

TAFSSA Stakeholder Mapping

The agricultural market
system and value chain
in Bangladesh

Research Note 27
November 2024

1. INTRODUCTION

The network map presented here provides a high-level view of the stakeholder network within the agriculture market systems in Bangladesh. This is part of an effort to understand the networks at work within Bangladesh's agricultural food system, encompassing integrated production, marketing, nutrition and climate sub-systems. The lead question for this mapping exercise is: Who are the primary organizations, institutions and individuals in the public and private sectors that influence the sale and movement of crops, livestock and aquaculture products from farm to plate in Bangladesh? The following analysis uncovers the broader patterns of the drivers, barriers and gaps within the sub-system network, informing potential stakeholder interventions to bring about desired changes in the agrifood systems. Also, it will look into the fact that what can make better this network to achieve the expected result in terms of ensuring food security involving all the actors in their specific roles.

2. METHODOLOGY

The workshop took place on June 14, 2023, in Dhaka, Bangladesh, with 16 participants from various sectors, including different departments under the ministry of agriculture and food such as Department of Agricultural Extension(DAE), Department of Environment (DOE) , Bangladesh Standards Testing Institute (BSTI), Seed Certification Agency (SCA), INGOs and NGOs such as BRAC, IFDC, HKI,GAIN, UN

agencies such as FAO, private sector entities such as agri input companies, business associations, financial institutions, MFI research organizations such as IRRI, CIMMYT and participants from various agricultural universities. The Net-Map tool, a participatory approach, was employed to map the actors involved, their interactions, and the flow of resources such as funding and technical assistance. Participants

Some departments are connected, such as the production-focused agencies under the Ministry of Agriculture (MoA)—including BRRI, BARI, and BADC—or the link between the fish market and LGED through transportation. DAM, DAE, and the Export Import Board also show some collaboration, and the Department of Fisheries (DoF) works with BFDC. However, the majority of actors remain isolated. For instance, there’s no visible connection between MoA and crucial departments like the Ministry of Export Import, Seed Certification Agency (SCA), Ministry of Food, or Ministry of Finance.

In reality, some of these departments do collaborate, but the map doesn’t reflect these relationships—likely due to the discussions during the forum or a selection bias in mapping. For example, the Ministry of Agriculture

works with the Ministry of Finance on agricultural funding or with the Ministry of Export Import to promote agricultural exports, but these important connections don’t appear on the map. This lack of representation highlights the need for better coordination and communication between government departments to create a more cohesive and functional market system.

Overall, while government actors are vital for regulating the agricultural market, providing infrastructure, and offering technical support, there’s a clear need for stronger collaboration between them. Improving the connections between regulatory bodies, financial agencies, and market development actors would make Bangladesh’s agricultural value chain more efficient, sustainable, and resilient.

5. ACTOR HIGHLIGHTS PRIVATE SECTOR

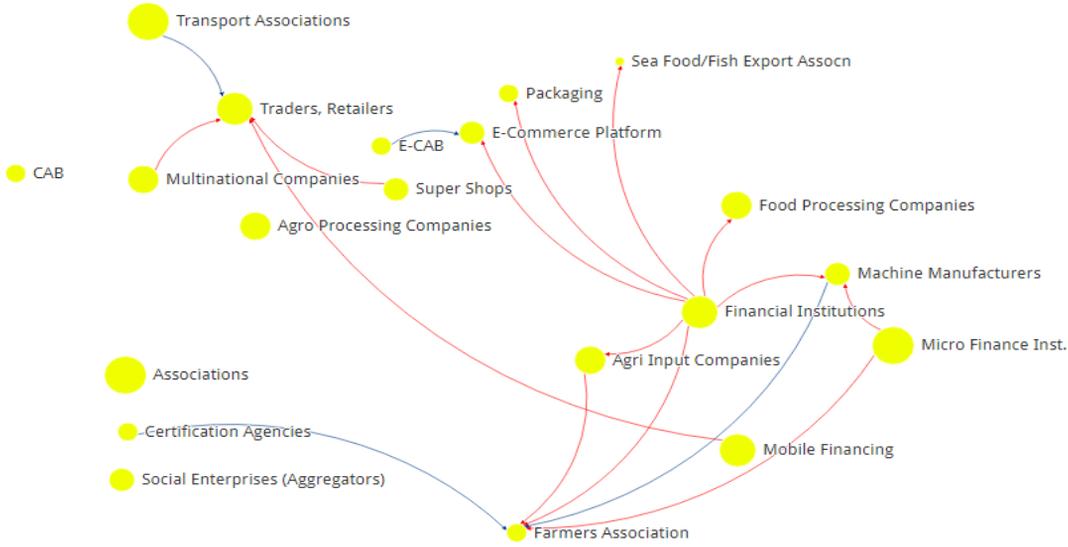


Figure 3. Private sector actors and interlinks

In Bangladesh's agricultural market system, the private sector is a key player, with a wide range of actors involved—from financial institutions and traders to multinational companies and small social enterprises. But, despite its importance, the network shows that while there are some strong connections, there are also noticeable gaps that affect how smoothly the system functions.

For example, financial institutions, food processing companies, and packaging companies are well-linked, providing much-needed resources to keep the system running. However, farmers often find themselves relying on microfinance institutions and mobile financing instead of traditional banks, which reflects a gap in direct support from larger financial entities.

Traders and retailers are essential in getting produce from farms to urban markets, connecting with supermarkets, multinational companies, and e-commerce platforms. But while these links exist, they seem somewhat fragmented, indicating there's room for stronger collaboration. The technical and policy support they receive from food safety authorities and markets also feels a bit limited, hinting at a need for more comprehensive assistance.

Transport associations, such as those for lorries and vans, are vital, especially in times of crisis like the COVID-19 pandemic, yet they seem somewhat isolated from other important market

players like financial institutions or input suppliers. Strengthening these connections could significantly improve the overall flow of goods across the market.

Multinational companies like Syngenta and Bayer have carved out a strong presence in the market, not just by selling inputs but also by actively engaging with farmers through initiatives like Syngenta's ambassador program. Their deeper integration into the value chain contrasts with other actors who seem less connected.

Buy-back companies like Milk Vita, PRAN, and BRAC Dairy stand out for their close links to government support and technical assistance from agencies like the Department of Livestock Services (DLS). However, farmer associations, despite receiving some support, still struggle to make a significant impact in the market system.

New players, including social enterprises like Bhalo and iFarmer, are beginning to make their mark, but they are still relatively disconnected from the broader network.

In short, while the private sector is undeniably central to Bangladesh's agricultural market, stronger ties between key players—especially financial institutions, traders, transport associations, and emerging social enterprises—are needed to unlock the full potential of the system and make it more efficient and sustainable.

6. ACTOR HIGHLIGHTS DONORS , DEVELOPMENT PARTNERS, CIVIL SOCIETY

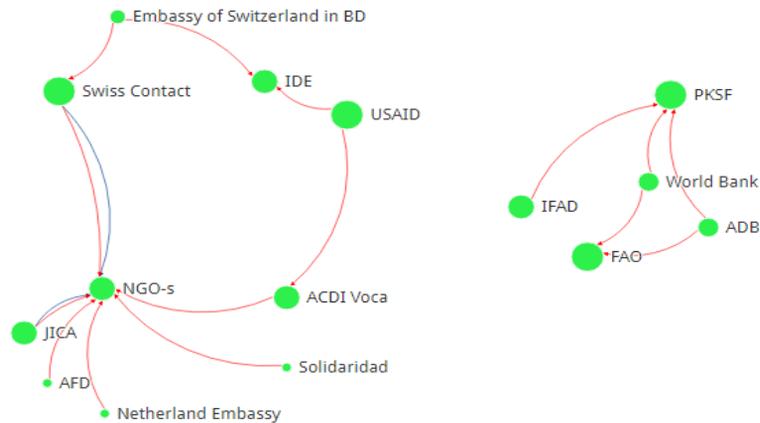


Figure 4. Donors, development partners, civil society actors and connections

The map highlights the roles of various donors, development partners, and civil society organizations in Bangladesh’s rural development and market systems. One of the key strengths visible is the central role of Palli Karma-Sahayak Foundation (PKSF), which acts as a bridge between the government and other financial institutions. While PKSF is a government entity, it functions more like a donor by providing funding to microfinance institutions (MFIs) and receiving significant support from international donors like the World Bank, ADB, and IFAD. This strong connection allows PKSF to play a critical role in rural financial inclusion and entrepreneurship development, positioning it as a major player in supporting market systems.

FAO is another notable player, focusing primarily on production with funding from institutions like the World Bank and ADB. While FAO’s influence in the value chain system is evident, its activities in the marketing sector are less prominent, indicating a gap in its engagement with the

broader market structure. This means that while FAO has strong connections on the production side, its role in connecting farmers and products to markets is limited, potentially missing an opportunity to fully leverage its expertise in supporting agricultural market integration.

International Development Enterprises (iDE) and Swisscontact are well-linked to international donors like USAID and the Embassy of Switzerland, respectively. Both organizations are working on creating market-based ecosystems, with iDE promoting entrepreneurship and Swisscontact providing technical assistance and funding to actors like supermarkets, social enterprises, and agro-processing companies. However, despite their similar goals, there is no visible connection between iDE and Swisscontact in the map, indicating a missed opportunity for collaboration between these two development-focused organizations. Strengthening their cooperation could enhance their overall impact on building sustainable market systems.

USAID plays a significant role in promoting inclusive market development, providing funding to key players such as iDE, ACDI/VOCA, and large private sector actors like Lal Teer Seed Ltd. and Ispahani Agro Ltd. This engagement with both civil society and the private sector underscores USAID's focus on sustainable growth through private sector development. However, the map shows few direct connections between USAID and other actors working in market systems, suggesting that while USAID is deeply involved in funding, there could be more integration in terms of collaborative efforts across different sectors.

While PKSF, FAO, and organizations like iDE and Swisscontact are key actors with strong international backing, the map also reveals a fragmentation of efforts. NGOs and other civil society organizations, though linked with multiple donors, appear less integrated into the larger

market system and private sector players. This lack of stronger, more cohesive connections between civil society and the market system might limit the full potential of their development work. For instance, while PKSF and other financial institutions are well-connected in terms of funding, there are no visible links to actors working directly in marketing or agricultural product distribution.

In summary, the map reflects a network with strong international support and financial connections, particularly through PKSF and USAID. However, there are clear gaps in collaboration, particularly between organizations working on similar goals like iDE and Swisscontact, and between civil society actors and the broader market system. More integrated connections could significantly strengthen the agricultural value chain and create a more cohesive market system in Bangladesh.

7. ACTOR HIGHLIGHTS

RESEARCH ORGANIZATIONS, EDUCATIONAL INSTITUTIONS

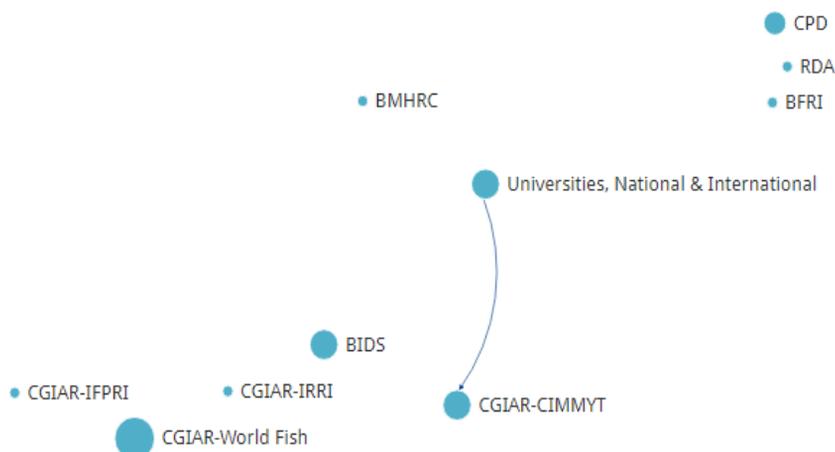


Figure 5. Research organizations, educational institution actors and interlinks

Research organizations and universities play a crucial role in advancing agricultural science, technology, and market systems in Bangladesh. Universities contribute valuable research and technical expertise, though how this is applied in the market is not always clear.

CIMMYT stands out with its CSISA-MEA project, funded by USAID, which focuses on the full value chain of agricultural mechanization. Despite its significant work, the map doesn't show its partnership with Bangladesh Agricultural University (BAU), highlighting a missing connection.

Similarly, IRRI is heavily involved in market research, working with other CGIAR centers and universities to strengthen rice production value chains. However, these collaborations are also absent in the map, leaving key partnerships underrepresented.

WorldFish contributes through market research and innovations like genetically improved Rohu, boosting production and connecting farmers to markets. It also supports fish and shrimp entrepreneurs, directly linking research to market outcomes.

The Bangladesh Oceanography Research Institute (BORI), backed by the Agence Française de Développement (AFD), assesses market potential in marine resources, adding another layer to agricultural and fishery development.

In summary, institutions like CIMMYT, IRRI, WorldFish, and universities provide vital market research and technical support. However, the map misses some important connections, such as CIMMYT's work with BAU and IRRI's collaborations, pointing to opportunities for better integration in visualizing their impact on the agricultural value chain.

8. ACTOR HIGHLIGHTS

Others

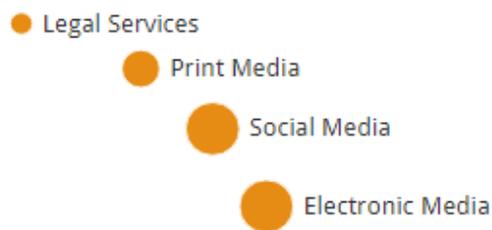


Figure 6. Other actors and interlinks

Figure 6 shows how different types of media and other actors are involved in sharing information. Social media platforms like YouTube, along with electronic media, are becoming more influential in spreading knowledge. They are now key tools for communication, while print media is losing its share of the audience, as

reflected in the quote, "Print media is losing share now." Legal services, though part of the system, have a more limited role in these interactions. This shift towards digital platforms highlights how people are increasingly turning to online sources for information, especially in sectors like agriculture.

9. LINK HIGHLIGHTS TECHNICAL ASSISTANCE

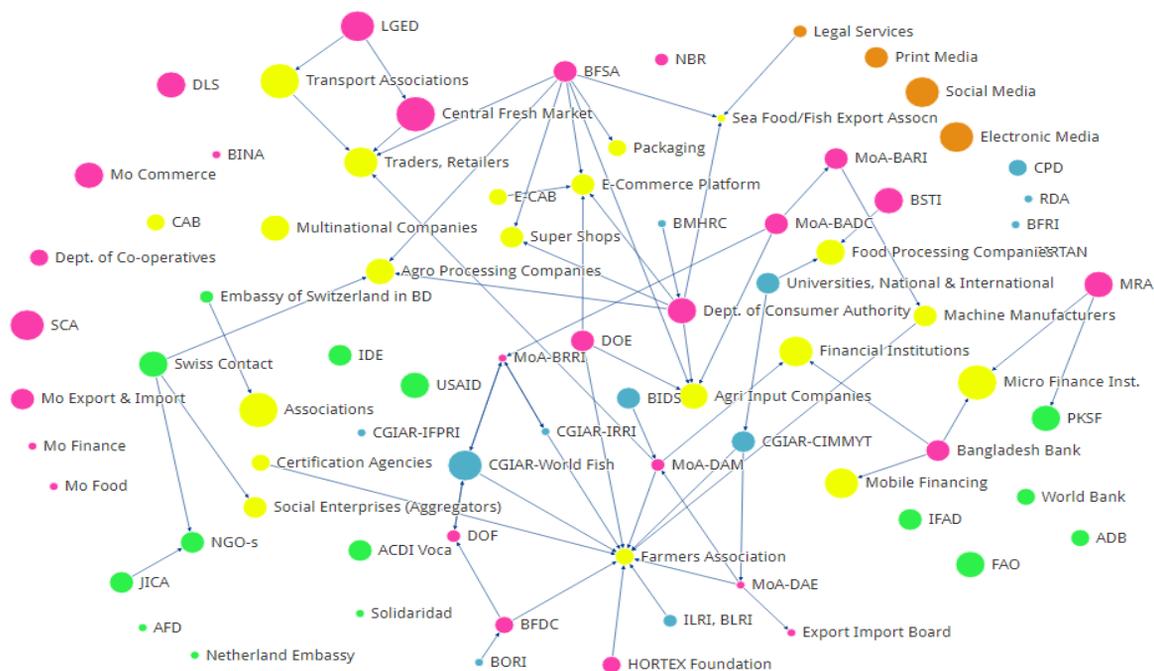


Figure 7. Technical assistance

The network map (figure 7) and bar diagrams (figure 8 and 9) reveal critical insights into how technical assistance is distributed across actors in the agricultural system. In total, 63 technical assistance links were identified, and the diagrams show a mix of strong and weaker connections between providers and recipients.

Farmers' associations emerge as the largest recipients of technical assistance, with 11 links, primarily supported by government regulatory authorities such as the Bangladesh Food Safety Authority (BFA), Department of Consumer Authority, and organizations like CGIAR-World Fish. This support is crucial for helping farmers adopt new technologies, improve practices, and stay compliant with regulations. However, despite

their central role in the agricultural value chain, some gaps are evident, particularly in how well the assistance reaches different regions or groups within the farming community.

Actors such as agri-input companies, traders, and e-commerce platforms also receive moderate technical support, mainly from agencies like Swiss Contact, Bangladesh Bank, and WorldFish, though the extent of this assistance is more limited compared to farmers' associations. For instance, agri-input companies receive only four links of technical assistance, which might not be sufficient given their vital role in supplying essential products like seeds and fertilizers. More targeted support could help improve efficiency in this sector.

Interestingly, seafood and fish export associations and agro-processing companies, both key players in the agricultural value chain, receive fewer technical support links (three each). This indicates a potential gap, as these sectors are essential for connecting production to both domestic and international markets. Strengthening technical assistance for these actors could significantly enhance their productivity and competitiveness.

On the provider side, BFSA and the Department of Consumer Authority lead as the primary sources of technical assistance, offering support to multiple recipients. However, despite their significant role, certain actors, such as machine manufacturers or packaging

companies, do not appear to be receiving the level of support they might need to scale up their operations or improve their market integration. Additionally, legal services and media are underrepresented in the network, receiving little to no technical assistance, which could limit their capacity to influence the agricultural system effectively.

In summary, while the distribution of technical assistance is substantial in some areas, particularly to farmers, there are clear gaps where key sectors, like agro-processing and packaging, are under-supported. Strengthening these connections could boost the overall efficiency of Bangladesh’s agricultural market system.

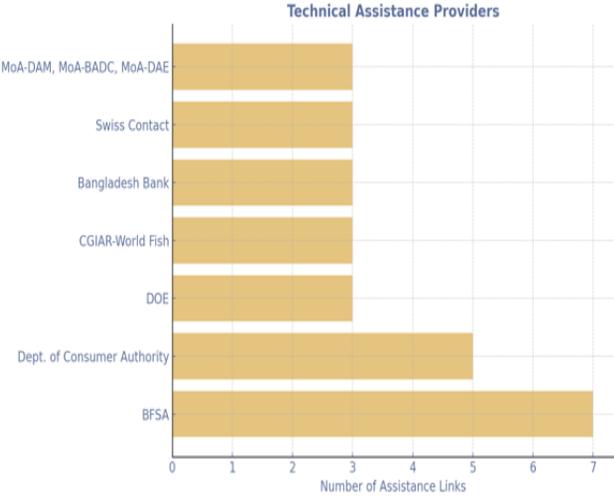


Figure 8. Top providers – technical assistance

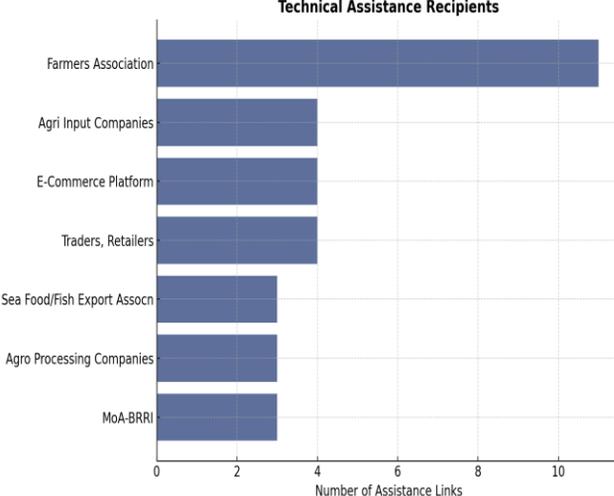


Figure 9. Top recipients – technical assistance

10. LINK HIGHLIGHTS FUNDING

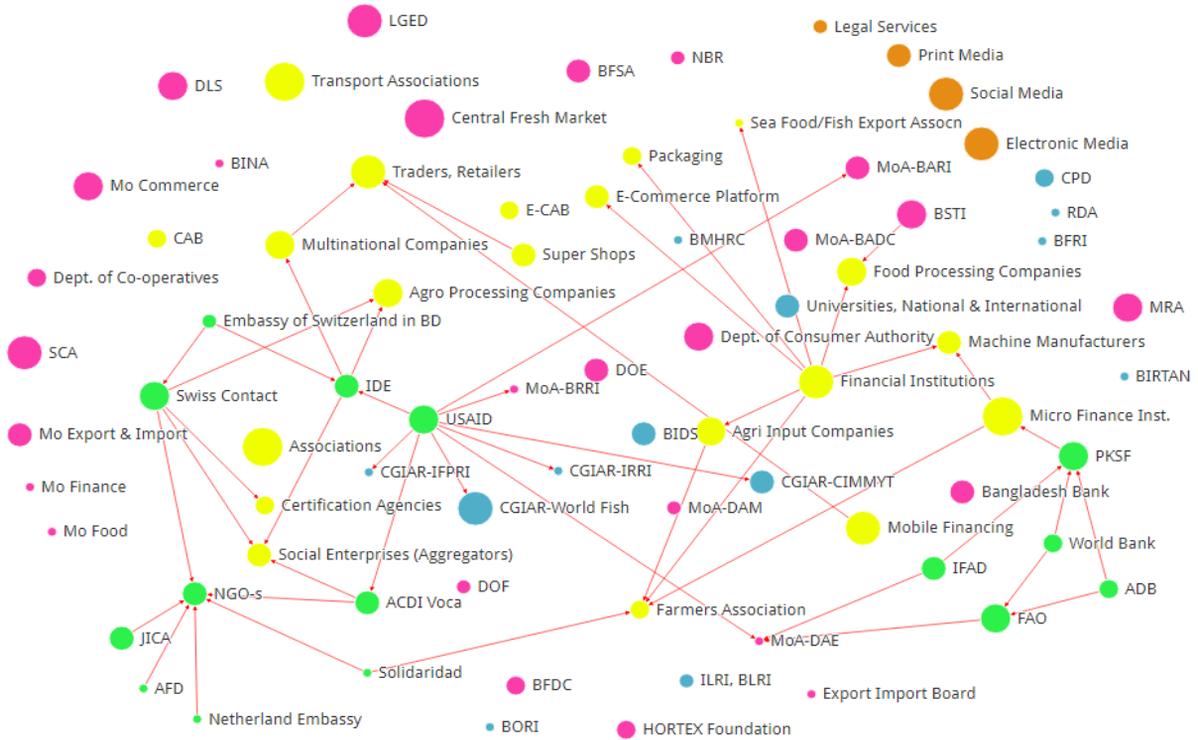


Figure 10. Funding links

The funding network map (Figure 10) and bar charts (Figure 11 and 12) offer a clear look at how financial resources move through Bangladesh's agricultural market system, showing which organizations provide and receive funds. USAID stands out as the largest donor, offering financial support to a wide range of organizations, from NGOs and farmers' associations to social enterprises. This shows USAID's focus on strengthening the market system by helping grassroots organizations and promoting agricultural innovation. Financial institutions like Bangladesh Bank and PKSF are also key players,

directing funds to smaller organizations, ensuring that farmers and rural businesses have access to the capital they need.

Swiss Contact and IDE also play important roles as donors, particularly in supporting NGOs and social enterprises, focusing on market development and entrepreneurial activities. Meanwhile, larger institutional donors like the World Bank and ADB provide funding to key government agencies, such as MoA-DAE, which is crucial for running agricultural extension programs and training farmers.

On the receiving side, NGOs are the largest group of beneficiaries, reflecting their central role in delivering programs that improve the market system and support smallholder farmers. Farmers' associations are also significant recipients, benefiting from funding that helps them adopt new technologies, improve farming practices, and connect to markets. Government bodies like MoA-DAE also receive considerable funding, allowing them to continue supporting agricultural development at a national level.

However, the map reveals gaps in the system. Key market players like machine manufacturers and agro-processing companies, who are critical to driving technological innovation and adding value to agricultural

products, receive far less funding. Without sufficient financial support, these sectors may struggle to modernize and scale up, limiting their impact on the overall market system. Additionally, important research bodies like MoA-BRRI appear underfunded, even though their work is essential for developing new agricultural technologies.

In summary, while donors like USAID and financial institutions are providing strong support to NGOs, farmers, and government agencies, the private sector and research institutions are not receiving enough funding. Addressing these gaps could improve innovation, efficiency, and value addition in the agricultural sector, creating a more sustainable and dynamic market system in Bangladesh.

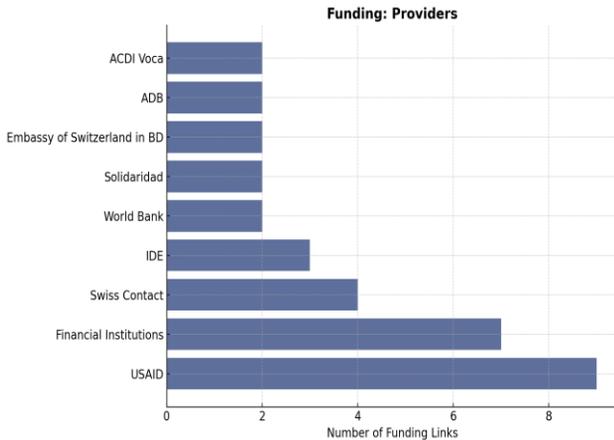


Figure 11. Top providers – funding

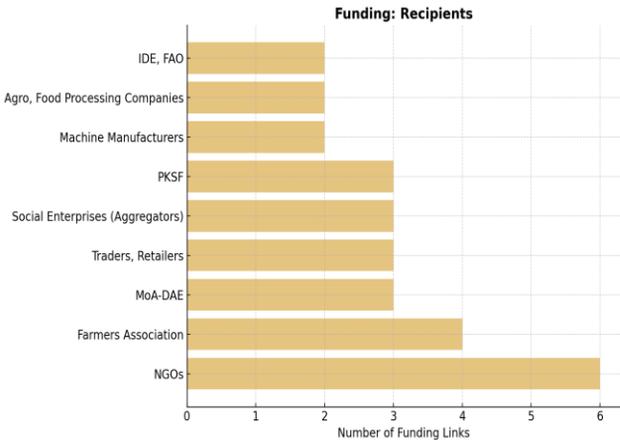


Figure 12. Top recipients - funding

11. NETWORK OPPORTUNITIES AND CONSTRAINTS

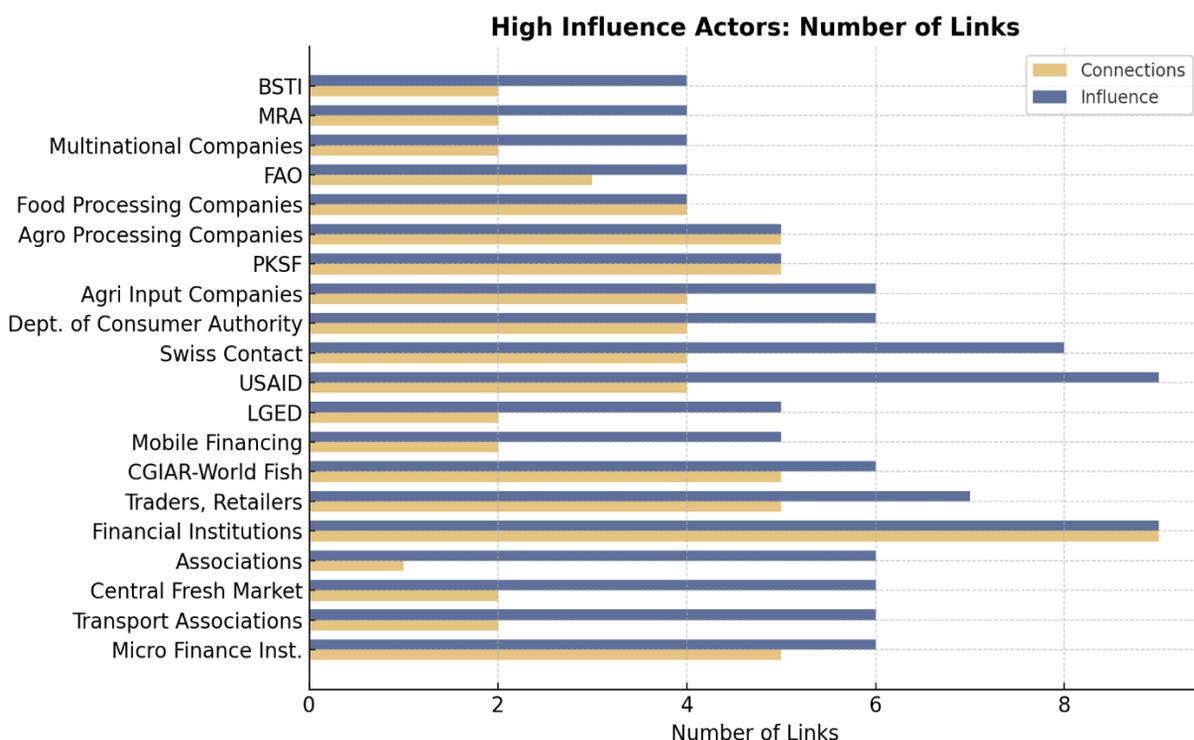


Figure 13: High influence actors and links.

The funding and influence map, along with the bar diagram (Figure 13), illustrates a clear shift in Bangladesh's agricultural market system, with the private sector becoming increasingly self-reliant. This market-driven approach is supported by access to capital through microfinance institutions, financial institutions, and mobile financing, while distribution networks like Central Fresh Market and traders/retailers strengthen the ecosystem. Private sector actors now function with minimal government or donor reliance, signaling a more sustainable system.

Government involvement remains limited, primarily as a regulator rather than an active enabler. Departments like DAE offer market information and capacity building, but their direct

connections with private sector actors are sparse. Key institutions like DAM are seen as underperforming, and government roles in standardization, such as through BSTI, are minimal, leading to private companies bypassing local innovations in favor of imported technologies.

Knowledge-sharing across sectors is weak, with minimal collaboration between private firms, research bodies like BARI and BRRI, and government agencies. The bar diagram shows a low number of technical assistance links, indicating that local innovations are not reaching key market players. This gap is compounded by donors like USAID and Swiss Contact, who prefer to work directly with the private sector, bypassing government institutions to avoid delays.

Research organizations like CIMMYT and WorldFish are not well integrated into the market system, and private sector involvement in funding research is low. This limits the usefulness of research outputs for market development. Increased private sector engagement in research could bridge this gap and promote innovation.

Emerging actors, such as social enterprises and e-commerce platforms, are bringing new energy to the market system. These players are linked with financial institutions and farmers' associations, promoting

entrepreneurship and facilitating market access. Their growing influence highlights the positive role of digital services and innovation in shaping a more connected market system.

Overall, while the private sector is advancing towards self-sufficiency, gaps in government engagement, knowledge dissemination, and innovation adoption remain. More collaboration between government, research bodies, and the private sector could help close these gaps, improving the overall sustainability and efficiency of the market system.

ANNEX LIST OF ACTORS

Others

Electronic media	Print media
Legal services	Social media

Government and other institutions

MoA – BADC	Ministry of Agriculture – Bangladesh Agriculture Development Corporation
BFDC	Bangladesh Fisheries Development Corporation
BINA	Bangladesh Institute of Nuclear Agriculture
BSTI	Bangladesh Standards Testing Institute

MoA – BARI	Ministry of Agriculture – Bangladesh Agricultural Research Institute
MoA – DAM	Ministry of Agriculture – Department of Agricultural Marketing
DLS	Department of Livestock Services
DOE	Department of Environment
DoF	Department of Fisheries
LGED	Local Government Engineering Department
MoC	Ministry of Commerce
MoE&I	Ministry of Export & Import
Mo Finance	Ministry of Finance
MoF	Ministry of Food
MRA	Microcredit Regulatory Authority
NBR	National Board of Revenue
MoA-BRRI	Ministry of Agriculture- Bangladesh Rice Research Institute
BFSA	Bangladesh Food Safety Authority
HORTEX Foundation	Horticulture Export Development Foundation
SCA	Seed Certification Agency

Donors, development partners, civil society

ACDI/VOCA	Agricultural Cooperative Development International/Volunteers in Overseas Cooperative Assistance
ADB	Asian Development Bank
AFD	Agence Française de Développement (French Development Agency)
FAO	Food and Agriculture Organization
IDE	International Development Enterprise
IFAD	International Fund for Agricultural Development
JICA	Japan International Cooperation Agency
NGO	non-government organization
PKSF	Palli Karma-Sahayak Foundation
USAID	United States Agency for International Development

Research organizations, educational institutes

BFRI	Bangladesh Fisheries Research Institute
BIDS	Bangladesh Institute of Development Studies
BIRTAN	Bangladesh Institute of Research and Training on Applied Nutrition
BMHRC	Bhopal Memorial Hospital & Research Centre
BORI	Bangladesh Oceanographic Research Institute

CGIAR – IFPRI	Consortium of International Agricultural Research Centers – International Food Policy Research Institute
CGIAR – IRRI	Consortium of International Agricultural Research Centers – International Rice Research Institute
CGIAR – World Fish	Consortium of International Agricultural Research Centers – World Fish
CPD	Centre for Policy Dialogue
ILRI, BLRI	International Livestock Research Institute, Bangladesh Livestock Research Institute
RDA	Rural Development Academy

Private sector

CAB	Commerce Association of Bangladesh
e-CAB	e-Commerce Association of Bangladesh



INITIATIVE ON

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SUGGESTED CITATION

Khan, N. A. M., Nag, A., Nandi, R., & Krupnik, T. J. 2024. *TAFSSA stakeholder mapping: The agricultural market system and value chain in Bangladesh*. (Research Note 27). Transforming Agrifood Systems in South Asia (TAFSSA).

ACKNOWLEDGEMENTS

We would like to thank all funders who supported this research through their contributions to the CGIAR Trust Fund: <https://www.cgiar.org/funders/>

This document is made possible by the generous support of the American people through the United States Agency for International Development (USAID). The contents are the responsibility of International Maize and Wheat Improvement Center (CIMMYT) and do not necessarily reflect the view of USAID or the United States Government.

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ABOUT TAFSSA

TAFSSA (Transforming Agrifood Systems in South Asia) is a CGIAR Regional Integrated Initiative that supports actions improving equitable access to sustainable healthy diets, that boosts farmers' livelihoods and resilience, and that conserves land, air, and water resources in a climate crisis.

ABOUT CGIAR

CGIAR is a global research partnership for a food secure future. Visit <https://www.cgiar.org/research/cgiar-portfolio> to learn more about the initiatives in the CGIAR research portfolio

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