capacity to adopt globally accepted hygiene principles for gourd varieties improved Output 2.2: Vegetable farmers' capacity to adopt GAP and climate smart agricultural practices for gourd production improved	Activity 2.1.1: Gourd export market study to identify specific SPS and certification requirements Activity 2.1.2: Identification and selection of gourd exporters Activity 2.1.3: Training module and materials development on hygiene and food safety management Activity 2.1.4: Training of Trainers (DAE officials and BFVAPEA officials) Activity 2.1.5: Training of exporters and exporter personnel Activity 2.2.1: Identification and selection of farmers Activity 2.2.2: Training module and materials development for training on GAP and climate-smart agriculture Activity 2.2.3: Training of Trainers (DAE officials and BFVAPEA officials) Activity 2.2.4: Training of Farmers on GAP Activity 2.2.5: Training of Farmers on climate-smart agriculture
Outcome 3: Improved trade linkage of Bangladeshi vegetable exporters with institutional buyers in the EU and the UK	Output 3.1: BFVAPEA's capacity to secure shipment contracts from institutional buyers improved	Activity 3.1.1: Capacity development of vegetable exporters to improve trade linkage and negotiation Activity 3.1.2: Conduct trade mission in identified locations to facilitate linkage meetings and workshops between vegetable exporters and buyers Activity 3.1.3: Support exporters to secure contracts and supply vegetable to linked buyers in accordance with global SPS standards

The listed activities are proposed as per our initial understanding of the constraints and requirements and considering operational and financial feasibility within STDF's project grant scope. In the inception stage of the project (initial six months), the project will conduct a baseline study to understand the status quo of the different outcomes and outputs to further refine the proposed strategies. The project will also follow an adaptive project management approach, which gives the flexibility to further verify the financial, operation and strategic feasibility of the proposed activities and adjust during implementation as required.

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¹⁵ https://www.swisscontact.org/en/projects/sippo

Swisscontact (The implementing organization), is exploring opportunities to leverage additional financial resources from other development funders which can further enhance the scope and impact of the project. A joint project in this regard will enable the project to integrate additional interventions addressing both SPS issues and critical technical barriers to trade, which will strengthen the impact and sustainability of the proposed activities. Some of these outputs include:

- Identification of gaps in Bangladesh's current regulatory structures and policies, specifically: challenges of Bangladesh's inconsistent import and export regulations and procedures that pose barriers to trade.
- Incorporation of an institutionalized framework within DAE to monitoring and surveilling quarantine pests.
- Understanding and ability of DAE to conduct in-house Pest Risk Analyses (PRAs).
- Integration of improved technology and electronic resources for the purposes of DAE training and communication.
- Technical support to DAE for developing the National Residue Control Plan.
- Develop/improve digital solutions for phytosanitary information management and decision making.
- Develop and distribute affordable biopesticide products in collaboration with private input companies

4. Logical framework

Result	Project description	Measurable indicators	Target	Sources of verification
Goal	Increased market access and income of Bangladeshi	Increase in value of vegetable export (in USD)	USD 4 million per year	Export Promotion Bureau/BFVAPEA yearly export data
	Increased market access and income of Bangladeshi vegetable exporters and farmers due to improved implementation of SPS best practices. (s) Outcome 1: Improved on-site implementation of pest risk management principles for gourd varieties by DAE; Outcome 2: Improved implementation of SPS best practices by DAE; Outcome 2: Improved implementation of SPS best practices by vegetable exporters and farmers for gourd varieties Outcome 3: Improved trade linkage of Bangladeshi vegetable exporters with institutional buyers in the EU and the UK Output 1.1: DAE's capacity on pest risk management for gourd varieties improved No. of capacity need assessment conductor of DAE official improved pest management practices for gourd CODEX and IPPC Mo. of institutions principles/framewrisk management for gourd varieties by vegetable exporters with institutional buyers in the EU and the UK Output 1.1: DAE's capacity on pest risk management for gourd varieties improved No. of capacity need assessment conductive improved No. of training management for gourd varieties improved No. of DAE official improved pest management increased income No. of institutions principles/framewrisk management for gourd varieties improved No. of exporters No. of exporters No. of farmers according to the principles climate agricultural practices for gourd varieties in value export for varieties in value export (in USD) No. of pace of exporters No. of contracts/secured for vegetical exporters No. of contracts/secured for vegetical exporters No. of contracts/secured for vegetical exporters No. of training management for gourd varieties improved	No. of farmers with increased income	1,200 (30% women)	Endline impact evaluation
	Increased market access and income of Bangladeshi vegetable exporters and farmers due to improved implementation of SPS best practices. Outcome 1: Improved on-site implementation of pest risk management principles for gourd varieties by DAE; Outcome 2: Improved implementation of SPS best practices by vegetable exporters and farmers for gourd varieties Outcome 3: Improved trade linkage of Bangladeshi vegetable exporters with institutional buyers in the EU and the UK Output 1.1: DAE's capacity on pest risk management for gourd varieties improved No. of fari increase i export (in No. of fari increase i export (in No. of fari increased No. of DA improved practices CODEX ar No. of ins principles, risk mana DAE in lin IPPC guid No. of fari principles, risk mana DAE in lin IPPC guid No. of fari principles agriculture No. of fari principles No. of fari principles no. of cor secured for secured for secured for no. of tra developed No. audio materials	No. of exporters with increased income	20	Endline impact evaluation
Outcome(s)	Itcome(s) Outcome 1: Improved on-site implementation of improved pest management practices for gourd in line with		20	Endline impact evaluation
	principles for gourd	No. of institutional principles/frameworks for pest risk management adopted by DAE in line with CODEX and IPPC guidelines	1	Endline impact evaluation
Improve implement SPS best vegetabes and farr	Improved implementation of	No. of exporters adopting HACCP or ISO 22000 principles	20	Endline impact evaluation
	vegetable exporters and farmers for gourd	No. of farmers adopting GAP principles climate-smart agricultural practices	1,200 (30% women)	Endline impact evaluation
	Outcome 3: No. of exporters exportance of the second secon		10	Shipment certificates and
	Bangladeshi vegetable exporters with institutional buyers in the EU and	No. of contracts/work orders secured for vegetable export	12	other documents as proof of shipment
Outputs	capacity on pest risk	No. capacity needs assessment conducted	1	Assessment Report
	gourd varieties	No. of training modules developed	1	Final copy of the module
	p.ovca	No. audiovisual training materials developed	1	Final copy of AV
		No. of DAE officials trained as master trainers	5	Training Participant List

Result	Project description	Measurable indicators	Target	Sources of verification
		No. of field DAE officials trained and technically supported for pest risk management	25	Training Participant List
	Output 2.1: Vegetable exporters' capacity to adopt	No. of market studies completed	1	Study Report
	globally accepted hygiene principles for	No. of training modules developed	1	Final copy of the module
	gourd varieties improved	No. of AV training materials developed	1	Final copy of AV
		No. of DAE and BFVAPEA officials trained as master trainers	10	Training Participant List
		No. of exporters trained on hygiene and food safety management	25	Training Participant List
	Output 2.2: Vegetable farmers' capacity to adopt GAP	No. of training modules developed	2	Final copy of the module
	and climate smart agricultural practices improved	No. of AV training materials developed	2	Final copy of AV
		No. of BFVAPEA and DAE officials trained as master trainers and technical experts on GAP	20	Training Participant List
		No. of farmers trained on GAP and climate smart agriculture	1,500 (30% women)	Training Participant List
	Output 3.1: BFVAPEA's capacity to secure shipment	No. of BFVAPEA members trained on improved trade linkage and negotiation	25	Training Participant List
	Trained and tech supported for permanagement Output 2.1: Vegetable exporters' capacity to adopt globally accepted hygiene principles for gourd varieties improved Output 2.2: Vegetable farmers' capacity to adopt GAP and climate smart agricultural practices improved Output 3.1: BFVAPEA's capacity to secure shipment No. of market strompleted No. of training of developed No. of AV training of developed No. of AV training of developed No. of Exporters hygiene and foo management No. of training of developed No. of AV training of developed No. of Exporters hygiene and foo management No. of AV training of developed No. of Exporters hygiene and foo management No. of AV training of developed No. of Exporters hygiene and foo management No. of AV training of developed No. of Exporters hygiene and foo management No. of AV training of developed No. of Farmers of developed No. of AV training of developed No. of Farmers of and climate small eveloped No. of BFVAP officials trained on implication of training of training of the provided training of the		1	Mission Reports

5. Risk Matrix

Results	External risks	Impact	Mitigation measures
Goal: Increased market access and income of Bangladeshi vegetable exporters and farmers due to improved implementation of SPS best practices.	Market access and export is hindered due to external factors, such as technical barriers to trade issues, public health emergencies, political reasons	High	 Activities under Outcome 3 is designed to mitigate impact of this risk by developing stronger trade relationships Approach other development funders to integrate other SPS and non-SPS issues affecting export
	Farmers' productivity and income is affected by other issues, such as climate change-driven extreme weather events	Medium	 Integrate climate adaptation related content in the farmer training programs Follow quasi-experimental study design in the endline survey to understand attributable change in income
Outcome 1: Improved on-site implementation of pest risk management principles for gourd varieties by DAE	Lack of knowledge transfer and enforcement due to retirements and transfers of trained DAE officials	High	 Develop master trainers within and beyond DAE to train new incumbents Develop audiovisual and e-training materials for further capacity development of new incumbents
Outcome 2: Improved implementation of SPS best practices by vegetable exporters and farmers for gourd varieties	Farmers show limited interest to adopt GAP and climate smart agricultural practices	Medium	 Integrate awareness generation of farmers and other value chain actors within the project activities, including separate activities targeting women farmers Co-create promotional offers with BFVAPEA to incentivize farmers to adopt the recommended approaches
	Exporters lack the financial capacity to invest in improved hygiene and food safety management principles	Medium	 Select exporters with the willingness and capacity to adopt the changes Prioritize changes with low financial commitment first Facilitate access to finance by developing linkages with financial institutes
Outcome 3: Improved trade linkage of Bangladeshi vegetable exporters with institutional buyers in the EU and the UK	Buyers are not satisfied with the quality of products exported	Medium	 Integrate technical support and training on quality management, sorting and grading within the planned training activities Approach other development funders to integrate interventions on quality targeting exporters and farmers
Output 1.1: DAE's capacity on pest risk management for gourd varieties improved	Duplication of capacity development priorities with other initiatives High resource requirement for institutional pest risk management framework	Low	 Conduct kick-off workshop with relevant funders and development implementors to identify areas of complementarity and revise strategy accordingly. Prioritize developing technical capacity of DAE officials and selective institutional capacity building areas.
Output 2.1: Vegetable exporters' capacity to adopt globally accepted hygiene principles for gourd varieties improved	Limited understanding of the importance of hygiene practices among exporter	Low	 Share value proposition of investing in improved hygiene practices before the training Select only exporters with the right mindset and interest

Results	External risks	Impact	Mitigation measures
Output 2.2: Vegetable farmers' capacity to adopt GAP and climate smart agricultural practices improved	Lack of interest among farmers to adopt GAP and climate smart agricultural practices	Medium	Raise awareness on potential benefits of the recommended practices before farmer selection Reach farmers through procuring exporters and other value chain actors to ensure top-down reinforcement
	Lack of capable and interested women farmers	Medium	 Revise target for women farmers based on Gender Assessment Put additional resources on awareness generation and capacity development of women farmers
	Limited interest of exporters to work with women farmers	Medium	 Sensitization workshops with exporters to orient them on benefits of integrating women farmers Design innovative incentive programme for exporters to integrate women farmers
Output 3.1: BFVAPEA's capacity to secure shipment contracts from institutional buyers improved	Inability of vegetable exporters to fulfill the quality standards required by the institutional buyers	Medium	 Select exporters who have the willingness and readiness Facilitate improved access to ethnic markets instead of institutional buyers

6. Who will benefit from the project and how?

The project envisions capacitating 1,500 Gourd farmers directly (including 30% women) through capacity development on GAP and climate smart agricultural practices, improved pest risk management principles, and use of biopesticides. The farmers will primarily be selected from Jashore and Narsingdi districts. Jashore is the highest vegetable cultivating district in Bangladesh. ¹⁶ Additionally, Jashore is also a climate vulnerable district, as it falls in the flood, storm, and salinity-prone coastal zone. ¹⁷ Narsingdi, in addition to being a significant vegetable producer, offers unique advantages including – (a) proximity to Dhaka, providing a competitive edge in logistics and market access, (b) existing infrastructure for vegetable cultivation and storage, (c) strategic oversight potential due to its accessibility for monitoring and coordination. By including both Jashore and Narsingdi, the project will achieve greater geographic diversity, enhance learning across distinct farming contexts, and ensure broader impact.

Given the systemic nature of the project where institutional capacities of key public and private stakeholders are developed, other vegetable farmers involved in the global value chain are also expected to benefit in the long run through improved SPS ecosystem, as the subsector becomes more competitive in the global market.

The secondary beneficiaries are the Gourd exporters, as the project will support BFVAPEA to build capacity of 25 interested and capable Gourd exporters to adopt hygiene and food safety management practices in line with HACCP principles. Other vegetable exporters also benefit indirectly through the improved SPS ecosystem as the subsector becomes more competitive in the global market. Other private sector actors, such as private biopesticide companies and private laboratories will also benefit through the planned capacity building, technical support, and awareness generation interventions.

The PQW and FSW of DAE, the national body responsible for advancing sustainable agricultural development through provision of need-based extension services to farmers will also benefit through

¹⁶

The Business Standard. "Jashore Tops List of Highest Vegetable Producing Districts." The Business Standard, 14 Jan. 2020, https://www.tbsnews.net/economy/agriculture/jashore-tops-list-highest-vegetable-producing-districts-36355.

¹⁷ General Economics Division, Bangladesh Planning Commission. Bangladesh Delta Plan 2100: Bangladesh in the 21st Century. Volume 1: Strategy, General Economics Division, Bangladesh Planning Commission, Government of the People's Republic of Bangladesh, Oct. 2018,

https://plandiv.gov.bd/sites/default/files/files/plandiv.portal.gov.bd/files/2b2db593_2ebd_482e_a0e3_56a7bfe300c8/BDP%20_2100%20Volume%201%20Strategy.pdf.

improved capacity to control and manage harmful quarantine pests, such as fruit flies. The project envisions developing both the institutional capacity of the PQW wing of DAE to establish an effective pest management framework and technical capacity of FSW field-level officials to implement the framework. This capacity development will make DAE more competent to manage the vegetable SPS ecosystem, including improvement in planning, monitoring, inspection, testing and control. Lastly, through better adherence to global SPS standards, the project will minimize food safety risks of consumers in Bangladesh and the importing countries.

7. How will the project address gender-related needs?

Around 1 million women in Bangladesh are engaged in homestead or commercial vegetable cultivation. ¹⁸ However, women's participation in the agriculture sector had been observed to be inversely proportionate to their level of education and therefore this number is decreasing. ¹⁹ Bangladesh received a score of 0.66 on the Women's Empowerment in Agriculture Index (WEAI), with a 5DE sub-index score (5DE sub index- is an internationally used measure of empowerment that shows the number of domains in which women are empowered) indicating that 75% of women are not empowered and do not have gender parity. ²⁰ Increasing women's access to production inputs, educating and training women farmers to develop confidence in carrying out agricultural businesses, and improving extension workers' skills in handling female farmer groups, are essential initiatives for empowering women in the agricultural sector.

Majority of the women who are involved in small-scale vegetable cultivation, predominantly cater to the domestic market. Women farmers also suffer from lack of information related to modern cultivation techniques and innovative technologies, such as GAP and climate smart agricultural practices. Due to their low production volume and lack of knowledge of modern cultivation techniques, exporters are reluctant to source exportable vegetable products from the women farmers.

The project will conduct a **gender analysis** in the inception stage to understand the involvement of women in the gourd value chain as exporters, processors, workers, and farmers to identify the specific issues faced by women in the vegetable value chain. This analysis will guide the adaptation of project's log-frame to incorporate specific targets for women participants, design gender-responsive activities and materials to address the specific challenges for women. The project will take a targeted approach for reaching at least 30% women farmers through the awareness and capacity building activities related to GAP, climate smart agriculture and biopesticide usage. This target will be revisited and further revised, based on the findings from the gender analysis.

Additionally, the project will ensure inclusion of women DAE officials in the stakeholder training activities, workshops, and seminars. Where applicable, the project envisions incorporation of sensitization of gender equality and social inclusion content in the training modules, awareness materials, SoPs, etc. The project will also collect gender disaggregated data at source, that will feed into senior management decision making and program adaptation.

8. How will the project address issues related to the environment?

Agriculture contributes to 20% of the global greenhouse gas (GHG) emissions, including 45% of the methane and 80% of the nitrous oxide emissions. Excessive use of pesticides is one of the biggest environmental polluters in the agricultural production system. Pesticides contribute significantly to greenhouse gas (GHG) emissions during production (12-30 Kg of CO_2e per kg of pesticide produced), transportation and field application In Bangladesh, use of pesticides has seen a five-fold increase in 20 years, which is predominantly prevalent in vegetable cultivation.

Haque, Md. Vegetable Production and Marketing Channels in Bangladesh: Present Scenario, Problems, and Prospects. 2021.
 Biswas, Mou, Yasmin and Zonayet, Women's Participation in Agriculture https://www.researchgate.net/publication/365472438
 Ihid

²¹ Ahmed, Justin, et al. Agriculture and Climate Change Reducing Emissions through Improved Farming Practices. McKinsey & Company, Apr. 2020, p. 52,

 $[\]frac{\text{https://www.mckinsey.com/}{\sim}/\text{media/mckinsey/industries/agriculture/our\%20insights/reducing\%20agriculture\%20emissions\%}{20\text{through\%20improved\%20farming\%20practices/agriculture-and-climate-change.pdf}}.$

²² Pesticide Action Network (PAN). Pesticides & Climate Change: A Vicious Cycle |. 10 Nov. 2022, https://www.panna.org/news/pesticides-climate-change-a-vicious-cycle/.

²³ Bt Eggplant. "Pesticide Use in Bangladesh Provides a Strong Justification for Bt Eggplant." Feed the Future Insect-Resistant Eggplant Partnership, 16 Aug. 2022, https://bteggplant.cornell.edu/2022/08/16/pesticide-use-in-bangladesh-provides-a-strong-justification-for-bt-eggplant/.

The project directly addresses environmental issues through promotion of climate smart agricultural practices among vegetable farmers, including use of biopesticides. These practices are expected to improve farmers' resilience to climate change-induced events, such as pest and diseases, soil conservation and natural disasters. Additionally, they aim to reduce environmental damage by minimizing use of pesticides and harmful agrochemicals, and promoting environmentally friendly production and processing practices in line with GAP. Awareness on limited usage of chemical pesticides along with promotion of biopesticides will also contribute to long-term shift of farmers' behavior. Similarly, training farmers on GAP and exporters on HACCP would incorporate many sustainable food safety practices that are integrated within GAP and HACCP. These practices include soil health and conservation, water conservation and management, biodiversity conservation, energy efficiency and renewable energy, post-harvest loss minimization etc. Relevant content on environmental responsibility will also be incorporated within the capacity development activities for exporters, which includes reduction and management of food waste, resource efficiency, environmental compliance, etc.

The project, through deliberate analysis of environmental impact of the activities, will adopt a "do no harm" principle. Bangladesh being one of the most vulnerable countries to climate change²⁴ our analysis and activity design will consider climate change adaptation needs for the specific products and the geographical areas of implementation. Lastly, the project will ensure that environmental sustainability is explicitly integrated into the training modules and materials that are institutionalized within the government system.

9. How does this project fit into the national/regional SPS context?

As highlighted before, the proposed project is a direct result of a SPS prioritization study conducted through a STDF PPG in 2023. Hence, the project addresses the most pertinent SPS issues for Gourd, identified through intensive coordination with major national and regional SPS stakeholders. The project has also consulted other development research and implementation organizations in the SPS space, such as AAPARI, CABI and USDA. Hence, the project is also designed to complement and substantiate ongoing and future investment in SPS capacity enhancement by other players.

The project aligns with the strategic plan of the GoB as outlined in the **8th Five Year Plan** (July 2020 to June 2025) ²⁵. In addition to supporting the GoB's objectives of reducing poverty, addressing inequality, fostering export-led growth, job creation, and diversifying exports, this project will also contribute to the 8th FYP's sector-specific strategies. The proposal addresses the following SPS-related objectives highlighted in the plan:

- Promote adoption of modern agricultural practices, including use of environment friendly green technologies (e.g., IPM, INM, AWD, etc.);
- Introduce organic fertilizer use and organic pest management system;
- Provide capacity building training and awareness training to the farmer on uses of modern technologies, post-harvest storage etc.;
- Encourage farmers to use recommended/balanced doses of chemical fertilizers;
- Focus on certification and accreditation for safe food production and marketing at local and export markets;
- Prioritize protocol development for GAP, based on Bangladesh's agro-ecological and socioeconomic conditions.

The project is designed in consultation with DAE and hence reflects the priorities from the department's recently developed **Roadmap to Export Agricultural Products 2022**²⁶. The roadmap identifies inadequate lab facilities, decentralization issues in phytosanitary certification,

²⁴ Al Amin, Mehedi. "Bangladesh Remains 7th Most Vulnerable to Climate Change." The Business Standard, 25 Jan. 2021, https://www.tbsnews.net/environment/climate-change/bangladesh-remains-7th-most-vulnerable-climate-change-191044.
²⁵ Bangladesh Planning Commission. 8th Five Year Plan July 2020 - June 2025. General Economics Division (GED), Bangladesh Planning Commission, Government of the People's Republic of Bangladesh, Dec. 2020, https://plancomm.gov.bd/sites/default/files/files/plancomm.portal.gov.bd/files/68e32f08 13b8 4192 ab9b abd5a0a62a33/20 21-02-03-17-04-ec95e78e452a813808a483b3b22e14a1.pdf.

²⁶ Ministry of Agriculture. Roadmap to Export Agricultural Products. Ministry of Agriculture, Government of Bangladesh, May 2022.

https://dae.portal.gov.bd/sites/default/files/files/dae.portal.gov.bd/page/07438877 b779 4fa6 a0f6 d64ad68ca09e/2023-01-27-06-43-b880a686afced4423146ca2a2667149b.pdf.

and challenges in meeting quality and safety standards, along with pest contamination, as key barriers to boosting agricultural exports. Moreover, a 68.7% decline in Bangladesh's vegetable exports over the last decade is linked to the absence of good agricultural practices (GAP)²⁷. The project aims to tackle constraints by promoting GAP and HACCP training for the Department of Agricultural Extension (DAE) and exporters and improve pest management practices by emphasizing the use of biopesticides. The project also complements DAE's forecast to increase the export value of vegetables to USD 300 million within two years.

The envisioned activities contribute to both climate change adaptation and mitigation measures by promoting climate-smart agriculture practices and environmentally friendly production and processing practices, aligned with Sustainable Development Goal (SDG) 13. Besides this, the project contributes to SDGs 1, 3, 8, 12 and 17, fostering poverty reduction, good health, economic growth, responsible production, and partnerships respectively. Additionally, targeted activities to include women farmers in project's activities promote gender equality (SDG 5) by advancing gender inclusion in agriculture. Ensuring compliance with SPS standards guarantees that the produced food meets globally recognized safety and quality benchmarks and contributes to the farmers' capacity development. The project's goal is to enhance market access and boost income for Bangladeshi vegetable exporters and small-scale farmers.

10. How does this project complement or build on other initiatives?

The project is developed based on the findings from the recently completed STDF PPG on Prioritizing SPS Investments in Bangladesh. In that respect the project advances the use of evidence-based prioritization of SPS issues in Bangladesh. The project also complements the recent STDF PG on Mitigating pesticide residue through promotion of biopesticides in Asia (2020-2022) implemented by APAARI, which developed capacity of DAE on good laboratory practices (GLP) and improved practices to manufacture biopesticides. The project, by advancing the access and usage of integrated pest management (IPM) technologies and biopesticides, will further contribute to the popularization of biopesticides among farmers. Swisscontact has also coordinated extensively with AAPARI to understand their recent and upcoming USDA-supported initiatives to ensure complementarity.

The proposed project is designed to complement several recently finished, ongoing and planned projects implemented by the government and development organizations. In preparation of the project, Swisscontact and STDF organized a roundtable discussion to understand the current and planned SPS initiatives in Bangladesh, which was participated by several development funders, implementors and government agencies. The roundtable reinforced the need to develop private sector capacity in GAP, HACCP, and testing as the majority of ongoing SPS projects heavily focus on institutional process development of public sector organizations.

In particular, the project will complement the ongoing efforts of the USDA-funded **Bangladesh Trade Facilitation Project (2020 – 2025)**, which is supporting the GoB to address several institutional and specific SPS issues. Some of the relevant activities²⁸ of the BTF project that will be complemented by the proposed project include:

- Sub-activity 1.2: Streamline processes through updated SOPs;
- Sub-activity 3.4: Build capacity of GoB agencies in risk management processes;
- Sub-activity 3.5: Engage the private sector in risk management compliance;
- Sub-activity 4.1: Automate laboratory reports and certificates;
- Sub-activity 4.3: Build capacity of laboratories, testing facilities and certification bodies for implementing and accrediting against ISO 17025 standards; and
- Sub-activity 4.4: Increase trust in private lab.

The project builds on the latest **Phytosanitary Capacity Evaluation (PCE) of Bangladesh Plant Quarantine System**, funded by United States Department of Agriculture (USDA) in 2018. This proposal strengthens the recommendation to develop the capacity of National Plant Protection Organization (i.e., DAE) on pest risk management and export certification, by incorporating capacity development on hygiene control, pesticide residue management, testing and certification. In addition

²⁷ Ali, Shawkat. "Bangladesh's fruits, vegetables exports plunge 68.7% in a decade." The Business Standard, 21 October. 2023, https://www.tbsnews.net/economy/bangladeshs-fruits-vegetables-exports-plunge-687-decade-723398.

²⁸ Zinnes, Dr Clifford, et al. Bangladesh Trade Facilitation Project: Baseline Evaluation. p. 2., https://pdf.usaid.gov/pdf_docs/PA00XRG9.pdf.

to developing the capacity of the responsible government authority for SPS inspection, control and management, this project also integrates capacity development of relevant private sector stakeholders, including farmers, exporters, laboratories, and input companies.

The project also builds on the *Enhanced Integrated Framework's Strengthening Competitiveness in Bangladesh—Thematic Assessment: A Diagnostic Trade Integration Study* conducted by the World Bank in 2016. The study highlights inability to comply with global plant health measures as a barrier for market entry, along with issues with logistics, quality, and competitiveness. The report also highlights the need to upgrade the system of issuing plant health certificates, invest in government inspection, testing and certification capacity and train of officials responsible for export checks.

The is also aligned with the recently published **IFC Report on the Assessment of the National Food System of Bangladesh**, specifically Section II, which highlights the challenges regarding the food safety policy and regulatory framework, institutional framework, control arrangements, and capacity building frameworks. The report identifies limited implementation of GAP among farmers and HACCP among small and medium food businesses as key barriers to improve the domestic food safety situation and Bangladesh's competitiveness to export food globally. The report also identifies inadequate staff and lack of trained manpower as a common problem across all food control agencies in Bangladesh, including DAE.

The project will engage with DAE to understand the current and upcoming regulatory initiatives and identify synergies. We will explore areas where this project can strengthen and complement ongoing efforts. We will also explore connections with FDA/INO and FDA/HFP/Produce Safety Engagement Branch to leverage their expertise and resources in SPS capacity building and produce safety compliance. These partnerships can provide technical guidance, access to training materials, and support for aligning local SPS frameworks with international best practices. Additionally, the project will conduct a thorough review of ongoing SPS capacity-building initiatives in Bangladesh, focusing on overlaps and potential areas of collaboration. By coordinating efforts with existing projects, the initiative will ensure resource optimization and prevent redundancy, thereby enhancing its overall effectiveness.

11. How was this project developed?

This project is a direct outcome of the P-IMA analysis conducted by Swisscontact, with support from STDF through a Project Preparation Grant (PPG). The study utilized the STDF's P-IMA approach to identify, analyze, and prioritize key SPS barriers in the horticulture and fisheries subsectors. The study helped Swisscontact identify Gourd as a relevant export-oriented horticulture product and the relevant SPS issues affecting Gourd export, in accordance with the scope of STDF projects. The analysis also enabled a systematic prioritization of the identified SPS issues using a diverse set of socio-economic decision criteria.

The key objective of the application of P-IMA by Swisscontact Bangladesh was to prioritize SPS investments to help inform and support SPS planning and decision-making. The P-IMA application provided analyses and evidence to link SPS investments to national agriculture policy objectives which could likely be of interest to many donors. Here a brief outline of the seven stages of the framework (Figure 2) is provided, with a particular focus on how this process was planned and implemented in Bangladesh.

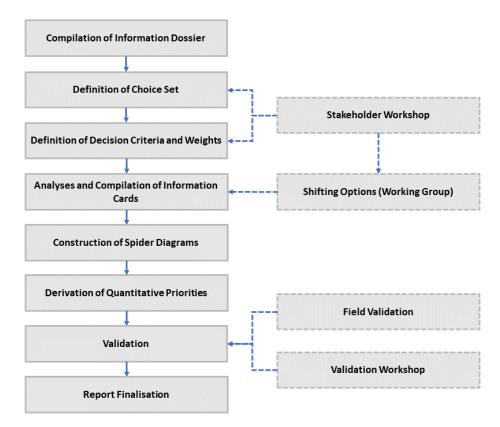


Figure 2: Stages in prioritizing SPS capacity building options following P-IMA approach

The P-IMA study working group selected a total of ten products from horticulture and fisheries sectors, based on their trends, merits, and impacts on export earnings, as well as economic and other relevant significance in the national economy. The products were, from horticulture: 1) fresh vegetable/gourds, 2) potato, 3) leafy vegetable, 4) mango, 5) lemon/citrus, 6) betel leaf, and from fisheries: 7) shrimp and prawn, 8) live and frozen crab, 9) live freshwater eel and 10) frozen and chilled fish.

The identification of SPS and trade-related issues for these products involved secondary research, 40 key informant interviews with relevant stakeholders, and a day-long stakeholder consultation workshop with representatives from public and private actors. Additionally, a roundtable discussion with relevant government and development partner stakeholders was organized to further validate the identified SPS barriers and to gain insights into existing and planned initiatives for ensuring complementarity and averting duplication. A total of 46 and 26 stakeholders attended the workshop and the roundtable, drawn from the government, private sector, and development partners.

The working group members defined an appropriate set of criteria to drive the priority-setting process and to assign weights to these. These criteria are up-front cost (20%), ongoing cost (10%), implementation challenges (5%), impact on export value (20%), impact on export diversification (10%), impact on agricultural productivity, impact on environmental protection (5%), impact on domestic public health (5%), impact on level of income poverty (10%), impact on marginalized groups (5%).

Building on the different consultations and the P-IMA results, Swisscontact selected the two proposed issues to be included in the project proposal based on the following criteria: *financial feasibility, operational feasibility, trade impact and development (poverty, gender, and environment) impact.* The selected SPS barriers and planned activities have been discussed with DAE, BFVAPEA, and SGS Bangladesh who have confirmed their interest and validation through letters of support (Appendix 4).

12. How the project will be implemented?

While the PG applicant is BFVAPEA, the project will be implemented by Swisscontact, a non-profit organization headquartered in Zurich that specializes in implementing international development

projects. Swisscontact has two decades of experience of supporting the government of Bangladesh, including MoC, DAE, and private sector actors like BFVAPEA and SGS to enhance the export potential of agricultural products, in particular vegetable. Please see Appendix 3 for an overview of Swisscontact's technical and professional capacity along with some references to relevant projects.

For operational flexibility and understanding, the three-year project will be implemented in three stages, i.e., inception stage (6 months), implementation stage (24 months) and consolidation stage (6 months). In the inception stage the project will conduct necessary background studies and analysis, e.g., baseline and gender analysis, to further strengthen the project strategy and interventions. The baseline study will include a comprehensive assessment of current pest risk management compliance, surveillance, and control capabilities at DAE, farmer, and exporter levels. This will involve:

- Mapping existing pest surveillance processes and identifying capacity gaps within DAE.
- Surveying farmers' pest control practices, including the adoption of biopesticides and adherence to SPS standards.
- Analyzing exporters' capacity to meet phytosanitary requirements in target markets through documentation reviews and interviews.

The study will establish benchmarks for pest management practices, biopesticide adoption, and SPS compliance, which will inform the development of training modules and allow for progress tracking throughout the project. At this stage, Swisscontact will also engage with the different stakeholders to secure government approval for the project and formalize necessary agreements and roles.

In the implementation stage, Swisscontact will leverage its strong relationship with DAE, MoC, BFVAPEA and SGS to facilitate the project activities. Swisscontact will implement the activities under outcome 1 in collaboration with DAE, outcome 2 in collaboration with BFVAPEA and outcome 3 in collaboration with MoC, GoB. The complementary strengths of the different stakeholders highlighted below will be leveraged to ensure effectiveness and sustainability of the project's activities.

Organizations	What they Offer
Swisscontact	 Leadership in project implementation following systemic approach, gender equality and social inclusion, environmental sustainability, and 60+ years of expertise in facilitating public and private sector development, including public-private partnerships. Strong presence in Bangladesh and relevant technical and professional capacity. Robust Monitoring & Results Measurement (MRM) and Adaptive Management Systems.
BFVAPEA	 Strong relationship with and influence over large network of exporters. Ability and incentive to enforce and promote global SPS best practices in the value chain. Institutional ownership and sustainability;
DAE	 Responsible regulatory authority for SPS inspection, testing, certification of horticulture and fisheries shipments, respectively. Institutional ownership and sustainability;
WTO Cell of MoC	• Trade mission, negotiation, coordination with trade entries/ports/quarantine administration of the trade destinations etc.
SGS	• Global experience and expertise in a range of SPS technical services, including training, consultancy, certification, testing, etc.

Table 3: Complementarity of our partnership

For smooth implementation of the project activities, coordination with the different stakeholders, and the delivery of the envisioned technical support, Swisscontact will engage several long-term and short-term experts. This includes 1 senior long-term consultant and 2 junior long-term consultants who will coordinate the implementation of the different activities across all outcomes. Additionally, the project will engage relevant international and national short-term consultants with technical expertise in the envisioned technical support areas, such as pest risk management, HACCP and GAP. The project management team will primarily consist of a Project Manager from Swisscontact (Level

of Engagement: 50%) and two full-time Finance, HR, and Logistics Officers. Additionally, several Swisscontact Bangladesh staff, such as the Country Director, Senior Manager – Portfolio Development, and the Country Office Business Administration team will provide periodic strategic and operational support to the project management team.

If awarded, Swisscontact will sign a MoU/Partnership Contract with these stakeholders and a **Project Steering Committee** (PSC) will be formed consisting of members from STDF, Swisscontact, BFVAPEA, MoC, DAE, and SGS. The PSC will meet quarterly to review the progress of activities against the agreed annual work-plan and overall objectives and provide advice and technical guidance and necessary instructions to the project team on various aspects of the project.

At the consolidation stage, the project will prioritize accumulation of project impact, learning and future scope through an endline study and invest in dissemination and institutionalization of necessary knowledge products and resources among the different stakeholders.

13. How will project results be communicated?

The project will follow a planned and systematic process to capture learning from the implementation. Building on Swisscontact's strong MRM system, the project's results will be communicated internally and externally, aligning with the learning agenda and communications plan set by STDF and Swisscontact. The following approaches will be implemented to facilitate the transfer of project learning and success to stakeholders, beneficiaries, and other organizations involved:

- Data, information, success stories, and learnings will be captured and documented, and reports will be generated bi-annually and shared with STDF and the major public stakeholders such as DAE and MoC.
- Short impact and learning briefs based on project's activities, findings and achievements highlighting testimonials on experience and benefits of using P-IMA for SPS decision making.
- Evidence reports and feature articles will be developed based on insights and learnings to facilitate broader circulation and dissemination.
- A dedicated project webpage will be created on the Swisscontact website, consolidating all project-related content such as news, publications, stories, and an overview of the project.
- Project learnings and successes will be disseminated through various trusted communication channels, including development news websites and national newspapers, television, and social media.
- Social media platforms will be utilized for sharing news posts, videos, and reels either in English or the local language, tailored to specific target audiences and disseminated through appropriate and verified channels.
- Workshops, summits, and face-to-face dialogues and meetings will be organized annually to
 disseminate learnings Including an end of the project learnings dissemination event at the
 national level with government staff, partners, beneficiaries, and all other relevant
 stakeholders, providing them with evidence and insights for high level decision making and
 adaptation.
- Project campaigns, designed for both social and traditional media, will be deployed to effectively transfer knowledge and learnings.

14. What steps will be taken to ensure that the project results will be sustained in the long run?

The project is designed with commercial and operational sustainability at the core of the proposed activities. Building on Swisscontact's expertise in implementing market systems development projects, the project will take a facilitative approach to ensure sustainability of the project's results, activities, and approach. The project will leverage co-financing (in-kind and cash) from the project partners to ensure ownership of the developed materials and disseminated skills and knowledge. The project outputs and outcomes are intricately aligned with commercial incentives of the exporters and farmers. Hence, it is expected that the farmers and exporters will show interest in adopting the envisioned changes in the long run, making the results sustainable.

The project will be implemented in close collaboration with the public and private partners, developing the institutional/organizational capacity of DAE and BFVAPEA to ensure both sustainability and replicability of the project's activities. The project will leverage Swisscontact's extensive experience in developing institutional training systems in different industries, to support

DAE and BFVAPEA to set up in-house training unit to continue training additional DAE officials, exporters and farmers beyond the project period. Selected SPS experts in DAE and BFVPAEA will be trained as master trainers who can train additional DAE officials and vegetable exporters. The project will also develop comprehensive and visual training materials, manuals and audio visuals that are easy to understand, and will institutionalize the materials in the web-portals of DAE and BFVAPEA.

The project has been developed considering outcomes of multiple consultations with relevant development funders and government stakeholders between January 2023 and August 2024. The project has strong institutional buy-in from both public and private sector stakeholders, as demonstrated by support letters from DAE, MoC, BFVAPEA, and SGS. However, significant transitions have occurred within DAE and MoC following the recent political changes in Bangladesh in August 2024. Further leadership changes are anticipated, particularly in the wake of the upcoming national elections. Therefore, the project must maintain close collaboration with these stakeholders to ensure continued engagement and alignment with relevant actors. Export diversification remains a priority.

The project will continue to engage the relevant stakeholders through different knowledge dissemination events and communication materials to keep them informed and explore ways to further improve sustainability of project activities. At the inception stage, the project will organize multi-stakeholder workshop/meeting to develop a sustainability strategy of the different interventions proposed. While this sustainability strategy will guide the project team to design an initial exit strategy of the project, this strategy will be regularly reviewed and amended, as needed, based on the evolving context of the project and national politics.

The project will also influence DAE and BFVAPEA to develop a sustainability plan, which could include setting up a dedicated fund, embedding the cost within membership fees, generating nominal fees for independent operation, and future fundraising opportunities. The sustainability plan will incorporate strategies to integrate the undertaken interventions into relevant policy frameworks, aiming to facilitate broader adoption across key vegetable-growing regions in Bangladesh, including Rajshahi, Pabna, Barishal, Mymensingh, and Rangpur. This approach has the potential to impact 381,000 acres of agricultural land and benefit 16 million vegetable farmers.

15. Why should the STDF fund this project?

This proposal aligns very well with STDF's vision, goal, focus areas and strategy. Through sustainable development of the capacity of GoB and private exporters on managing SPS issues, including pesticide residue, food hygiene and quality, testing and certification, the project contributes to STDF's Goal of 'Increased and sustainable SPS capacity in developing countries'. This project directly contributes to both of STDF's outcomes. Firstly, this project brings together public and private actors at different levels in the agriculture and food safety ecosystem in Bangladesh, e.g., DAE as a regulatory agency, BFVPAEA as the premier apex body of vegetable exporters, SGS as a world class global private sector technical service provider. This complex but incentive-driven collaboration model is expected to advance synergies and collaboration driving catalytic SPS improvements (STDF Outcome 1) in Bangladesh. Secondly, this project promotes the use of several global best practices in the vegetable value chain, such as GAP, HACCP, biopesticides, climate-smart agriculture which advances STDF Outcome 2: Greater Access to, and use of good practices and knowledge products at global, regional, and national level.

On a broader level, this project's activities directly contribute to several *Sustainable Development Goals (SDGs)* by contributing to safe and inclusive agricultural trade. This includes –

- SDG 1 No Poverty, by developing the capacity of small-scale farmers to adopt modern farming principles;
- SDG 3 Good Health and Wellbeing, by advancing food safety and SPS standards in Bangladesh's horticulture sector;
- SDG 8 Decent Work and Economic Growth, by developing the export competitiveness of Bangladesh's horticulture sub-sector;
- SDG 12 Responsible Consumption and Production, by promoting environmentally friendly
 production practices through promotion of IPM and biopesticides; and
- SDG 17 Partnerships for the goals, by promoting innovative and goal-driven public-private partnerships.

Additionally, the project also contributes to SDG 5 and SDG 13 through gender-responsive and environmentally responsible agricultural technologies, practices, and management.

As highlighted above, this project has been conceptualized as a direct result of applying STDF's P-IMA tool to prioritize SPS capacity development options in Bangladesh's horticulture and fisheries sub-sectors. While this project partially addresses the capacity gaps, it advances the efficacy of STDF's P-IMA approach as an effective decision-making tool. Successful implementation of the project will strengthen the case for adopting P-IMA for SPS decision making. This approach has also enabled us to envision a broader SPS and trade capacity development project. With additional funding, we can address SPS and trade capacity issues in Bangladesh's horticulture sub-sector more holistically.

The applicant, BFVAPEA, is the apex body of vegetable exporters which has the capacity and interest to influence decisions and investment from the private sector in improving SPS standards. The proposed implementor, Swisscontact, is a global leader in implementing market systems development projects, with robust experience of implementing agriculture value chain development and trade facilitation projects in Bangladesh (further highlighted in Appendix 3). BFVAPEA's influence and interest in the vegetable value chain Swisscontact's strong experience in managing and implementing similar projects in Bangladesh and other parts of the world also strengthens the case for an impactful and effective project.

ATTACHMENTS

Appendix 1: Work plan

Appendix 2: Project budget in Excel

Appendix 3: Evidence of the technical and professional capacity of Swisscontact to Implement the

Project

Appendix 4: Letters of support from organizations that support the project request

APPENDIX 1: Work Plan

Activity	Responsibility) (Jan 25)	/1 - Dec 25	;)		Y Jan 26 ·	′2 - Dec 26	i)		Y Jan 27 -	3 - Dec 27	,
Activity	Responsibility	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Project team onboarding and necessary government approval	Swisscontact		-					_	_				
Baseline Study	Swisscontact												
Introductory sensitization and project alignment workshop(s)	Swisscontact												
Multistakeholder Meeting for Project Sustainability Strategy Development	Swisscontact												
MoU and partnership agreement signing with project partners	Swisscontact												
Project Steering Committee meetings	Swisscontact												
Gender study	Swisscontact												
Periodic reporting to STDF	Swisscontact												
Endline impact evaluation study	External evaluator												
Project closing and knowledge dissemination workshop	Swisscontact												
Output 1.1: DAE's capacity on pest risk management for	r gourd varieties im	proved											
Activity 1.1.1: Institutional and technical capacity needs assessment of DAE pest risk management process	Swisscontact and DAE												
Activity 1.1.2: Training module and materials development for training	Swisscontact and DAE												
Activity 1.1.3: Training of Trainers (DAE officials)	Swisscontact and DAE												
Activity 1.1.4: Training of field-level DAE officials	Swisscontact and DAE												
Activity 1.1.5: Implementation support on better pest risk management principles	Swisscontact and DAE												
Output 2.1: Vegetable exporters' capacity to adopt glob	ally accepted hygier	ne princi	ples for	gourd va	arieties i	mprove	1						
Activity 2.1.1: Gourd export <i>m</i> arket <i>s</i> tudy to <i>i</i> dentify specific SPS and <i>c</i> ertification <i>r</i> equirements	Swisscontact and BFVAPEA												
Activity 2.1.2: Identification and selection of <i>g</i> ourd exporters	Swisscontact and BFVAPEA												
Activity 2.1.3: Training module and materials development for training on HACCP/ISO 22000	Swisscontact and BFVAPEA												
Activity 2.1.4: Training of Trainers (DAE officials and BFVAPEA officials)	Swisscontact and BFVAPEA												
Activity 2.1.5: Training of exporters and exporter personnel	Swisscontact and BFVAPEA												

Australia	Dannan sibilita	Y1 onsibility (Jan 25 – Dec 25)			Y2 (Jan 26 – Dec 26)				Y3 (Jan 27 – Dec 27)				
Activity	Responsibility	01	·		i		<u> </u>	1	•		1		<u> </u>
	1.00	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Output 2.2: Vegetable farmers' capacity to adopt GAP a	nd climate smart agi	ricultur	al practic	es impr	oved								
Activity 2.2.1: Identification and selection of farmers	Swisscontact and BFVAPEA												
Activity 2.2.2: Training module and materials development for training on GAP and climate-smart agriculture	Swisscontact and BFVAPEA												
Activity 2.2.3: Training of Trainers (DAE officials and BFVAPEA officials)	Swisscontact and BFVAPEA												
Activity 2.2.4: Training of Farmers on GAP	Swisscontact and BFVAPEA												
Activity 2.2.5: Training of Farmers on climate-smart agriculture	Swisscontact and BFVAPEA												
Output 3.1: BFVAPEA's capacity to secure shipment con	tracts from institution	onal bu	yers imp	roved									
Activity 3.1.1: Capacity development <i>of vegetable exporters</i> to improve trade linkage and negotiation	Swisscontact and MoC/BFVAPEA												
Activity 3.1.2: Conduct trade mission in identified locations to facilitate linkage meetings and workshops between <i>vegetable exporters</i> and buyers	Swisscontact and MoC/BFVAPEA												
Activity 3.1.3: Support <i>exporters</i> to secure contracts and supply vegetable to linked buyers in accordance with global SPS standards	Swisscontact and MoC/BFVAPEA												

APPENDIX 2: Budget

Attached Separately as an $\underline{\textit{Excel File}}$

APPENDIX 3: Evidence of the technical and professional capacity of Swisscontact to implement the project

Swisscontact is a leading partner organization for the implementation of international development projects. Founded in 1959 and registered under Swiss law, Swisscontact is an independent non-profit organization. Swisscontact employs 1,100+ individuals, working in 136 projects across 40 countries to achieve the primary goal of contributing to the reduction of economic disparities in an increasingly complex and globalized world, through promotion of sustainable and inclusive private sector development.

In Bangladesh, Swisscontact has eleven active development projects across 51 districts. The country office is in Dhaka city with five additional field offices and employs over 150 national and international staff. Entering Bangladesh in the 1970s, Swisscontact helped establish and strengthen the Bangladesh Industrial Technical Assistance Center, a training center under operation till date. From 2002 to 2018, Swisscontact implemented the Katalyst project in partnership with the MoC of the GoB. In 2009, Swisscontact registered as Swisscontact Bangladesh, an international non-governmental organisation, under the Non-Governmental Organization Affairs Bureau of the GoB.

Swisscontact has been collaborating with a range of public and private stakeholders in the agriculture sector to offer pro-poor, inclusive, and innovative agricultural solutions. These partners include, government departments and institutions, private agricultural foundations and associations, private agricultural input companies, private agro-processing and food companies, public agricultural universities, financial institutes providing agricultural financial products and services, etc. Other major government bodies that Swisscontact is currently working with include the Ministries of Shipping, Finance, and Local Government, Rural Development and Co-operatives.

Swisscontact applies an Inclusive System Development (ISD) approach to develop a deep understanding of the underlying market constraints by analyzing the economic, socio-political, and environmental context at local, regional, and national levels. This analysis includes the assessment of the core value chains, support functions and the overall regulatory framework conditions. To address the identified bottlenecks and unlock opportunities at the system level, Swisscontact works in three main "activity areas":

- a. **Enhancing the target groups' access and ability to use improved products, services, and know-how** offered by partners who are motivated with the right incentive structures. This approach enables the relevant system actors to embrace change and deliver improved and more inclusive products and services, including technology-driven solutions more sustainably. The organisation builds on its strong partnerships and working relationships with public and private actors and its ability to design and test business models at a scale.
- b. **Improving market linkages** by facilitating collaboration and networks amongst relevant system actors, fostering entrepreneurial skills of farmers, organizations, and enterprises.
- c. **Supporting** the development and implementation of rules and regulations which foster inclusiveness and sustainability in agriculture at the system level in the long-term.

Swisscontact applies an adaptive management approach which is built on the principles of collaboration, learning, and adaptation. Swisscontact also applies a three-level approach to enhancing (environmental) sustainability by making "do-no-harm" a must in all projects, making agriculture more sustainable through integration of climate-smart solutions that advance climate change adaptation and mitigation practices, and introducing transformational changes in agricultural systems, such as, ecologically-based crop rotations, agroforestry, restorative agriculture, and recycling of nutrients and natural resources. To ensure sustainable practices beyond project duration, Swisscontact-implemented projects works with partners that apply good environmental practices and strengthen incentives for additional partners to apply good environmental practices in the long term. Swisscontact considers gender equality and social inclusion (GESI), conflict sensitivity and environmental responsibility at all stages of programme design and implementation to identify and address critical issues.

Through different projects, Swisscontact supports various export-oriented sectors in Bangladesh. These sectors include agriculture (including fish, vegetables, and poultry), ready-made garments (RMG), furniture, leather goods, light engineering, construction, electronics, and health.

Some of the relevant projects of implemented by Swisscontact are highlighted below:

Katalyst - 2002 - 2018. Project Budget: CHF 105 million

Katalyst, one of the largest market development projects in the world and a pioneer in ISD approach and thinking, benefitted 4.75 million small and medium enterprises (SMEs) and farmers with an income increase of USD 724 million. Katalyst played a significant role in addressing various export/import barriers in Bangladesh. For instance, Katalyst Phase III worked with hatchery owners, Department of Fisheries, Bangladesh Fish Research Institute and various exporters from Vietnam and Philippines to set up fish brood testing facilities and standard operational procedure for higher quality brood import.

Similarly, to safeguard against an impending blacklisting of Bangladeshi shrimp by the European Union (EU), Swisscontact in collaboration with MoC and MoFL assessed the challenges related to nitrofuran residues, traceability, and certification and identified ways to address the concerns. Swisscontact guided the DoF to impose a voluntary prohibition of freshwater prawn exports to the EU market. This strategic decision helped to avoid blacklisting by the EU food safety authority and identify the sources of contamination. Swisscontact also developed a National Working Committee (NWC) to take appropriate measures for preventing the contamination. After a six-month investigation, research, and consultation activities the NWP developed a National Action Plan (NAP). DoF eased the self-imposed ban at the end of 2009 after initiatives to eliminate contamination of the toxic element began to take hold. Swisscontact also organized a visit to EU for sharing the knowledge with the EU authorities where DoF, MoC, BSFF and BFFEA delegates presented the NAP to their EU counterparts and regained the international confidence on the quality of the shrimp exported from Bangladeshi origin.

<u>Bangladesh Microinsurance Market Development Programme (BMMDP) Phase I - 2017-2023. Project Budget: CHF 9.5 million</u>

Swisscontact, through BMMDP, collaborates with private sector partners to provide microinsurance services for agriculture and livestock with embedded extension services and aims to foster inclusive growth in the sector through resilience to climatic shocks. BMMDP facilitated the development of a climate-resilient agriculture extension service, which provides farmers with pre-recorded voice messages outlining their action points depending on the climatic condition for their location and for their crop. The program also developed the first of its kind 'Cattle Health Insurance' product, which allows farmers to submit a claim and get reimbursement for the expenses incurred for the treatment of insured cattle. This product uses cutting-edge 'machine learning' technology for the identification of insured cattle through unique muzzle print detection.

Agriculture insurance offers a way to make up for yield loss brought on by climatic shocks. It has been modified as a market-driven approach that facilitates systemic transformation. Key market actors' capacities are enhanced to be fully operational without any direct assistance from the government or donors. Innovations in insurance products are designed to address customers' priority risks. In addition to product innovations and provision of extension services, insurance products are bundled with high in demand products, such as credit or agricultural inputs. The bundling of products has been an effective strategy for faster adoption of the service. In addition, the collaboration between the major market players (Insurance companies and Microfinance organizations) significantly reduced the cost-of-service delivery and in turn made the microinsurance products more affordable.

As of December 2022, the following results were achieved by BMMDP:

- More than 570,000 farmers increased their investment in agriculture and livestock and benefitted with increased resilience through increased income;
- CHF 166 million worth of financing was triggered due to the programme;
- Around 825,000 farmers purchased crop and livestock insurance policies;
- Almost 590,000 farmers applied climate-friendly improved farm management practices;
- Around 553,000 new livestock brought under insurance;
- Around 56,000 acres of land area covered under crop insurance products; and
- More than 1.5 million farmers reached through BMMDP project activities.

<u>Digitalizing the Bhomra Land Port (DBLP) – 2021 – 2023. Project Budget: USD 1.3 million</u> Swisscontact is supporting the Bhomra Land Port Authority (BLPA), under the administrative control of the Ministry of Shipping, to build a digital port management system. A major focus of the project involves greater efficiencies for clearing agents, who are responsible for ensuring information moves from one stage of the port process to the next. Currently, this involves filling out documents and

transporting them physically between checks, which adds more time and steps than is ideal to complete and deliver the necessary materials for a single shipment.

During the design phase of the project, Swisscontact engaged extensively with BLPA and the local private sector, including the Bhomra C&F Agents' Association, banks, mobile financial services, and logistics companies to identify the main challenges and to tailor solutions.

The digital port management system will streamline clearance procedures, by enabling clearing agents to input information once (avoiding duplication) capturing weighbridge information automatically reducing waiting times for inspections automating invoice generation integrating e-payment solutions automating generation of exit gate passes Other benefits include greater transparency and compliance with border procedures, enhanced traceability of goods and trucks and increased cooperation between agencies. And it isn't only customers of Bhomra Land Port that are likely to benefit: MoS and BLPA are aiming to develop an 'ideal digitalized model' that can be replicated across the other 22 Bangladesh land ports.

Re-engineering Uganda's Sanitary and Phytosanitary Inspection for Horticultural Exports (RUSH) - 2021 - 2023. Project Budget: CHF 1.05 million

The project is implementing a process review and re-engineering of the manual SPS inspection process at Ministry of Agriculture, Animal Industry, and Fisheries (MAAIF) facilities to reduce waiting times. The Alliance and the MAAIF are working with the Ministry of Trade, Industry, and Cooperatives (MTIC) to introduce an electronic, risk-based SPS inspection system. This system will use an open-source database that accumulates and consolidates inspection data and assigns risk levels to exporters and performance levels to each inspector to promote accountability.

Finally, public and private sector stakeholders, including Entebbe Airport, Champ Cargo systems, DHL, and Turkish Cargo, are working together to support improved trade information flow on horticulture exports through Uganda's trade information portal. This change will improve capacity and willingness to build and deliver further trade reforms. It will also increase MSME involvement in public-private dialogues and improve interagency coordination between the National Trade Facilitation Committee and the National Task Force on Horticulture Exports.

In addition to MAAIF and MTIC, the project is supported by the Private Sector Foundation Uganda and the Uganda Women Entrepreneurs Association. Alliance private sector partners CHAMP Cargo systems, the International Air Transport Association, and DHL are providing their expertise and best practices.

Besides saving time and money for MSMEs and increasing Uganda's trade competitiveness, the project is expected to:

- Reduce the total time spent on SPS inspections at the pack house and Entebbe Airport by an estimated 44%, from nine hours to five;
- Reduce annual compliance costs per truck associated with the export clearing process by up to 44%;
- Ensure higher volumes and values of horticulture exports pass SPS inspections;
- Minimize horticulture waste due to rejections or spoilage during SPS inspections at the pack house and Entebbe Airport;
- Ensure up-to-date trade information on horticulture exports is available to business organizations and translated into two local languages; and
- Foster greater interagency cooperation between the public and private sector and the Government of Uganda.

<u>The Swiss Import Promotion Programme (SIPPO) - 2017 - 2025. Project Budget: CHF 41.75 million</u>

SIPPO is a well-established mandate of the State Secretariat for Economic Affairs (SECO) of the Swiss Government within the framework of its economic development cooperation. The programme has been implemented by Swisscontact since 2017 and is now in phase 2 (2021-2025).

The overall objective of SIPPO is to integrate developing and transition countries into world trade. In a facilitation role, SIPPO advises and supports so-called Business Support Organizations (BSOs) in 11 partner countries. Through innovative and targeted export promotion services, BSOs strengthen the export capabilities of companies intending to export and facilitate market access and exports to Switzerland, the EU, and regional markets.

The project is active in six sectors including fish & seafood, processed food, natural ingredients, technical wood, high quality textiles, and sustainable tourism. The expected results of the project include the following:

- Export-ready companies in the target countries access export promotion services of BSOs.
- Export-ready companies sign new export contracts; Increase in the number of jobs in sectors supported by SIPPO; and
- BSOs professionalize their export promotion services, develop their organizational management, and improve their performance measurement.