

PRESS RELEASE

Navigating Agri-food Trade Dynamics in Bangladesh and the BIMSTEC Region *Capacity strengthening program on trade and policy analysis in Dhaka.*

Dhaka, June 27: The Policy Research Institute (PRI) of Bangladesh in partnership with the International Food Policy Research Institute (IFPRI) - South Asia Regional Office, successfully concluded a two-day capacity strengthening program on agri-food trade policy analysis at Hotel Amari, Gulshan 2, Dhaka. The program, held from June 26-27, 2024, brought together participants, experts, and stakeholders from leading institutions in India and Bangladesh from the agri-food trade sector. It focused on new paradigms in agri-food trade policy and global value chains, domestic agricultural policies, border policies and international trade dynamics including the role of World Trade Organization (WTO) and Free Trade Agreements. The program included real-life case studies on coffee, maize and edible oil and hands-on demonstrations of trade patterns.

Agriculture plays a crucial role in the economies of the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) member countries, namely Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka, and Thailand. Not only do these countries have a vibrant agricultural sector with successful agro-processing industries and participation in the global value chain; their agri-food trade and commerce are growing, both within and across borders. Analyzing agri-food trade policies involves a comprehensive examination of regulations, tariffs, subsidies, and market dynamics that shape the exchange of agricultural and food products between countries.

The BIMSTEC Agricultural Trade Monitor Plus (BATM+) dashboard by IFPRI uses 8-digit data provides a wealth of information on trade statistics such as trade patterns, trade policies, and aims to support all BIMSTEC member countries in developing the trade statistics needed to monitor and manage their performance in the global economy. Increasing evidence from 8-digit disaggregated trade data shows that agri-food trade has a substantial prevalence of intra-industry trade and is one of the primary sources of growth. Value chain integration, such as manufacturing, has become the core of agri-food trade where products are exported, processed, packaged, and exported after branding. By not being a part of these structural changes and relying solely on customs data to assess global trade flows can be limiting for countries, if not misleading, because the data only provides information about the destination and origin of goods and not how those goods were produced, or which country contributed the most value. Instead, they can use constructed data on trade in value-added forms of production since many countries are now specializing in different stages of a good's production sequence rather than in final goods.

Key dignitaries and experts, including Dr. Zaidi Sattar, Chairman, PRI; Prof. C. Veeramani, Director and Professor, Centre for Development Studies; Prof. Aparna Sawhney, Professor, Jawaharlal Nehru University; Dr Devesh Roy, Senior Research Fellow and Dr. Mamata Pradhan, Research Coordinator from IFPRI, emphasized the significance of such capacity building workshops in bringing together different stakeholders to discuss and address contemporary issues in agri-food trade sector.

Dr. Shamsul Alam, former State Minister for Planning of Bangladesh, said, "Policies related agri-food trade is critically important for South Asia and BIMSTEC region. We welcome capacity building effort of IFPRI and PRI in this area of agri-food trade policy."

Dr. Zaidi Sattar, Chairman, PRI, said, “Agri-food trade is the lifeline for most South Asian countries revealing the complex interplay between exports, imports, and food security. In Bangladesh, though agriculture’s contribution to GDP has been dwindling, it remains a pivotal sector as the largest employer of the workforce and a vital player in ensuring food security for a large and growing population. Being a net food importer, Bangladesh is reliant on the efficacy of agri-food trade within a rules-based international trade order to ensure timely and adequate food supplies at affordable prices”

Dr. Mamata Pradhan, Research Coordinator, IFPRI, said, “Structurally, trade has changed fundamentally, however the links to agri-food trade remain blurred. Moreover, while the contours of trade have changed in some places of the world, commensurate change in terms of analysis and study of trade has not happened. For trade to realize its full potential, we need an analytical rethink and given the gap, we see a significant value in collaborative capacity development of different agencies working on trade and investment in the BIMSTEC region.”

Prof. C. Veeramani, Director and Professor, Centre for Development Studies said, “The agri-processing sector in the region holds vast untapped potential that can be unlocked by eliminating import duties on intermediate goods, rationalizing trade policies, incentivizing lead firms, and enhancing trade facilitation. These steps could significantly boost economic development and job creation across the region through active participation in global value chains.”

Prof. Aparna Sawhney, Professor, Jawaharlal Nehru University, New Delhi, added, “The BIMSTEC members are geographically contiguous and share an integrated ecological system, thus greater economic integration through agri-food trade will help members build a climate resilient agriculture sector to end food security in the region. Being among the most climate-vulnerable in the world, the members can devise efficient regional mitigation and adaptation policies, and cooperate to devise a carbon accounting system which will hold good stead in their trade outside the region, like the European Union carbon border adjustment mechanism.”

This capacity strengthening initiative is a part of the [project](#) on Regional Trade and Agricultural Transformation in the Bay of Bengal Countries funded by the Bill and Melinda Gates Foundation.

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The Policy Research Institute of Bangladesh (PRI) is a private, nonprofit, nonpartisan research organization dedicated to promoting a greater understanding of the Bangladesh economy, its key policy challenges, domestically, and in a rapidly integrating global marketplace. PRI is committed to undertaking and disseminating unbiased policy-oriented economic research among public policymakers, business professionals, and the academic community. <https://www.pri-bd.org/>

The International Food Policy Research Institute (IFPRI) provides research-based policy solutions to sustainably reduce poverty and end hunger and malnutrition. IFPRI’s strategic

research aims to identify and analyze alternative international and country-led strategies and policies for meeting food and nutrition needs in low- and middle-income countries, with particular

emphasis on poor and vulnerable groups in those countries, gender equity, and sustainability. It is a research center of CGIAR, a worldwide partnership engaged in agricultural research for development. <http://southasia.ifpri.info/>