



**STDF PROJECT PREPARATION GRANT (PPG)**

**APPLICATION FORM**

The Standards and Trade Development Facility (STDF) provides Project Preparation Grants (PPGs), up to a maximum of US\$50,000, for the following purposes (or a combination thereof):

- application of SPS-related capacity evaluation and prioritization tools;
- preparation of feasibility studies that may precede project development to assess the potential impact and economic viability of proposals in terms of their expected costs and benefits; and/or
- preparation of projects proposals that promote compliance with international SPS requirements, for funding by the STDF or other donors.

Applications that meet the STDF's eligibility criteria are considered by the STDF Working Group, which makes the final decision on funding requests. Complete details on eligibility criteria and other requirements are available in the *Guidance Note for Applicants*. The completed application should be submitted through the [STDF online application system](#).

<b>PPG Title</b>	<b>Apply P-IMA framework to prepare a project proposal to address key SPS challenges affecting the export potential of selected agricultural and fisheries products in Bangladesh.</b>
<b>Budget requested from STDF</b>	USD 49 995
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## I. BACKGROUND AND RATIONALE

**1. What is the purpose of this PPG? Explain whether it is requested to: (i) apply an SPS-related capacity evaluation or prioritization tool; (ii) prepare a feasibility study (prior to project development) to assess the potential impact and economic viability of proposals in terms of their expected costs and benefits; and/or (iii) prepare a project proposal for consideration by the STDF or other donors?**

This PPG aims to apply STDF's **Prioritizing SPS Investments for Market Access (P-IMA)**<sup>1</sup> framework to conduct a six-month long SPS capacity assessment of the agriculture (particularly horticulture) and fisheries sub-sectors of Bangladesh, and subsequently **prepare a project proposal to address the key SPS challenges affecting the export potential of selected agricultural and fisheries products.**

This PPG will allow Swisscontact to build on its two decades of work in the agriculture and fisheries market systems in Bangladesh and leverage the existing relationships with relevant public and private actors to map the functions, incentives, and inter-relationships of the different actors in the SPS ecosystem. Furthermore, this PPG will allow us to develop a consensus among these stakeholders on the crucial SPS problems and systemic constraints affecting Bangladesh's export performance, enabling us to design appropriate solutions. These stakeholders include:

- **Public departments**, such as the Department of Agriculture Extension (DAE), Horticulture Export Development Foundation (HORTEX Foundation), Department of Fisheries (DoF), Business Promotion Council (BPC);
- **Private exporters associations**, such as Bangladesh Fruits, Vegetable and Allied Products Exporters Association (BFVAPEA), Bangladesh Frozen Food Exporters Association (BFFEA), and Bangladesh Live and Chilled Food Exporters Association (BLCFEA); and
- **Non-profit research and advocacy partners**, such as Bangladesh Shrimp and Fish Foundation (BSFF).

The PPG will achieve the following outputs that will enable Swisscontact to prepare a project proposal:

- **Output 1:** Key SPS issues in the agriculture and fisheries sub-sectors in Bangladesh identified;
- **Output 2:** Major agriculture<sup>2</sup> and fisheries<sup>3</sup> products with high export potential assessed and at least THREE (TWO from the agriculture sub-sector and ONE from the fisheries sub-sector) products for further analysis and solution design selected;
- **Output 3:** The specific SPS issues affecting the export performance and potential of the selected products identified;
- **Output 4:** Potential solutions to address the key SPS challenges of selected agriculture and fisheries products developed;
- **Output 5:** Gender and environmental issues relevant to the selected products, SPS challenges, and the proposed solutions identified; and a strategy to address the issues developed.

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<sup>1</sup> Prioritizing SPS Investments for Market Access (P-IMA). Retrieved from <https://www.standardsfacility.org/prioritizing-sps-investments-market-access-p-ima>

<sup>2</sup> List of exported horticulture crops from Bangladesh. Retrieved from <http://www.hortex.org/vegfruit.htm>

<sup>3</sup> List of major fisheries products exported from Bangladesh. Retrieved from <https://www.bffea.net/product.php>

**2. Explain the key SPS problems and/or opportunities to be addressed. Clarify why these issues are important, with attention to market access and poverty reduction. Describe, if relevant, how these issues relate to SPS priorities in the Enhanced Integrated Framework’s Diagnostic Trade Integration Studies (DTIS), the findings of SPS-related capacity evaluations, national poverty reduction strategies, sector development strategies or policies, etc. See Qn. 7. (b) – (d) of the Guidance Note.**

### 2.1 Context

With a fourfold increase in export earnings, Bangladesh has experienced unprecedented growth in agricultural exports in the last 10 years.<sup>4</sup> Despite this growth, Bangladesh has struggled to capture the mainstream international market for fresh agricultural produces and continues to cater predominantly to the sizable ethnic market in the Middle-East, Europe, and Asia. A major reason behind this underperformance in exporting agricultural products is the lack of international confidence and poor track record in complying with international SPS standards, resulting in import embargoes and stricter SPS regulations from importing countries. **Table 1** presents a list of 20 agricultural products that have received different forms of embargoes, sanctions, and self-bans in the last decade due to violations of and concerns over SPS standards.<sup>5</sup>

Sl	Name of Product	Reason for Embargo/Sanction/Self-ban
1	Mango	Fruit fly, Stone weevil, Pulp weevil, Anthracnose, Chemical residue above the maximum residue level
2	Guava	Fruit fly, Giant mealy bug
3	Lemon	Canker, Scab
4	Jackfruit	Giant mealy bug, Fungus
5	Bitter Gourd	Thrips, Fruit fly
6	Bean	Greenfly, Chemical residue above the maximum residue level
7	Pumpkin	Fruit fly, Thrips
8	Eggplant	BSFB, Thrips
9	Potato	Brown rot, Hollow heart, Tuber moth, Cyst nematode
10	Betel Leaf	Salmonella, Chemical residue above the maximum residue level
11	Leafy vegetables	Leaf miner, White fly, Leaf worm
12	Turmeric	Chemical (Lead) residue above the maximum residue level
13	Chilli	Chemical (Lead) residue above the maximum residue level
14	Mustard Oil	Chemical residue above the maximum residue level
15	Betel Leaf Spices	Chemical (Rhodamine B, E-594) residue above the maximum residue level
16	Tobacco	Chemical (E-594) residue above the maximum residue level, Fly
17	Rice	Beetle, Chemical (Carbendazim, Tricyclazole, Chloropicrin) residue above the maximum residue level
18	Peas	Chemical (E-102, E-133) residue above the maximum residue level
19	Lentils	Aflatoxin
20	Peanuts	Issue with health certificate
21	Cinnamon	Chemical (Lead) residue above the maximum residue level
22	Cumin seed	Chemical (Lead) residue above the maximum residue level

Table 1: List of agricultural products that received embargo/sanction/self-ban

Meanwhile, in the fisheries sub-sector, the SPS ecosystem is more mature, given Bangladesh’s long history of exporting frozen fish around the world. Despite a better SPS ecosystem, Bangladesh has seen a 20% decline in export earnings from the fisheries sub-sector in the last decade (598 million USD in 2011-12 to 477 million USD in 2020-21).<sup>6</sup> This slump has been largely driven by decreasing

<sup>4</sup> Export Promotion of Bureau, Export Data. Retrieved from [http://epb.gov.bd/site/view/epb\\_export\\_data/](http://epb.gov.bd/site/view/epb_export_data/)

<sup>5</sup> Alam, M. S. (n.d.). Assistant Director, Plant Quarantine Wing, Department of Agriculture Extension (DAE).

<sup>6</sup> ibid

productivity of and demand for black tiger shrimp<sup>7</sup> (consisting of 80% of frozen and live fish export earning of Bangladesh), and import embargoes on other frozen and live fish products due to quality and health concerns, such as China's ban on import of Crab and Eel<sup>8</sup>, and Saudi Arab's ban on import of freshwater fish from Bangladesh<sup>9</sup>.

Swisscontact, as a preparation for this PPG application, conducted 16 preliminary key informant interviews (KIIs)<sup>10</sup> with relevant stakeholders in the SPS ecosystem. The KIIs have revealed a range of SPS problems and opportunities that need to be addressed to improve Bangladesh's foothold in the international market for agricultural and fisheries products. Some of the SPS problems and opportunities identified from the KIIs have been discussed below.

## 2.2 SPS problems & Opportunities

### 2.2.1 Agriculture:

- a. **Lack of adequate lab facilities for quality and timely testing** has been cited as one of the most pressing problems hindering the SPS certification and consequently the compliance with international standards and requirements. There are currently no designated public facilities where all the required microbiological and chemical tests for agricultural products can be conducted. Exporters are required to go to multiple private and public labs to get all the required tests done, which is both time-consuming and expensive. The lab capacities and validity of the test results produced by private labs is also often questioned by the government certification authority which puts exporters in further trouble.
- b. **The lack of capacity of government officials on international SPS standards, and public and private technicians on machine operation and proper testing methods** is another major problem affecting the compliance to international SPS standards. A recently developed state-of-the-art public laboratory with modern machineries have been left unutilized due to lack of trained scientists and laboratory officials. This problem is further exacerbated by frequent transfers and promotions of trained government officers which creates a void of experienced technicians.
- c. Experts also suggested that a **lack of awareness and capacity at the farm level on Good Agricultural Practices (GAP) and traceability, and of exporters on SPS standards** continues to be the major hurdle affecting the quality of the produces. Many of the SPS issues that affect the exportability of produces can be minimized with adoption of better GAP, Good Handling Practices (GHP) and Good Manufacturing Practices (GMP) among the farmers, and other value chain actors, including exporters.

### 2.2.2 Fisheries

- a. While majority of the field officers and technicians have the technical capacity to follow international standards in inspection, sampling, and testing for shrimp, there is a **Lack of technical capacity of quality inspectors on SPS standards and laboratory officials on proper testing guidelines, interference minimization, method validation, machine operation (such as LCMS-MS, ICPS), risk assessment, etc.** for other fisheries products. Additionally, with more stringent regulations and SPS standards from major fish importing regions, there is a need for capacity development

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<sup>7</sup> Tuhin, A. H. (2020, January 12). Bangladesh loses export market to Whiteleg shrimp. The Business Standard. Retrieved from <https://www.tbsnews.net/economy/trade/bangladesh-loses-export-market-whiteleg-shrimp-35693>

<sup>8</sup> Karim, R. (2020, July 14). China bans import of crab, eel from Bangladesh. The Financial Express. Retrieved from <https://thefinancialexpress.com.bd/trade/china-bans-import-of-crab-eel-from-bangladesh-1594700433>

<sup>9</sup> Ara, A. (2021, March 14). Bangladesh frozen fish exporters in a fix over Saudi embargo. The Financial Express. Retrieved from <https://thefinancialexpress.com.bd/trade/bangladesh-frozen-fish-exporters-in-a-fix-over-saudi-embargo-1615691880>

<sup>10</sup> Please see Appendix 3 for a list of respondents of the KIIs.

on updated testing methods and processes for lab technicians even for established export items, such as shrimp.

- b. The experts also suggested a necessity to build awareness and capacity of both public and private stakeholders on new stricter SPS standards and regulations imposed by major importing destinations, such as those by the USA, EU FVO, Russia, Middle East, and China. This includes **capacity development of government extension officers on updated SPS measures and good aquaculture practices (GAqP), farm-level awareness and capacity development on GAP, and capacity development of exporters and processors on technical issues, technology adoption, GMP, etc.**
- c. Given the latest bans on import of Crab and Eel from Bangladesh by China, there is also a need to **develop a comprehensive and realistic standard operating procedure (SoP) that would allow Bangladesh to regain the lost market for Crab and Eel, and grow further.**

### 2.3 Prioritizing the SPS Problems and Opportunities:

Our preparatory KIIs and secondary literature review also suggested a lack of consensus among the key stakeholders on major SPS issues affecting Bangladesh’s export performance and potential. However, as depicted in **Table 2**, we have conducted an elementary priority mapping of the SPS capacity needs and priorities in Bangladesh, which has given us a broader understanding of the major areas of focus for the detailed assessment proposed under the PPG.

Based on this mapping, the PPG assessment will largely focus on identifying specific SPS challenges in areas related to product-specific SPS action plan development, knowledge gaps among government officials, private sector operators, and farmers, gaps in SPS inspection, diagnosis, and certification, and assessing the scope for implementing GAP and GMP for selected products.

STDF Priority List		Government of Bangladesh (GoB) Priority	Feasibility <sup>11</sup>	Impact (Poverty Reduction Potential)
1	The legal and regulatory framework for SPS management.	Medium	Low	Medium
<b>2</b>	<b>The SPS policy and strategy development (e.g., SPS action plans).</b>	<b>High</b>	<b>High</b>	<b>High</b>
3	The implementation of SPS standards and requirements (i.e., Codex/IPPC/OIE standards, official requirements of trading partners, etc.) including risk analysis capacity.	Medium	Medium	Medium
<b>4</b>	<b>Knowledge among government officials, private sector operators, farmers, etc. about SPS requirements in export markets.</b>	<b>High</b>	<b>High</b>	<b>High</b>
5	Information exchange and cooperation among stakeholders (i.e., government agencies, private sector producers/exporters, chambers of commerce, etc.) involved in food and agricultural trade and SPS issues.	Medium	High	Medium
6	<b>Food safety, veterinary and phytosanitary inspection, enforcement, diagnostics, certification, etc.</b>	<b>High</b>	<b>Medium</b>	<b>High</b>
7	Monitoring, surveillance, eradication, zoning, establishment of disease/pest free areas, etc.	High	Low	High
8	<b>The application of good agricultural and manufacturing practices including HACCP.</b>	<b>High</b>	<b>High</b>	<b>High</b>

Table 2: Elementary Priority Mapping of SPS Capacity Needs

<sup>11</sup> Feasibility indicates the viability of designing and implementing a solution, considering the timeline, budget and scope required to achieve the change.

**3. Which government agencies, private sector, academic or other organizations support this PPG request? Letters of support from each of these organizations would be advantageous (Appendix 1). See Qn. 7. (e) of the Guidance Note.**

This PPG is supported by the organizations listed in **Table 3**. A brief description of the roles of each supporting organisation has been included in the table to illustrate their relevance and significance of their support for the PPG. The letters of support from these organisations have also been attached (Appendix 1) with this application.

Stakeholder Type	Name of Stakeholder	Brief Description
Public	Department of Agriculture Extension, Ministry of Agriculture	Department of Agricultural Extension (DAE) controls the food safety at the farm production level and is responsible for implementing GAP standards in Bangladesh. DAE has many wings including the plant protection wing (PPW) and plant quarantine wing (PQW). PPW provides surveillance and forecasting for field crops, technical advices and justified control measures to the farmer's level. Implementing & establishing integrated pest management in farmer's level for preserving environment, providing registration certificate and licenses for different types of agricultural pesticide and public health products as well as its production & marketing, and ensuring quality production and distribution of pesticides for judicial use in farmer's level. Establishing linkage with international, national, non-government and private origination for common issues and conceptions. PQW is the most important part of DAE. Bangladesh, as one of the signatories of WTO to sustain in international trade is to abide by the WTO-SPS Agreement to conduct importing and exporting activities of plants and plant products. PQW, to safeguard Bangladesh Agriculture is involved in the ports to ensure the prevention of introduction of quarantine pests with importing plants and plants products, beneficial organisms and packing materials. It also acts as a regulating authority to boost up and maintain the export of plants and plants products, beneficial organisms and packing materials according to the phytosanitary requirements of importing country in consistence with international agreements.
	Department of Fisheries, Ministry of Fisheries and Livestock	Department of Fisheries (DOF) is a government department under the Ministry of Fisheries and Livestock (MoFL) responsible for regulating the fisheries industry, as well as the GAP standards in Bangladesh. DOF regulates the feed control at the farm level. DoF also comprises of Marine Fisheries Station, Fisheries Training Academy, Fisheries Training and Extension Centres, Fish Hatcheries, and the Fish Inspection & Quality Control (FIQC). FIQC is the official control authority for ensuring safe and quality fish & fish products to the consumers. This official control is based on the acts, rules, guidelines & official control protocol. The major functions of FIQC are licensing of the fishery establishments, monitoring the compliance of fishery establishments and monitoring supply of safe and quality products to the consumers. Certifying fish and fishery products for export and conducting awareness and training programs for ensuring Food Safety and Quality Issues at stakeholders in the value chain, evaluating establishments, implementing HACCP based Processing and Traceability, implementing social compliances, and plan and risk based NRCP & FRCP.
	Horticulture Export Development Foundation, Ministry of Agriculture	Horticulture Export Development Foundation is a government foundation under the Ministry of Agriculture. The foundation works to develop and promote agribusiness, including high value agricultural products for export through technical and advisory support to increase the national economy of Bangladesh and farmers' income. The objectives of the foundation are promotion and development of high value fresh and processed agricultural products, as well as of contract farming techniques for enhancing agricultural productions. Providing market intelligence support to producers and exporters and ensuring technological, training and advisory support to boost agro-production and its export. Developing sustainable agribusiness with high value agro-products, along with Small and Medium Enterprise (SME) and

		supporting private entrepreneurs for promotion of agribusiness. Familiarizing appropriate postharvest management practices among farmers and entrepreneurs and developing efficient supply, packaging, cool chain and value chain management. Ensuring sanitary and phyto-sanitary standards for better environmental management and introducing traceability for exportable produces.
	Business Promotion Council, Ministry of Commerce	Business Promotion Council (BPC) is a council that promotes the export of specific products in Bangladesh. BPC is a council formed by the Ministry of Commerce, and is responsible for the task of export diversification through capacity building and coordinating the efforts of six sector-based councils including Agro-products BPC and Fishery products BPC. They are represented by government organizations and trade associations having immediate stake on the identified sector. Objective of Agro-products BPC is to promote the export of agricultural and horticultural products, help industry acquire the right technology, develop export-marketing skills, impart training and workshops to develop, promote the value-added products in the agro and horticulture sector. Also, to focus on identification of production and export related problems and preparation of policy recommendations for the Government, create awareness on different compliance standards and so on. Objective of Fishery products BPC is to promote the local and international market capacity of Fishery Products Sectors as it will lead to expand an export market in Global premises.
Private	Bangladesh Frozen Food Exporters Association	Bangladesh Frozen Foods Exporters Association (BFFEA) is the trade body for Fish processing Plants in Bangladesh. BFFEA is responsible to promote and protect the interest of Frozen Food processors, Packers and Exporters in Bangladesh. They are a vital link between the trade bodies and the different government and private agencies. They also establish and promote, contracts with foreign buyers, business association and the chamber of commerce and industries to develop export marketing of frozen foods. BFFEA plays an important role in advising the government in relevant policy, quality control, packaging, marketing and developing the fishery industries of Bangladesh.
	Bangladesh Fruits, Vegetables, and Allied Products Exporters Association	Bangladesh Fruits, Vegetables, and Allied Products Exporters Association (BFVAPEA) is an association of export-oriented fruits & vegetables manufacturers and exporters of Bangladesh and is a non-profit organization. BFVAPEA exports vegetables, fruits, potatoes and betel leaf from Bangladesh to Countries in the Middle East, Europe, Asia and North America. Currently, 500 members are exporting vegetables and fruits through BFVAPEA.
	Bangladesh Live and Chilled Food Exporters Association	Bangladesh Live and Chilled Food Exporters Association (BLCFEA) is an association of export-oriented live crabs, frozen crabs, crab meats, live eel fish and other chilled fish manufacturers and exporters of Bangladesh. They are the largest sea food exporter's organization.
Non-profit think tank	Bangladesh Shrimp and Fish Foundation	Bangladesh Shrimp and Fish Foundation (BSFF) is a non-profit private organization focused on research, advocacy and targeted actions at all level of value chain in the fisheries sector, aquaculture and shrimp industry. BSFF has been consistently working to generate vitality to the fisheries and aquaculture sector in Bangladesh with a view to realizing its rich potential. BSFF has also a rich experience of working together with the government of Bangladesh, ministries, academia and international development partners.

Table 3: List of supporting organizations and their role in the SPS ecosystem

In addition to the aforementioned public and private stakeholders supporting the PPG, Swisscontact will also engage with the following agencies and organisations to capture nuanced perspectives on SPS capacity issues and consequently enhance the robustness of the analysis.

- Public
  - Bangladesh Standards and Testing Institute
  - Bangladesh Food Safety Authority
  - Directorate General of Health Services
  - Local Government Division
- Private
  - SGS Bangladesh

- WAFFEN Research Laboratory
- Bangladesh Crop Protection Association
- Feed Industries Association of Bangladesh
- Bangladesh Fertilizer Association
- Bangladesh Agro-Processors' Association
- Research and Academia
  - Bangladesh Agriculture Research Institute
  - Bangladesh Agriculture University

**4. How does this PPG complement and/or build on past, ongoing and/or planned national programmes and/or donor-supported projects? See Qn. 7. (f) of the Guidance Note.**

**4.1 Building on Previous SPS Capacity Assessment and Diagnostic Trade Integration Studies:**

The proposed six-month long SPS capacity assessment will build on the study '**Assessing SPS Capacity in Bangladesh**' completed by the US Department of Agriculture (USDA) in 2012<sup>12</sup>, which identified some of the contemporary SPS issues and challenges in Bangladesh. These SPS issues and challenges include capacity building of extension officers, producers, inspectors, technicians, and exporters, improving risk management infrastructure, adopting better traceability and certification system, supporting laboratories to adopt good laboratory practices (GLP), increasing inter-department coordination, and raising awareness on SPS standards at all levels.

While some progress has been made since then, the overall SPS ecosystem, particularly for the agriculture sub-sector, still remains weak. The Pesticides Act 2018 has enabled better clarity and improved control in pesticide registration, production, use and quality control as recommended in the 2012 SPS assessment. DAE has also initiated cluster farming for selected crops and adopted GAP on a small scale. However, the overall awareness and understanding of GAP and international SPS standards remains low among farmers and exporters. Furthermore, many of the constraints in risk identification, management, and certification process has remained largely the same. The PPG will enable Swisscontact to do a deeper analysis of the progress against the 2012 study recommendations, and update the SPS priorities.

The proposed assessment will also build on the '**Diagnostic Trade Integration Study (DTIS): Toward New Sources of Competitiveness in Bangladesh**' conducted by the World Bank in 2016<sup>13</sup>, which suggests Bangladesh needs to improve its quality management practices to harness global economic opportunities, forecasting that importing countries will continue setting more stringent standards and technical regulations in the future.<sup>14</sup>

**4.2 Aligning the Assessment with Government of Bangladesh's Strategic Plan:**

The SPS capacity assessment and the resulting proposal will be aligned with the Government of Bangladesh's (GoB) strategic plan as underpinned in the **8<sup>th</sup> Five Year Plan** (July 2020- June 2025), prepared by Bangladesh Planning Commission. In addition to supporting the GoB's overall goal of poverty alleviation and reduction of inequality through export-led growth, job creation, and export diversification, this PPG will also support the sector-specific strategic plan highlighted in the GoB's **8<sup>th</sup> FYP**. This includes the government's priority to capture larger share in the international markets with investment in SPS and safe food production, introduction and popularization of GAP, and

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<sup>12</sup> United States Department of Agriculture. (2012). Assessing SPS Capacity in Bangladesh. K-State Research and Extension. Retrieved from <https://bookstore.ksre.ksu.edu/pubs/SB666.pdf>

<sup>13</sup> Kathuria, Sanjay, and Mariem Mezghenni Malouche. 2016. Toward New Sources of Competitiveness in Bangladesh: Key Findings of the Diagnostic Trade Integration Study. Directions in Development. Washington, DC: World Bank. doi:10.1596/978-1-4648-0647-6. License: Creative Commons Attribution CC BY 3.0 IGO

<sup>14</sup> Kathuria, Sanjay, and Mariem Mezghenni Malouche. 2016. Toward New Sources of Competitiveness in Bangladesh: Key Findings of the Diagnostic Trade Integration Study. Directions in Development. Washington, DC: World Bank. doi:10.1596/978-1-4648-0647-6. License: Creative Commons Attribution CC BY 3.0 IGO

ensuring safe and quality fish supplies in the domestic and international market. Addressing the food safety concerns in the international market is also expected to strengthen the domestic SPS standards and food safety practices, which is a major concern of both the GoB and its development partners.

### 4.3 Complementing Past and Present STDF-funded Projects in Bangladesh:

The proposed project will also complement the previous and ongoing STDF-funded projects in Bangladesh, "Building Trade Capacity of Small-Scale Shrimp and Prawn Farmers"<sup>15</sup> and "Pesticide Residue Mitigation Through the Promotion of Biopesticides"<sup>16</sup>. The partners of the "Building Trade Capacity of Small-Scale Shrimp and Prawn Farmers" project, BSFF and DoF, have committed to support the proposed SPS assessment (Appendix 1). Leveraging on Swisscontact's long-standing relationship BSFF and DoF in addressing SPS issues in the Shrimp and Prawn sub-sector (further detailed in section 4.4), Swisscontact will capitalize on the knowledge and lessons from the previous project in the assessment design.

DAE, one of the partners of the multi-country "Pesticide Residue Mitigation through the Promotion of Biopesticides", has also committed to support the proposed assessment (Appendix 1). Swisscontact also has extensive experience of supporting DAE for improved agriculture extension services and the Ministry of Agriculture to promote Integrated Pest Management (IPM) approaches (further detailed in 4.4). Additionally, one of the proposed national consultants for the capacity assessment, Mr. Ahsan Ullah, is working in the project as the Coordinator, Bangladesh. Hence, the proposed assessment can embed the learnings from the ongoing project in the assessment and the designed project proposal.

### 4.4 Building on Swisscontact's Experience in Agriculture and Fisheries Market Systems

Swisscontact has two decades of experience of supporting the GoB and private actors to enhance the export potential of the agriculture and fisheries sub-sector, particularly through the Agri-business for Trade Competitiveness project (ATC-P) that lasted from 2002 to 2018. ATC-P, branded as Katalyst, was implemented by Swisscontact under the umbrella of Ministry of Commerce (MoC), which impacted more than 4 million small-holder farmers with increased income and improved the trade competitiveness of the agriculture and fisheries sub-sector. **Table 4** highlights some of the major collaborations with GoB, under the Katalyst project, targeting SPS issues and trade capacity of the two sub-sectors.

Initiative Title	Period	Partners	Brief Description
Addressing the SPS issues for shrimp export	2008-2010	DoF, BSFF, MoFL, MoC, BPC	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 nitrofurans 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 NWC 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

<sup>15</sup> STDF. (n.d.). Building Trade Capacity of Small-Scale Shrimp and Prawn Farmers. Retrieved from [www.standardsfacility.org: https://www.standardsfacility.org/PG-321](https://www.standardsfacility.org/PG-321)

<sup>16</sup> STDF. (n.d.). Pesticide Residue Mitigation Through the Promotion of Biopesticides. Retrieved from [www.standardsfacility.org: https://www.standardsfacility.org/PG-634](https://www.standardsfacility.org/PG-634)

			EU counterparts and regained the international confidence on the quality of the shrimp exported from Bangladeshi origin.
Capacity Building of BPC as facilitator for export markets	2015-2018	BPC, BSFF, BFVAPEA	The project supported BPC to introduce a e-traceability system for fisheries products, including shrimp and prawn, in collaboration with BSFF. The project also assisted BSFF and BFVAPEA to address supply side constraints by developing contract farming guidelines, promotion of e-traceability system, development of a video documentary and docudrama, participating in trade fairs, and conduct policy advocacy.
Strengthening Katalyst's Local agri-business network (LAN) for better information exchange among stakeholders and farmers	2010-2016	DAE, DoF, DLS, local vegetable traders, national private companies	Under this initiative, Swisscontact introduced a model to promote public-private partnerships for a better extension service by creating linkages between local traders' associations, the farming community and government extension officers in the form of "public-private partnerships" or PPP. In 2010, the three central government agencies for agricultural, livestock and fisheries extension agreed to take a more hands-on role in overseeing the extension of the model and a task force was formed. the model provided farmers with access to improved information, and extension officials with good access to more farmers.
Capacity building of hatcheries to import quality brood fish	2011-2015	DoF	This intervention created linkage between hatcheries and international brood suppliers, ensuring the availability of higher quality fingerlings from imported brood, along with appropriate technical knowledge from international sources. Swisscontact coordinated with DoF to prepare a document checklist required for brood imports, and with Regional Fish Hatchery Association, Bangladesh Fisheries Research Forum and DoF for approval in importing high-value species of fish.
Developing the Fertilizer Recommendation Software (FRS)	2008-2012	Soil Research and Development Institute (SRDI)	This initiative addressed the over-usage of chemical fertilizers by Bangladesh farmers by developing a user-friendly software (FRS) that provided customized fertilizer dosage recommendations, based on location, crop, season, and field size. Swisscontact supported SRDI in designing and hosting the FRS domain server, and dissemination and mobilization of the technology through collaboration with DAE, and mobile phone operators.
Promoting Integrated Pest Management (IPM)	2008-2012	Ministry of Agriculture (MoA)	Through this initiative Swisscontact amended the Pesticide Rules 1985, which then had no provision for the production and marketing of biochemical pesticides, hindering overall growth of the industry. As a result of the ongoing policy advocacy initiatives of Swisscontact, the MoA amended The Pesticide Rules in 2010, allowing the registration, commercial production and marketing of including their distribution and use. The amendment opened up new horizons for companies to import produce and promote these products in the market.

Table 4: A snapshot of Swisscontact's experience of collaboration with the GoB in Agriculture and Fisheries

#### 4.5 Building on the recent SPS-related projects in Bangladesh:

The PPG will consult with the following ongoing and recently finished SPS-related projects in Bangladesh to understand how the PPG and the resulting proposal can complement the work of their activities, avoiding duplication of efforts.

Project Name	Timeline	Funded by
Farmer-to-Farmer Food Safety and Quality	2018-2023	USAID and USDA
Safe Aqua Farming for Economic and Trade Improvement (SAFETI) Project	2016-2021	USDA
Food Safety/SPS program	2012-2021	USDA
Feed the Future Food Safety Innovation Lab (FSIL)	2019-2024	USAID

Bangladesh Improving Trade and Business Enabling Environment (BITBEE)	2020-2024	USAID
Support for Modelling, Planning, and Improving Dhaka's Food System	2019-2024	The Netherlands Government
Project for Strengthening Capacity of Bangladesh Food Safety Authority (BFSA)	2021-2026	JICA

Table 5: Recently finished and ongoing SPS projects in Bangladesh

**5. Have you discussed this PPG request – or funding for the project proposal which would result from it – with any potential donors (bilateral, multilateral, Enhanced Integrated Framework, etc.)? If so, provide details below and indicate potential sources of funding for the resulting project. See Qn. 7. (g) of the Guidance Note.**

Swisscontact aims to use the PPG to develop a project proposal tailored to the requirements of STDF's Project Grant (PG). However, we have also discussed the PPG request with the Global Alliance for Trade (GATF), as Swisscontact is currently implementing multi-country (Bangladesh, Cambodia, Uganda) trade facilitation project financed by GATF. GATF is keeping a close eye on the progress of the application and subsequent assessment, as a potential co-funder of the resulting project proposal. Swisscontact also plans to discuss the PPG and the potential project with the Netherlands Government to seek additional co-funding options. Swisscontact can also leverage its relationship with other donors, such as the UK gov., Switzerland government, and the Swedish government and present the project idea. However, the primary objective of the PPG is to develop a PG project proposal for STDF.

**6. Briefly explain how gender and environmental issues are relevant for this PPG and, if appropriate, how they will be addressed.**

**6.1 Gender Issues:**

Women play an important role in the agriculture sector of Bangladesh, as 45% of the 72 million Bangladeshis engaged in the agriculture sector are women.<sup>17</sup> However, women face widespread discrimination, particularly related to wage rate, land ownership, and decision-making authority. Swisscontact understands that **Gender Equality and Social Inclusion (GESI)** is important to ensure inclusive economic and social growth and consider it as a key sustainability criterion for all projects. Swisscontact ensures that our projects are gender-sensitive and we work on strengthening equal access to resources and opportunities of women and men.

Identifying and prioritizing the right SPS capacity issues is expected to benefit the sub-sectors and the Bangladesh economy as a whole, including the women in the value chain. However, without considering the impact of the SPS capacity issues in the lives of the women in the value chain, there is a risk of adopting gender-blind action plans. To combat these issues, Swisscontact would integrate **"Impact on women and disadvantaged groups"** as a decision criterion in the P-IMA assessment process. Furthermore, Swisscontact will conduct thorough research of women's role, incentives, and bottlenecks in the two sub-sectors to ensure the analysis is gender-sensitive. Lastly, the project will actively pursue participation of women decision-makers, such as women exporters, women government officers, in the stakeholder consultation workshops to ensure gender-specific barriers are highlighted in the discussions.

**6.2 Environmental Issues:**

Agriculture and fisheries sub-sectors play a major role in environmental pollution. While it is important to prioritize farm-productivity for a highly populated developing country like Bangladesh, it is also important to integrate environmentally sustainable ways of production and post-harvest management, where possible, to reduce the negative impact on environment. In addition to improving the safety and quality of the products, GAP and GAqP also promote sustainable agriculture and contributes to meeting national and international environmental objectives. Implementation of

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<sup>17</sup> (BBS), Bangladesh Bureau of Statistics. (2018). *Labour Force Survey 2016-2017*. Statistics and Informatics Division, Ministry of Planning.

GAP encourages promotion of the optimum use of resources such as pesticides, fertilizers, and water, and eco-friendly agriculture.

Similar to GESI, Swisscontact also understands the importance of environmental sustainability in ensuring sustainable growth, and has **Environmental Responsibility** as a sustainability criterion. In our project activities we make sure on a systemic level that our work does not unintentionally result in damage to the environment. By working with private and public partners, we support companies, institutions and entire sectors to become more environmentally conscious and increase environmental performance. Swisscontact will address the environmental issues in the application of the PPG by integrating "**Impact on environmental sustainability**" as a decision criterion in the P-IMA assessment process. Additionally, Swisscontact will engage with the Department of Environment of the GoB (responsible for issuing the Environmental Clearance Certificate) during the consultation process to ensure environmental concerns and suggestions are documented and considered during the project design.

## **II. IMPLEMENTATION & BUDGET**

### **7. Who will take the lead in implementing this PPG? If particular national experts and/or international consultants are proposed, attach a copy of their Curriculum Vitae and record of achievements (Appendix 2). If no names are provided, the STDF will provide a shortlist of consultants if the PPG request is approved.**

The project will be implemented by Swisscontact, a Swiss non-profit independent foundation specializing in implementation of international development projects. Swisscontact currently has 117 projects running in 39 countries, including 9 projects in Bangladesh. As highlighted above, Swisscontact has extensive experience of working with the government and the private sector in Bangladesh for developing agriculture and fisheries market systems, including experience in developing trade competitiveness and compliance to international SPS standards.

The Manager- Portfolio Development of Swisscontact Bangladesh will lead the team of technical experts, coordinate tasks within the team, ensure management and quality control of activities. He will coordinate with the international P-IMA expert and lead the proposal development process. The Country Director and the Head of Portfolio of Swisscontact Bangladesh will provide strategic backstopping to the project, including strategic oversight and quality assurance support. Furthermore, the Finance and Admin Coordinator of Swisscontact Bangladesh will lead the operational and administrative duties pertinent to the PPG, i.e., seeking government approval, contracting the national and international experts, payment of consultancy fees, travel booking, administrative and financial documentation, etc.

Swisscontact will engage four short-term experts (STEs), which include one international consultant on P-IMA (as appointed/proposed by STDF), and three national experts. The three national experts are:

- **National Expert (Fisheries):** Habibur Rahman Khondaker is a retired Principal Scientific Officer of DoF and a leading technical expert of SPS issues in Bangladesh. He led the development of DoF's Quality Control laboratory in Dhaka, including capacity development of scientists and technicians. After retirement, Mr. Khondaker also worked for the Food and Agriculture (FAO) as an aquaculture expert and led the design and implementation of many SPS capacity development projects.
- **National Expert (Agriculture):** Md. Ahsan Ullah is a retired Additional Director of DAE, with two decades of experience in plant health system, plant protection, pest risk analysis, phytosanitary capacity development, etc. He is currently working as the Coordinator, Bangladesh for Asia-Pacific Association of Agricultural Research Institution (APAARI) for implementing the "Pesticide Residue Mitigation Through the Promotion of Biopesticides project", funded by STDF.
- **National Expert (Trade):** Nesar Ahmed is a retired Joint Secretary of MoC, with more than three decades of experience in trade facilitation, particularly related to SPS and Technical Barriers to Trade (TBT) issues. He is currently engaged as International Trade Expert (Consultant) in the Support to Sustainable Graduation Project (SSGP) of Economic Relations

Division, Ministry of Finance, GoB. He was also the Director of the WTO cell of MoC for almost a decade.

In addition to the STEs and Swisscontact staff, the PPG will be implemented in close coordination with DAE, DoF, and BPC. These three government agencies will provide necessary technical guidance to ensure proper representation of relevant stakeholders, aligning prioritization of SPS capacities with government interest, and strong public sector buy-in for future implementation.

**8. In the table below, briefly describe the main activities to be carried out under this PPG and specify who would be responsible. Provide an estimate of the budget required (e.g., for national/international expertise, travel and DSA of consultants, stakeholder meetings or workshops, general operating expenses, etc.).**

<b>Activity</b>	<b>Responsible</b>	<b>Estimated Budget (US\$)</b>
<b>Project Director:</b> Strategic and operational quality control No. of Days: 3 days	Country Director, Swisscontact Bangladesh	<b>1,710</b>
Technical Backstopping and Quality Assurance No. of Days: 6 days	Head of Portfolio, Swisscontact Bangladesh	<b>1,890</b>
<b>Project Manager:</b> Coordinate the implementation of activities, lead the national experts, analysis and aggregation of information, proposal development, STDF coordination No. of Days: 24 days	Manager- Portfolio Development	<b>3,240</b>
<b>Finance and Admin Coordinator</b> No. of Days: 9 days	Coordinator - Finance, Swisscontact Bangladesh	<b>1,350</b>
<b>International P-IMA Expert:</b> Train Project Manager, National Experts, and government officers on the use of the P-IMA framework and D-Sight computer software, support Swisscontact and national expert on the steps involved in the application of the P-IMA framework in Bangladesh, review the resulting drafts (i.e., P-IMA report/action plan and project proposal) No. of Days: 12 days	As appointed by STDF	<b>7,200</b>
<b>National Experts:</b> Support in secondary literature review, identify and engage with stakeholders, conduct KIIs, lead the stakeholder consultation workshops, support in applying P-IMA framework, support in proposal development, provide necessary technical input during the PPG implementation on fisheries/agriculture/trade. No. of experts: 3 No. of total days: 50	1. Habibur Rahman Khondaker 2. Md. Ahsan Ullah 3. Nesar Ahmed	<b>12,500</b>
<b>Stakeholder Consultation Workshops:</b> One for Fisheries and One for Agriculture	Project Manager and National Experts	<b>6,000</b>

<b>Stakeholder Validation Workshops:</b> One for Fisheries and One for Agriculture	Project Manager and National Experts	<b>4,500</b>
<b>Travel and DSA:</b> Domestic airfare, domestic ground transport, hotel, and DSA	Project Manager and National Experts	<b>3,450</b>
<b>Operations Cost:</b> Government approval, Printing, D-sight software licence, consumables, etc.	Finance and Admin Coordinator	<b>3,610</b>
Overheads and Administrative Cost (10%)	N/A	<b>4,545</b>
<b>Total</b>		<b>49,995</b>

## Appendices

**Appendix 1:** Letters of support from each of the organizations supporting this proposal.

**Appendix 2:** Curriculum Vitae and record of achievements for any consultants proposed to implement this PPG.

**Appendix 3:** List of interviewees interviewed during the PPG application development.