

# PROSPECTS FOR HORTICULTURE EXPORTS FROM BANGLADESH

## ● AGROBASED INDUSTRIES AND TECHNOLOGY DEVELOPMENT PROJECT (ATDP)

A PROJECT OF THE MINISTRY OF AGRICULTURE SUPPORTED BY USAID



● IFDC INTERNATIONAL FERTILIZER DEVELOPMENT CENTER

## ● HORTEX HORTEX FOUNDATION (THE HORTICULTURAL EXPORT DEVELOPMENT FOUNDATION)

### MESSAGE



I am glad to know that Agrobusiness in Bangladesh has entered a new phase through exporting potato and french beans to the main stream markets abroad. On this auspicious occasion, I would like to congratulate the Agrobased Industries and Technology Development Project (ATDP) and Hortex Foundation for providing the necessary assistance to the private sector in promoting the export of agricultural produces.

The present government under the dynamic and far-sighted leadership of Prime Minister Sheikh Hasina is trying hard to promote agriculture by giving top priority to the sector. Under her directives the Ministry of Commerce has taken special initiatives to increase export of agro-products. I hope that the success achieved by ATDP and Hortex Foundation will create much awareness among policy makers, business community, eminent scientists and technologists on how to develop this vital sector and enhance the export of agricultural produces-both fresh and processed.

I wish to assure all concerned associated with this sector that the government will extend its full cooperation to them in their important mission of developing agrobusiness.

Joi Bangla, Joi Bangabandhu  
May Bangladesh live forever.

**Tofail Ahmed**  
Minister  
Ministry of Commerce  
Government of the People's Republic of Bangladesh



### MESSAGE

Agriculture has been playing a vital role in the economic development of Bangladesh. I am delighted to learn that Bangladesh's Agrobusiness has entered a new era with its first ever export of potato and french beans. I congratulate the Agrobased Industries and Technology Development Project (ATDP) and Hortex Foundation who contributed to expand our list of exportable agricultural products.

Agriculture is the single most important sector of Bangladesh's economy. It has immense potential to grow and there is ample scope for the local and overseas entrepreneurs to invest in this sector. I believe that soon Bangladesh will emerge as one of the leading exporters of agricultural commodities.

Our government has already given top priority to agriculture. We shall extend all sorts of cooperation to promote and develop the agribusiness and agrobased industries for the benefit of our farmers.

Joi Bangla, Joi Bangabandhu  
May Bangladesh Live Forever

**Sheikh Hasina**  
Prime Minister  
Government of the People's Republic of Bangladesh

### MESSAGE



It is a great pleasure for me to know that for the first time in the history of Bangladesh potato has been exported successfully and has been added to the list of exportable items. I am also pleased to learn that french beans grown in Bangladesh has created a market in European Countries. This is quite a remarkable success for the Agrobusiness which has made good progress under the technical assistance from Agrobased Industries and Technology Development Project (ATDP) and Hortex Foundation. I wish to congratulate all concerned

with the export development activities.

In our national economy, the contribution of Agriculture sector is the largest. So far the farmers have been encouraged to grow more without properly analyzing the market demand and competitive advantages of producing a crop. Now the time has come and farmers should adopt demand based strategy. ATDP and Hortex Foundation can immensely help to achieve this objective.

The nature favours us with rich soil, abundant water resources and hard working farmers. By integrating all these factors through proper planning, Bangladesh can build a prosperous society where income and employment will be generated through development of agribusiness and export of fresh and processed agriproducts.

The government will continue to support and encourage more and more investment in the agrobased industries, for the greater interest of the country and its people.

Joi Bangla, Joi Bangabandhu  
May Bangladesh Live Forever

**Begum Matia Chowdhury**  
Minister  
Ministry of Agriculture and Food  
Government of the People's Republic of Bangladesh

### MESSAGE



It is a pleasure to congratulate the Agrobased Industries and Technology Development Project (ATDP) and Hortex Foundation for successfully exporting fresh table potatoes and french beans in substantial quantities for the first time in the history of Bangladesh.

The export of potatoes and french beans is an outcome of the Bangladesh Government's continuous efforts to identify new markets for our horticultural produces including potatoes on commercial basis. Now two new items have been added to the list of exportable horticultural produces.

The private sector is gradually emerging as a force in agribusiness investment and will continue to grow. I hope that the success achieved by ATDP and HORTEX will be a milestone in export market development for fruits and vegetables. I wish to see more and more export of fresh and processed food items that will enable the country to earn foreign exchange. The Government of Bangladesh attaches high priority to an export-led growth and intends to provide necessary support in this respect

**Dr. A.M.M. Shawkat Ali**  
Secretary  
Ministry of Agriculture  
Government of The People's Republic of Bangladesh

### MESSAGE



It is my great pleasure to congratulate the farmers and private exporters of potatoes for their recent major increase in exports. With the direct technical assistance of the Agrobased Industries and Technology Development Project (ATDP) of the Ministry of Agriculture, funded by the United States Agency for International Development (USAID), private exporters successfully shipped nearly 130 MT of Potatoes to Singapore, Malaysia and Sri Lanka in March and April of this year. Plans to export another 1,000 MT are underway. This was the first successful export of potatoes to these three Asian Markets.

The modern technology provided by ATDP and the continuous encouragement and support from the Ministry of Agriculture, played an important role in these successful exports. A marketing mission supported by ATDP obtained export orders during a visit in July 1998 for specific varieties of table potatoes. ATDP then organized an export-oriented production program through exporters, and contract and commercial farmers, to meet market requirements.

In addition to providing marketing assistance to potato exporters, ATDP has also been active in promoting the adoption of True Potato Seed (TPS) technology for high quality, high yield, disease-free potatoes. Commercial production of True Potato Seed (TPS) was recently introduced under the direct assistance of ATDP through private entrepreneurs for the first time in Bangladesh. The use of this new technology should help to produce more quality potatoes for export, reduce the import of seed potato, and cut production costs between 40 and 50 percent. ATDP expects the adoption of TPS to significantly increase average potato yields.

The success achieved by potato growers and exporters is an excellent start for expanding agricultural exports in the future. USAID is confident that Bangladesh can offer quality fruits and vegetables at internationally competitive prices, and that exports can increase rapidly, thereby generating income, creating direct and indirect employment, and earning foreign exchange. It is our hope that the food processors, exporters, and hard-working farmers of Bangladesh may create a big success story by exporting bulk and processed agricultural commodities.

**Gordon H. West**  
Mission Director  
Agency for International Development

efforts of private sector companies through adopting (i) Tissue Culture Techniques and (ii) True Potato Seeds technology. If these technologies are fully exploited, cost of seed potatoes will be further reduced at the farmer's level.

Bangladesh has a huge potential for potato cultivation and, with coordinated efforts, can further increase yields. However, due to the consumption and utilization patterns, there is a glut of potatoes at harvest, the price is depressed and farmers suffer. To cope with this situation, export and diversified uses for potatoes - including processing - is essential. Though attempts were made previously to export fresh potatoes from Bangladesh they were not successful mainly due to improper handling and shipping.

The export of 100 MT of fresh potatoes from Bangladesh, in March 1999 was possible because of the intervention of ATDP, which started from a market mission to Singapore, Malaysia and Sri Lanka in July 1998. On the basis of the

### MESSAGE



The exports of potatoes to Singapore, Malaysia and Sri Lanka opened two "doors" for Bangladesh investors. The first was to identify the potato industry - from the production of seed materials and quality potatoes to their processing and export - as an area for investment. The second was to demonstrate that the largely unexplored regional markets are opportunities for Bangladesh exporters. The Agrobased Industries and Technology Development

Project (ATDP), as a Ministry of Agriculture project supported by the US Agency for International Development, is pleased to have been associated with opening these two doors and we hope that Bangladesh investors will exploit the opportunities.

I also want, on this occasion, to congratulate the Hortex Foundation and BRAC for successfully exporting french beans to Europe. This has been a long sought goal and further demonstrates to investors the potential for exporting Bangladesh agricultural products to foreign markets.

Finally, I want to take this opportunity to thank all of ATDP's friends in both the public and private sectors for extending cooperation to ATDP in pursuing its goal of promoting agribusiness in Bangladesh.

**Ronald P. Black**  
Chief of Party  
ATDP / IFDC

## Export Potential of Potatoes from Bangladesh

**Dr Meer Musharraf Hussain**  
Potato Program Coordinator  
ATDP / IFDC

### Introduction

Potatoes are the third largest food crop in Bangladesh (following rice and wheat) and make a major contribution to the total food supply of the country. Although in many western countries potato is the number one staple food, it is almost entirely used as a vegetable in Bangladesh.

In 1997-98 134,000 hectares of land were under potato cultivation producing 1.5 million tons of potatoes with an average yield of 11.2 MT per hectare. Use of high quality seeds of modern varieties was an important factor in achieving this yield. BADC is the only public agency with a Seed Potato Production Program, it contributes 5 percent of the seed potato requirements. Beginning this year (1998-99), ATDP, a USAID supported Project of the Ministry of Agriculture, started supporting private sector seed potato production and contributed another 6 percent of the needed quality seed potatoes. Major breakthroughs in disease free seed potatoes production have taken place by the

mission's findings, ATDP executed an export oriented production program through private entrepreneurs who subsequently became the first successful exporters of potatoes from Bangladesh.

### Requirement of Importing Countries

The market in the importing countries have requirements which are summarized below:

- Singapore, Malaysia and Sri Lanka prefer long dormant varieties like Granola; but other varieties like Desiree, Bintje, Cardinal Diamant are also imported for fresh consumption. Singapore has some cold storages but the other two countries do not.
- The size of potatoes preferred is between 40 - 70 mm. Supermarkets prefer shiny-skin color-washed potatoes in good packaging. The Malaysian market demands are similar to the Singapore market, but it is more liberal than that of the Singapore market. Sri Lanka does not require high quality potatoes. Their whole-sale market position is like that of Bangladesh - but their own fresh potatoes fetch a higher market price.

Bangladesh consumers like small sized tubers. Large tubers are sometimes sold at throw away prices. Foreign markets demand, on the other hand, large sized tubers. Export of large tubers at a reasonable price will increase the income of our potato growers.