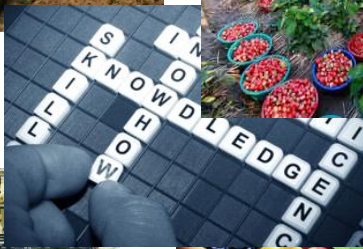


Capitalization Strategy for Advancing Inclusive Business: Scoping study on Potential Partners



Submitted to

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FINAL REPORT

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Glossary

MDG: Millennium Development Goal

GOB: Government of Bangladesh

PO: Partner Organisation (PKSF)

PPO: Potential Partner Organisation

IB: Inclusive Business

MOA: Ministry of Agriculture

MOF: Ministry of Finance

JS: Joint Secretary (BPATC)

FTC: Foundation Training Course (BPATC)

GAP: Good Agriculture Practice

MFI: Micro Finance Institute

IBEE: Inclusive Business Enabling Environment

IB-CCT: Inclusive Business Constraint and Challenge Tree

DAE: Department of Agriculture Extension

DAM: Department of Agriculture Marketing

BSS: Bachelor of Social Science, four-year degree

MSS: Master of Social Science, one-year degree

FICCI: Federation of Indian Chambers of Commerce and Industry

Ti: Training Institute

GTI: Graduate Training Institute (BAU)

VCA: Value Chain Actors

BAUEC: Bangladesh Agricultural University Extension Center

SCDC: Supply Chain Development Component

NATP: National Agricultural Technology Project

BOD: Board of Directors

DG: Director General

TCCA: Thana Central Cooperative Association (BRDB)

NARS: National Agricultural Research System

AEZ: Agro-Ecological Zones

GMO: Genetically Modified Organism



IPM: Integrated Pest Management

Co-fac: Co-facilitator

SCA: Seed Certification Agency.

FTC: Foundation training course

Economic Policy Papers (EPPs)

PKSF: Palli Karma-Sahayak Foundation

TMSS: Thengamara Mohila Sabuj Sangha

BIDS: Bangladesh Institute of Development Studies

WEAB: Women Entrepreneur Association of Bangladesh

BS: Banchte Shekha

RDRS: Rangpur Dinajpur Rural Service

BFVAPEA: Bangladesh Fruits, Vegetable Allied Product Exporters Association

DCCI: Dhaka Chamber of Commerce & Industry

BARI: Bangladesh Agriculture Research Institute

BB: Bangladesh Bank

SAU: Sher- E-Bangla Agriculture University

HF: Hortex Foundation

BPATC: Bangladesh Public Administration Training Centre

BRDB: Bangladesh Rural Development Board

BAU: Bangladesh Agriculture University

BAU-GPC: Bangladesh Agriculture University, Germplasm Center

KGF: Krishi Gobeshona Foundation

DOWGS: Department of Women & Gender Studies, University of Dhaka



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Executive Summary

Introduction & Methodology

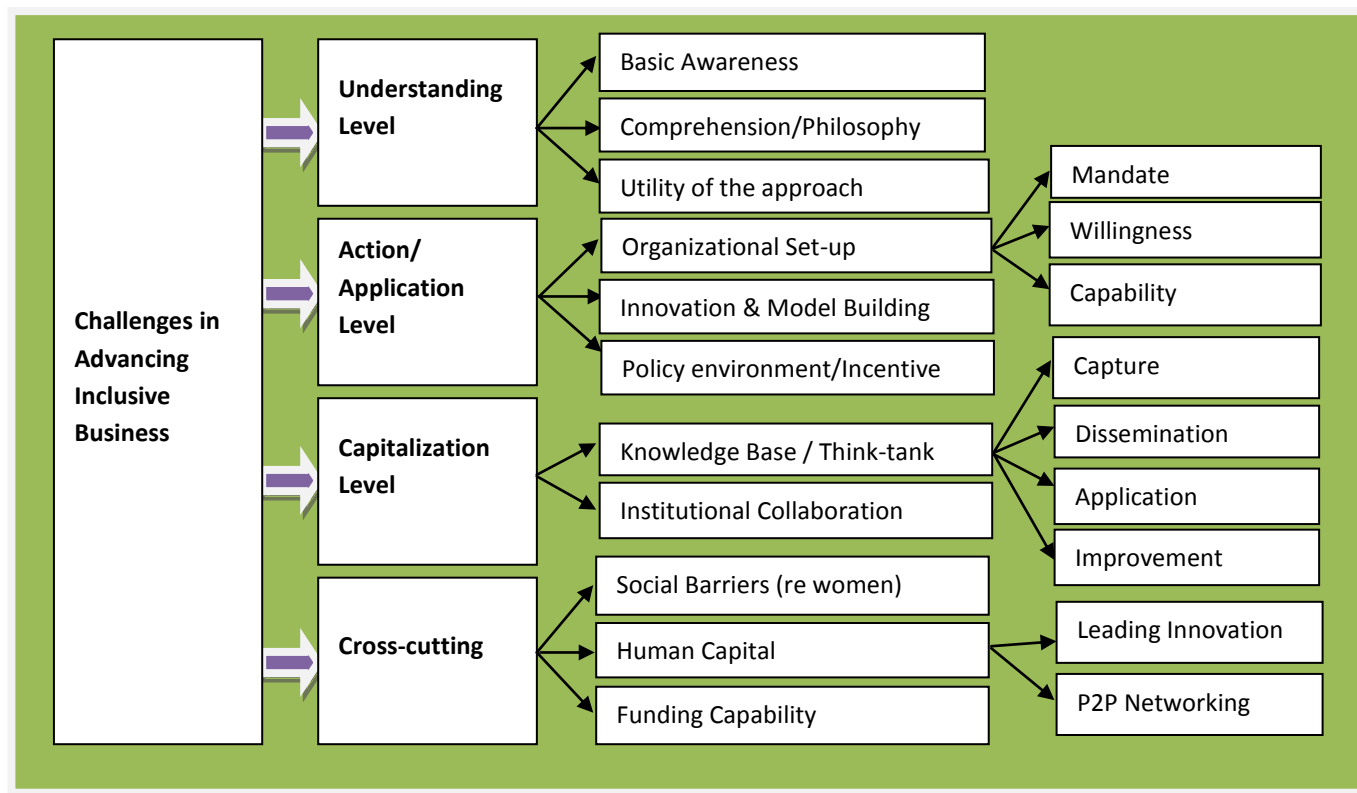
Advancing inclusive business requires an institutional regime that nurtures such a market system which promotes *“an increased, equitable, and responsible participation of small and economically-challenged (also called ‘poor’) individual market players and MSMEs along the industry value chains that help reduce poverty.”* In this connection, agricultural and agribusiness value chains offer an outstanding opportunity for economic upliftment of the base of the pyramid (BoP) communities. The process of capitalization helps building a knowledge base through which stakeholders learn from each other and further strengthen their approaches, models and practices. The more the stakeholders accept, adopt and promote the idea of inclusive business, the better it is for the people of the base of the economic pyramid. With this understanding, Swisscontact-Katalyst, as a part of their capitalization strategy formulation process, has engaged CDCS® to spearhead a scoping study on potential partners under six institutional clusters: (a) business associations and chambers, (b) universities and training institutes, (c) research organizations and think-tanks, (d) public sector agencies, (e) development community, (f) women empowering organizations. This first-of-its-kind study (in Bangladesh context) has been quite challenging, particularly so for resource constraints and the timing of research (May and June being the busiest months for almost all the potential partner organizations under study). Despite such challenges, we are confident, this study would offer some outstanding insights for Swisscontact-Katalyst (and for its partners) to strategize and get engaged in advancing inclusive agribusiness.

This research draws extensively from insights, experiences and opinions of a multi-disciplinary panel of experts, thought leaders, professionals, practitioners, entrepreneurs, policy analysts and academia. Primary data are collected through two multi-disciplinary expert panel discussions (EPDs), six rigorous institutional dialogues and a series of in-depth interviews/discussion sessions with the top/senior management (teams) of eighteen (18) high profile national organizations of influence. This paper also draws extensively from the published materials and web-based resources, particularly of those organizations that are participating in this research with their valuable inputs and insights. Besides, at different stages of this research project, literature on inclusive business practices and models at home and abroad has been reviewed, to a limited extent though.

Institutional Constraints and Challenges in Advancing Inclusive Business:

The study uncovers many constraints and challenges – both at institutional level and organizational level. These arise at least at three different domains: understanding domain, action or application domain and capitalization domain. The understanding domain constraints originate primarily from lack of basic awareness (re inclusive business), ability to comprehend the philosophy behind, and little or no understanding of the utility of the approach (or the ‘business case’). The action domain constraints and challenges arise primarily from organizational set-up, capability of crafting innovative inclusive business models, clarity of the incentive structure, and the policy environment in which organizations function. The capitalization domain challenges arise from lack of sound IB knowledge base and institutional collaboration. Moreover, there are other challenges that cut across these levels. These are underdeveloped human capital, scarce financial resources and some social barriers (e.g. re women at work and cost of finance in the form of interest). The Exhibit below summarizes this through an inclusive business constraint and challenge tree (IBCT).

Exhibit: Inclusive Business Constraint and Challenge Tree (IBCT) - Bangladesh Perspective





Business associations and chambers, in general, lack proper understanding of IB concept, its philosophy and utility. Although the organizational set-up has elements (e.g. willingness, indirect mandate) of being supportive to promotion of IB models, absence of innovative business models (besides poor understanding) bars such initiative. Moreover, poor understanding of IB concept restricts institutional collaboration and knowledge base creation and continuous up-gradation. In this connection, underdeveloped human capital (in IB sense) is also a barrier.

Although **Universities and Training Institutes** has its own diversity/specialization, organizations are similar one respect: i.e. the level of understanding of IB approaches is new to many, if not to all. This is a major hurdle to advance IB agenda. However, the organizational set-up is more or less conducive to the needs of IB approaches. For example, university such as BAU offers training/extension services for farmers and commercial nurseries, but it fails to do so under a comprehensive IB model. They lack both awareness and (comprehensive) capability in this connection. Although collaboration in general is widely accepted practice, collaboration in IB is still missing (again due to lack of awareness). Besides, funding is a key constraint for organizations – public or private – under this cluster.

Think-tanks and Research Institutes enjoy (relatively) better understanding of the IB concept, but lacks capability to innovate winning inclusive business models. Although it has leverage to influence policy, lack of true and complete internalization of the concept (as well as its philosophy and its utility) restricts any meaningful policy contribution targeting promotion of IB. However, organizations under this institutional cluster do pursue activities, projects and programs that carry elements of IB approaches (though not complete). Human capital and, for some, financial resources are the cross-cutting constraints of this institutional cluster.

Although the **Development Community** is relatively better positioned to advance IB practices (both in terms of level of understanding, organizational set-up and current practices), lack of innovative business models restricts wide-spread application. Initiatives involving knowledge base creation and institutional collaboration are sporadic, if not missing, in many cases. Although current practices have notable inclusive business elements, sometimes social barriers (e.g. involving women economic engagement, interest-based economic activity, etc.) create hiccups.



For **Public Sector Agencies**, generalization of institutional level constraints would probably be risky, except for the fact that bureaucracy and political prejudice is a common phenomenon. This constraint is derived from organizational set up or environment in which the organizations of this cluster operate. At the understanding level, there exist differences among organizations. For example, while the IB concept is found to be a ‘distant relative’ for MoA and BARI, it’s a ‘close to the heart’ concept for BRDB¹. Likewise, by mandate, BRDB can immediately take-up IB approaches and models, but MoA and BARI cannot do so overnight. However, innovation and high-level networking may pave a way through. In all cases, internal funding is a major constraint.

Because **Women Economic Empowerment Organizations** strive to empower woman through diverse set of activities or mandates, generalization of their constraints is not appropriate for obvious reasons. The constraints that the organizations of this cluster face are similar to those faced by their ‘second identity’, which is driven by mandate (e.g. education for universities, entrepreneurship for chambers, and targeted interventions for development community).

Organizational Dynamics in Inclusive Business Context

The eighteen (18) organizations that are selected for profiling as potential partners are quite influential in their respective domains or institutional clusters. However, their incentives vary, so do their reach. With the exception of a few, each is unique in term of internal governance and management dynamics. Yet, all have capabilities, in one form or the other, to advance inclusive business agenda; all may offer opportunity to collaborate in one way or the other, with ease or with difficulty. The Exhibit below offers a snapshot of organizational dynamics.

Exhibit: A Snapshot of Organizational Dynamics

| Organization | Key Feature |
|--|---|
| DCCI: Dhaka Chamber of Commerce and Industries | <i>Influence:</i> Has significant influence on its member enterprises, other chambers and associations and FBCCI. Is represented in different government bodies/committees. <i>Incentive:</i> Advancing responsible business citizenship; legitimacy and sustainability. <i>Capability:</i> Has a separate Standing Committee on agribusiness |

¹ Of course, the term ‘inclusive business’ is not common within BRDB either. However, its activities include some of the IB elements.



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| | <p><i>Reach:</i> Has 14,000+ enterprise members which are very much within its direct reach</p> <p><i>Collaboration:</i> Outstanding networking and collaboration record with private sector, public agencies and international community.</p> |
| BFVAPEA: Bangladesh Fruits, Vegetables & Allied Products Exporters Association | <p><i>Influence:</i> Has significant influence on its member enterprises. Is represented in different government bodies/committees. Serves as the voice of exporters of fresh agro-produce</p> <p><i>Incentive:</i> Optimize benefit for its members who are positioned at the final stage of the value chain but have significant business interest to see the backward segments are upgraded and untapped markets are explored.</p> <p><i>Capability:</i> Have the potential to work along with partners</p> <p><i>Reach:</i> 500 members, of which 300 more or less active. Also reaches VCAs – backward and forward – directly by member enterprises.</p> <p><i>Collaboration:</i> maintains good network with public agencies and ministries. Yet, it prefers to stay as ‘close’ an organization as possible.</p> |
| BAU: Bangladesh Agricultural University | <p><i>Influence:</i> One of the leading agricultural centers of excellence. Enjoys widespread dominance in setting research and training agenda of the sector.</p> <p><i>Incentive:</i> Has mandate to carryout teaching, research and extension activities to serve the farming communities.</p> <p><i>Capability:</i> The largest agricultural science institute in South and South-east Asia. 43 departments under six faculties. It houses (GPC) world’s second largest depository of fruits, medicinal plants and agro-forestry.</p> <p><i>Reach:</i> The agricultural sector is dominated by its graduates. Reach in terms of the access to farmers and commercial nurseries is quite significant.</p> <p><i>Collaboration:</i> Possesses outstanding record of national and international collaboration.</p> |
| SAU: Sher-e- Bangla Agricultural University | <p><i>Influence:</i> Oldest in the region. Significant role in public sector agriculture: comes next to BAU in terms of influence</p> <p><i>Incentive:</i> Has dedicated agribusiness management department, had introduced bachelors in agribusiness but succumbed to student demand to change the degree to BBA</p> <p><i>Capability:</i> Resource constraint is evident – particularly in terms of physical facility. Willingness is there.</p> <p><i>Reach:</i> Farmer reach is usually through graduates who take job in public agencies such as DAE.</p> <p><i>Collaboration:</i> Possesses reasonable record of collaboration and networking support.</p> |
| BPATC: Bangladesh Public Administration Training Center | <p><i>Influence:</i> Most influential public body that trains both entry level and mid-career public servants.</p> <p><i>Incentives:</i> Given its primary mandate, inclusive (agri)business is a distant concept. Yet, the idea may be ‘sold’ if the value linkage is well-articulated and it is approached in</p> |



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| | <p>collaboration with another reputed public agency.</p> <p><i>Capability:</i> Would need to rely on external experts, at least at the early stage of introduction.</p> <p><i>Reach:</i> Excellent reach throughout the public service system</p> <p><i>Collaboration:</i> Open to collaboration, but prefers to go by its own terms</p> |
| KGF: Krishi Gobeshona Foundation | <p><i>Influence:</i> Significant influence on agricultural research community that includes NARS institutes and universities.</p> <p><i>Incentives:</i> By mandate, keen to work on innovations that serves both the farmers and the consumers most</p> <p><i>Capability:</i> Primarily limited to research grant processing</p> <p><i>Reach:</i> Not much direct reach to farmer, but through partner (research) organizations</p> <p><i>Collaboration:</i> Welcomes partnership in areas that are not supported by its funding facilities.</p> |
| BIDS: Bangladesh Institute of Development Studies | <p><i>Influence:</i> Pioneer think-tank in social research under public sector domain. Very influential in national policy issues.</p> <p><i>Incentives:</i> Issues such as MDG, poverty alleviation, gender mainstreaming, etc. are central to its mandate.</p> <p><i>Capability:</i> Possesses sound human capital. Financial resources are earmarked to specific projects and programs.</p> <p><i>Reach:</i> good intellectual reach, with very limited field activities.</p> <p><i>Collaboration:</i> Outstanding collaboration record</p> |
| BB: Bangladesh Bank | <p><i>Influence:</i> The authority in monetary policy management. Extreme control over bank and non-bank financial institutions. Also exerts influence on organizations such as SMEF, DCCI, etc.</p> <p><i>Incentives:</i> Although major agenda is national monetary discipline; has special interest in poverty reduction, employment creation and rural entrepreneurship development. (This is particularly so under the regime of the current Governor.)</p> <p><i>Capability:</i> It has outstanding capability to mobilize resources – financial, human and organizational.</p> <p><i>Reach:</i> Through its control over the financial system, it can reach each and every corner of the country through financial system</p> <p><i>Collaboration:</i> Being the central banking institution, BB offers outstanding collaboration even for its partners</p> |



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| <p>PKSF: Palli Karma Shohayak Foundation</p> | <p><i>Influence:</i> Being the key microfinance agency, it exerts enormous influence over partner NGOs and MFIs.</p> <p><i>Incentives:</i> Mandated to attack poverty through financial inclusion and beyond.</p> <p><i>Capability:</i> Outstanding team of development professionals, small in size though.</p> <p><i>Reach:</i> Has nationwide reach through partners.</p> <p><i>Collaboration:</i> collaboration and partnership is the key part of its business model.</p> |
| <p>TMSS: Thengamara Mohila Sabuj Shangha</p> | <p><i>Influence:</i> Highly respected by peer organizations, donors and its one million micro credit recipients/beneficiaries.</p> <p><i>Incentives:</i> Mandated to uplift the living condition of the most distressed poor people, particularly women and children of both urban and rural areas.</p> <p><i>Capability:</i> The biggest women organization in Bangladesh, with 5,300+ workforce.</p> <p><i>Reach:</i> Has nationwide direct reach through its 600 branches in 64 districts.</p> <p><i>Collaboration:</i> Open to collaboration in areas of poverty alleviation, particularly involving women.</p> |
| <p>RDRS: Rangpur-Dinajpur Rural Services</p> | <p><i>Influence:</i> A respected multi-sectoral national NGO with strong international connections and regional networks. Enjoy direct influence on 17,000 groups and 1.6 million program participants (landless and marginal families), of which 85% are female.</p> <p><i>Incentives:</i> Mandated to help rural poor and marginalized achieve meaningful political, social and economic empowerment, quality of life, justice and a sustainable environment through individual and collective efforts.</p> <p><i>Capability:</i> Has managerial capability to reach (within its geographic coverage) ultra-poor, farm laborers, etc. through its microfinance, loan insurance, remittance service, savings mobilization and training programs through 375 community-based organizations and 3,000 + staff (90%+ are field-based).</p> <p><i>Reach:</i> Working area covers 18 districts, 86 sub-districts and 658 unions (mostly in the northern part of the country)</p> <p><i>Collaboration:</i> Collaborates in projects of non-profit nature</p> |
| <p>BARI: Bangladesh Agricultural Research Institute</p> | <p><i>Influence:</i> The leading agricultural research hub under direct government control.</p> <p><i>Incentives:</i> Mandated to undertake (and extend support for) scientific agricultural research in order to best utilize soil, water and environmental resources and disseminate the output and build capacity – internal and external.</p> <p><i>Capability:</i> Has 694 scientists: 202 PhD-holders and 377 MSc degree holders. Total staff size is 2690 (including class 1 and class 2 officers and other staff members). Receives fund from GoB's development and revenue budget. (for 2011-12, revenue budget was BDT 1.36 billion and development budget was BDT 533 million (of which 499 million by aid agencies).</p> |



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| | <p><i>Reach:</i> Has nationwide coverage through 7 crop research centers, 17 thematic divisions, 6 regional research stations and 28 sub-stations.</p> <p><i>Collaboration:</i> Open to collaboration with non-governmental and private sector organizations.</p> |
| BRDB: Bangladesh Rural Development Board | <p><i>Influence:</i> The largest service oriented institutional setup of the Government of Bangladesh (GoB) which is directly engaged in rural development and poverty alleviation activities in Bangladesh since early 1970s. Has pioneered the two-tier cooperative system, based on <i>Comilla model</i>.</p> <p><i>Incentives:</i> Mandated to undertake programs and projects to alleviate the endemic poverty of Bangladesh's rural populace</p> <p><i>Capability:</i> Boasts coverage unmatched by any other Governmental or non-Governmental organization working in rural development and poverty alleviation in Bangladesh.</p> <p><i>Reach:</i> Has 57 District Offices and over 476 Sub-District (Upazila) Offices across the country. Has successfully mobilized 5.3 million beneficiaries into cooperative societies and informal groups throughout the country.</p> <p><i>Collaboration:</i> Collaborates with local government and NGOs.</p> |
| HF: Hortex Foundation | <p><i>Influence:</i> Has (probably less than expected) influence on producers and exporters of high-value crops; yet (potentially) one of the most influential players in agribusiness</p> <p><i>Incentives:</i> Mandated for the development, promotion and marketing of exportable horticultural/agricultural produces for generation of income and employment of the farmers by being 'an essential facilitator of high value agro-commodities export promotion'. Future outlook incorporates domestic market as well.</p> <p><i>Capability:</i> Although somewhat limited by its human and financial capability, it has the strength to implement projects with the workforce drawn from within and from partners.</p> <p><i>Reach:</i> Has good reach at policy level as well as within business community.</p> <p><i>Collaboration:</i> collaborates with MoA and its allied agencies, other government bodies, and different trade associations (e.g. BAPA, BFVAPEA)</p> |
| MoA: Ministry of Agriculture | <p><i>Influence:</i> Is one of the key ministries of the Government of Bangladesh led by a full cabinet minister. Acts as the supreme policy making body involving agriculture and exerts authority over all agriculture related agencies and organs of the government.</p> <p><i>Incentives:</i> Mandated to develop (and oversee implementation of) agricultural policies, plans, regulations, acts, etc. for sustainable agricultural development and food security AND to support development of new agricultural technologies to boost up agricultural production AND to coordinate with local and international trade agencies for agricultural marketing</p> <p><i>Capability:</i> Has seven (7) wings and 16 agencies under it.</p> <p><i>Reach:</i> Nationwide coverage through its research and extension agencies.</p> |



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| | <p><i>Collaboration:</i> Collaborates with private sector and NGOs, usually through any/some of its 16 agencies.</p> |
| WEAB: Women Entrepreneurs Association Bangladesh | <p><i>Influence:</i> One of the vibrant associations working towards the empowerment of women primarily through entrepreneurship development, WEAB exerts influence on its members and the policy making bodies of the government.</p> <p><i>Incentives:</i> Mandated to work towards the development of support services for women entrepreneurs to improve product quality and design, help meet the changing market demands, update technical know-how and create market linkages.</p> <p><i>Capability:</i> Has 15 executive committee members and 27 general members. Run by a small management team.</p> <p><i>Reach:</i> limited reach at grass-root level, but potential is good.</p> <p><i>Collaboration:</i> Collaborates with other chambers (national and regional), funding agencies, government agencies, etc. on issues related to projects and policies.</p> |
| BS: Banchte Shekha | <p><i>Influence:</i> Recognized as a key player in liberating and empowering the women, particularly of Khulna region. Leadership brought Magsaysay awards.</p> <p><i>Incentives:</i> Mandated to work towards improving the socio-economic condition of the beneficiaries, especially in the area of women and child rights.</p> <p><i>Capability:</i> 17 member-strong general body, including 9 women, of whom two are Magsaysay awardees (Head of the Governing Body and the Executive Director). Six women representatives from the beneficiary groups feature in the Governing Body.</p> <p><i>Reach:</i> Direct reach of more than 500,000 women of Khulna and Dhaka division, with indirect impact on more than 2,500,000 people.</p> <p><i>Collaboration:</i> Open to collaborate in areas that benefit its beneficiaries.</p> |
| DU-DoWGS: University of Dhaka, Department of Women & Gender Study | <p><i>Influence:</i> Housed at the most influential and leading public university of the country. By such placement, has the potential to offer thought leadership.</p> <p><i>Incentives:</i> Mandated to undertake teaching, training and research activities involving gender, poverty, women empowerment, livelihood and entitlements</p> <p><i>Capability:</i> Has resource persons with knowledge in gender mainstreaming and women empowerment issues; maintains good institutional network</p> <p><i>Reach:</i> Students are the primary focus. Institutional networking helps go beyond boundary.</p> <p><i>Collaboration:</i> collaborate with regional and international universities such as ISS (the Netherlands) and AIT (Thailand)</p> |



Intervention implications: The Road Ahead

The findings suggest that to advance inclusive agribusiness agenda, particularly in agriculture and agribusiness sector, the capitalization strategy should focus on several issues. First, stakeholder awareness should be built so that appropriate strategies and policies are formulated, organizations are (re)designed and infrastructure is upgraded. Second, deliberate strategic actions need to be taken so that innovative inclusive business models are crafted and deployed, human and organizational capacity is strengthened, collaboration is fostered, knowledge base is enriched and thought leadership is provided. Third, social inclusivity or ownership in the intervention is instilled and (initial) financial support is ensured.

Such a high-end drive requires profound strategic insights, ability to provide thought leadership and friendly access to multi-tier complex set of networks. To initiate changes in the organizational culture and approach, required is a deeper commitment and comprehensive understanding and internalization of the mission itself.

In this connection, we propose two mutually non-exclusive, but reinforcing, approaches to potential Katalyst interventions: first one is agenda-specific and the second one is partner-specific. While the partner-specific intervention may generate some immediate ‘micro-level visible output’, the agenda-specific interventions may initiate ‘systemic changes’. Both are important and should be pursued simultaneously.

The agenda-specific intervention leads for Katalyst include an inter-twined basket of three intervention areas. These are as follows:

Intervention Area 1: Design and execute strategic result-oriented sensitization campaign for impacting inclusive business enabling environment (iBEE) through innovations in policies and institutional arrangement AND for popularizing inclusive business approach among organizations of public, private and non-profit domains. In this connection, Katalyst, as the first step, may organize partner-specific dialogues, seminars, appreciation workshops, etc. in all (or as many as possible) selected organizations. It may be mentioned that the design and delivery of such events should be flexible so as to fit to the context in which Katalyst counterpart operates. Later, a joint national conference/roundtable may be organized with as many partners as



possible. This exercise, if done effectively, is expected to pave the way for a shared vision re inclusive business agenda. Besides, this would also provide useful strategic insights if these partners may be brought under a platform (please refer to package 3), and if yes, in what terms and with what commitments. This awareness building campaign must be backed by a strategically crafted follow-up measures (please refer to package 2) so that the process of change in partner's actions and approaches starts soon.

Intervention Area 2: Build partnership with organizations of different institutional clusters. Such partnership should target organizational capacity building as well as inclusive business model innovation for private, public and non-profit sectors.

Intervention Area 3: Undertake sustainability interventions. In this connection, Katalyst may do two things simultaneously: (i) help create and cultivate an inclusive agribusiness platform to foster collaboration among private, public and non-profit sectors and, (ii) support private sector think-tank(s) to ensure cutting-edge innovation and continuous thought leadership in the area of inclusive business.

Although these agenda-specific interventions may, at certain stage, turn into partner-specific activities, some of other potential organization-specific intervention leads are also identified and presented in the report. (It may however be noted that the leads so identified needs to be further sharpened though deeper engagement of Katalyst with the concerned partner.)

While partner-specific interventions may send early signals of success triggering wider acceptability and adoption, agenda-specific interventions are likely to initiate a systematic change within an institutional cluster, if not beyond.



PART A: INTRODUCTION

Chapter 1: About the Study

1.1 Background and Rationale

Advancing inclusive business requires an institutional regime that nurtures such a market system which promotes *“an increased, equitable, and responsible participation of small and economically-challenged (also called ‘poor’) individual market players and MSMEs along the industry value chains that help reduce poverty.”* In this connection, agricultural and agribusiness value chains offer an outstanding opportunity for economic upliftment of the base of the pyramid (BoP) communities.

Capitalization, as viewed by Swisscontact, is the process through which an organization learns from its own and other’s experiences and knowledge in order to further improve practices for its partners and itself in contributing to the inclusive growth. Its underlying rationale for Capitalization is based on the premise that facilitative, indirect approaches, knowledge and experience practiced by different organizations (relevant to inclusive business) can be accumulated and utilized by a greater number of well positioned stakeholders. With a greater number of stakeholders appreciating, adopting and promoting inclusive growth interventions, there will be far greater level of outreach and impact. This will eventually result in both direct and indirect benefit to the poor.

For successful implementation of Capitalization strategies, Swisscontact Katalyst needs an in depth understanding of potential partners who are currently involved or who have the potential to be involved in promoting and implementing activities related to inclusive growth in agriculture sector. In this connection, Swisscontact Katalyst has already identified six institutional clusters (discussed in the next section) which in different ways (may) contribute to this goal.

Swisscontact Katalyst seeks to shortlist potential and suitable organizations from each of these institutions to help decide on organizations to partner with. In this regard, it needs to explore such partnership opportunities that will help leverage around the selected organizations’ on-going work on



inclusive growth. It is expected that such partnerships will result in further improvement of activities related to inclusive growth.

Thus, it is imperative for Swisscontact Katalyst to understand the structures, mandates, functions, internal governance and processes of the potential partner organizations. Since access to these organizations requires specific expertise and network, CDCS® is appointed as consultant to conduct this scoping study on selected institutions and organizations.

Thus, it is imperative for Swisscontact PPM to understand the structures, mandates, functions, internal governance structures and processes of the potential organizations and the institutions that they belong to. However, access to these organizations requires specific expertise and network. Therefore, a scoping study on selected institutions and organizations will be carried out with the support of external consultant(s)/consulting firm.

Under this scoping study, a diverse range of institutions has been selected to explore their current practices and how they can be beneficial to inclusive growth. Although working from similar ground, organizations among each institution have unique functionalities and thus construct a complex dynamics. Examining the institutions and organizations under the institutional clusters will help build proper understanding of their roles and potentials in promoting and implementing activities related to inclusive business/growth. The capitalization process that we are talking about in this report will build on such a mapping as it relates to agriculture and agribusiness.

1.2 Institutions under Study

1.2.1 Private business associations and chambers

Expanding private sector growth through inclusive business ventures would provide the poor with new jobs and access to quality and affordable goods and services, helping them improve their lives and reducing poverty. Inclusive business can be applied to small, medium, large, national as well as foreign companies. However, the private sector has barely explored its potential at the base of the pyramid. To reach private sector, business associations can play a bridging role. Business associations like Dhaka Chamber of Commerce and Industry (DCCI), Federation of Bangladesh Chamber of Commerce and Industry (FBCCI), Bangladesh Fruits, Vegetables & Allied Products Exporters Association (BFVAPEA),



Bangladesh Frozen Food Exporter's Association (BFFEA), Bangladesh Organic Product Manufacturers Association (BOPMA), Bangladesh Agro Processors Association (BAPA), Bangladesh Agro Machineries Merchant Association (BAMMA), etc, can be relevant in this regard.

1.2.2 Universities and training institutes

Universities and training institutes produce graduates who eventually go to contribute to agricultural technology, agro-information dissemination or even agribusinesses of various kinds. Agricultural universities are also engaged in extension as well. These institutes can organize their curriculum, enriching with contents regarding implementation of inclusive business. Thus products of these institutions can contribute directly at workplace and ultimately promoting inclusive business.

1.2.3 Think tanks and research institutes

Research institutions and think tanks can lead the drive of inclusive business by crafting innovative inclusive business models for sustainable impact on poverty reduction. They can also set up contextual indicators for private sector to determine inclusivity. Besides, think tanks and research institutes are expected to get engaged in policy analysis and advocacy. Assessment and development of current practices in the public sector, the private sector and NGO domain need both strategy and implementation guideline.

1.2.4 Development community within Bangladesh

Development community can facilitate and moderate partnerships between companies interested in inclusive business and potential partners. They can create awareness among stakeholders, mobilize donors, organize events to link individual companies with potential partners and provide other supports. They may influence governments to create an inclusive business enabling environment (iBEE), channel investment funds, mobilize NGOs as local implementation partners and obtain support from international donors in the form of training, services, and grants.

1.2.5 Public sector agencies

Public sector agencies often face resources constraints. Consequently, their capacity and willingness to provide necessary goods and services to the poor suffer blows. In contrast, innovative well-crafted inclusive business models can offer the public sector the opportunity to serve the community that traditionally deemed inaccessible.



For example, collaboration with the private sector offers the potential to provide poor's access to products or services and to impact the purchasing power with such product/process innovation that makes services cheaper and/or payments flexible. They can also create employment and income by integrating the poor in the value chain as distributors, suppliers or employees. Moreover, the underlying profit-orientation helps to ensure the long-term financial sustainability of initiatives beyond the duration of government or donor-funded projects.

1.2.6 Organizations promoting women's economic empowerment

The role of Inclusive Business in incorporating women into the markets has enormous potential to accelerate development outcomes and contribute to poverty alleviation in a sustainable way. Inclusive business combines profitability with development impact by expanding access to goods, services, and livelihood opportunities for socially challenged low-income communities such as women. Such practices can have valuable impact on the demand side of markets by extending affordable goods and services with a potential for high development impact to women consumers of goods and services. From the supply side, development impact can be achieved by incorporating women into the value chains as employees, producers, and business owners.

1.3 Objectives & Scope

This scoping study will involve two levels – institutional and organizational and it has two sets of corresponding broad objectives. The first one is institution-specific, under which a general landscape of selected institutions will be drawn focusing on their role and contribution to inclusive growth as well as constraints faced in this connection. The second objective is organization-specific, under which analysis of the mandates, strengths, weaknesses and positioning of 18 shortlisted organizations will be conducted. The research is expected also to provide recommendations on possible interventions to improve their weaknesses and leverage their areas of strengths pertaining to inclusive growth. In this connection, the activities and the expected outputs may be delineated as follows:

Exhibit 1.1: Activity-Output Matrix

| Levels | Activity | Expected Output |
|------------------|---|---|
| tit uti on | Assessment of institution's role and contribution to inclusive growth | Relevance of the institution in terms of inclusive business |



| | | |
|----------------|---|---|
| | Identification of constraints faced by the institution concerned | Insights on institutional capabilities and external forces/environment |
| | Short-listing of potential partner organizations from each of the institutions | Inclusive growth champions and prospects within each institution |
| Organizational | In depth analysis of strengths and weaknesses with respect to the process of promoting/ adopting inclusive business practices | Detailed info on potential partners regarding their individual mandate, strengths, weaknesses, and positioning within the institution |
| | Analysis of the challenges faced by these organizations in implementing inclusive business activities | |
| | Analysis of the institutional contexts and organizational uniqueness that would offer insights on likely factors affecting the outcome of any potential intervention (by Katalyst) regarding knowledge capitalization and promotion of inclusive business | Recommendation on potential working areas between Katalyst and selected organizations |
| | | Intervention action map for better promotion and adoption of inclusive business models |

It may be noted that in terms of sectoral scope, the study works only on agriculture and agribusiness in the context of Bangladesh. In this connection, the study identifies and profiles eighteen (18) potential partner organizations (PPOs) that have the mandate and/or business interest – overt or covert – to advance inclusive agribusiness agenda as a vehicle to fight poverty through market mechanism. And for capitalization strategy, institutional collaboration is taken as a sustainable medium for providing thought leadership in promoting inclusive agribusiness.

1.4 Limitations

This first-of-its-kind study (in Bangladesh context) has been quite challenging, particularly so for resource constraints and the timing of research (May and June being the busiest months for almost all the potential partner organizations under study).

Regarding research project management, the research team has to face time constraints in setting up appointments (mostly with the top management). Besides, it has to struggle with repeated change in appointments and even in obtaining organizational documents (e.g. annual reports) in several cases. To



overcome these constraints, the research team has to use more time and employ more human resources than expected. In fine, the research team has tried its level best to strike a balance, keeping in mind the objectives and the field realities.

It may be noted that the recommended actions at organizational level (as suggested in this report) need to be treated as the most potential points of entry which are, in some cases, explicitly mentioned by the interviewee and, in other cases, deduced by the research team. The key point here is that the final intervention/collaboration agenda may be strategized and crafted only after serious engagement of Katalyst with the targeted partner through series of meetings and dialogues, which may preferably be facilitated by a third party.

1.5 Methodology

This research draws extensively from insights, experiences and opinions of a multi-disciplinary panel of experts, thought leaders, leading professionals, practitioners, entrepreneurs, policy analysts and academia. Primary data are collected through two (2) multi-disciplinary expert panel discussions (EPDs)², six (6) rigorous institutional dialogue events and a series of in-depth interviews (discussion meetings) with top/senior management (teams) of eighteen (18) high profile national organizations of influence. This paper also draws extensively from the published materials and web-based resources, particularly of those organizations that are participating in this research with their valuable inputs and insights. Besides, at different stages of this research project, literature on inclusive business practices and models at home and abroad has been reviewed, to a limited extent though.

The first expert panel discussion (EPD) – participated by CDCS® panel of experts, CDCS® research team and Katalyst personnel – has helped fine-tune the research methodology and finalize criteria and tools for selection of potential partner organizations for profiling. The criteria so finalized include the following: (i) influence, (ii) incentive, (iii) capability, (iv) reach and (v) collaboration potential.

The institutional dialogues are carried out with - (i) private business associations and chambers, (ii) universities and training institutes, (iii) research organizations and think-tanks, (iv) public sector

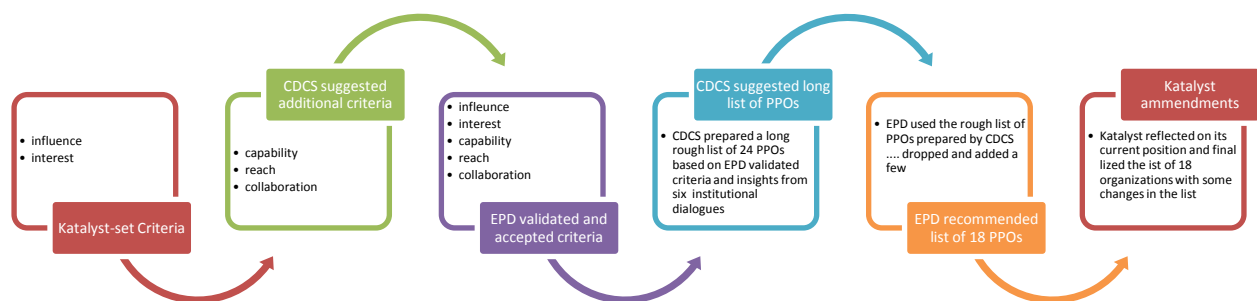
² The list of EPD participants is given in annex 1



agencies, (v) development community, and (vi) women empowering organizations. This rigorous process has offered the opportunities to capture insights and lessons from about more than 40 leading organizations of the country.³ These institutional dialogues have helped sketch a broad understanding of (i) institutional role in and contribution to inclusive growth, (ii) generic constraints in promoting, implementing or practicing inclusive business, and (iii) potential to initiate inclusive growth practices. Most importantly, the dialogue series has offered outstanding insights on the dynamics of targeted partner organizations and has helped the research team to prepare a rough list of potential partner organizations (PPOs).

In the second expert panel discussion (EPD), also participated by CDCS® panel of experts, the research team has had the opportunity to validate its rough list of PPOs – which is developed along criteria so finalized in the first EPD and the insights gained from six (6) institutional dialogues held in between these two EPDs. Based on expert input, a final list of 18 PPOs has been prepared and shared with Katalyst. However, this list has (to some extent) been amended on advice from Katalyst. The PPO selection process may therefore be depicted as follows:

Exhibit 1.2: PPO Selection Process



The detailed justification of the (final) selection of PPOs is presented in the next section.

The in-depth interviews (discussion meetings) with top/senior management (teams) of the selected high-profile national organizations have helped develop an understanding of organizational dynamics,

³ The list of organizations and their representatives participated in the institutional dialogues is given in annex 2



constraints as well as strengths.⁴ This exercise also has been very useful in mapping organization-specific collaboration potentials for advancing inclusive agribusiness agenda.

The focus of this research is inclusive agribusiness. Therefore, the selection of individuals, organizations and institutional clusters is driven by that mandate/focus.

1.6 PPO Selection Justification

Based on threadbare discussions at two (2) expert panel and six (6) institutional dialogues, CDCS-Katalyst steering committee worked rigorously on the selection of potential partner organizations (PPOs). The following exhibit presents a snapshot of the PPO selection justification along five criteria: influence, interest, capability, reach and collaboration potential.

Exhibit 1.3: Organization Selection Justification

| Organization Name | Selection Justification |
|--|---|
| DCCI: Dhaka Chamber of Commerce and Industries | <p><i>Influence:</i> Has significant influence on its member enterprises, other chambers and associations and FBCCI. Is represented in different government bodies/committees.</p> <p><i>Incentive:</i> Advancing responsible business citizenship; legitimacy and sustainability.</p> <p><i>Capability:</i> Has a separate Standing Committee on agribusiness</p> <p><i>Reach:</i> Has 14,000+ enterprise members which are very much within its direct reach</p> <p><i>Collaboration:</i> Outstanding networking and collaboration record with private sector, public agencies and international community.</p> |
| BFVAPEA: Bangladesh Fruits, Vegetables & Allied Products Exporters Association | <p><i>Influence:</i> Has significant influence on its member enterprises. Is represented in different government bodies/committees. Serves as the voice of exporters of fresh agro-produce</p> <p><i>Incentive:</i> Optimize benefit for its members who are positioned at the final stage of the value chain but have significant business interest to see the backward segments are upgraded and untapped markets are explored.</p> <p><i>Capability:</i> Have the potential to work along with partners</p> <p><i>Reach:</i> 500 members, of which 300 more or less active. Also reaches VCAs – backward and forward – directly by member enterprises.</p> |

⁴ The list of organizations and their representatives participated in these in-depth interviews (discussion meetings) is given in annex 3



| | |
|---|---|
| | <p><i>Collaboration:</i> maintains good network with public agencies and ministries. Yet, it prefers to stay as 'close' an organization as possible.</p> |
| BAU: Bangladesh Agricultural University | <p><i>Influence:</i> One of the leading agricultural centers of excellence. Enjoys widespread dominance in setting research and training agenda of the sector.</p> <p><i>Incentive:</i> Has mandate to carryout teaching, research and extension activities to serve the farming communities.</p> <p><i>Capability:</i> The largest agricultural science institute in South and South-east Asia. 43 departments under six faculties. It houses (GPC) world's second largest depository of fruits, medicinal plants and agro-forestry.</p> <p><i>Reach:</i> The agricultural sector is dominated by its graduates. Reach in terms of the access to farmers and commercial nurseries is quite significant.</p> <p><i>Collaboration:</i> Possesses outstanding record of national and international collaboration.</p> |
| SAU: Sher-e-Bangla Agricultural University | <p><i>Influence:</i> Oldest in the region. Significant role in public sector agriculture: comes next to BAU in terms of influence</p> <p><i>Incentive:</i> Has dedicated agribusiness management department, had introduced bachelors in agribusiness but succumbed to student demand to change the degree to BBA</p> <p><i>Capability:</i> Resource constraint is evident – particularly in terms of physical facility. Willingness is there.</p> <p><i>Reach:</i> Farmer reach is usually through graduates who take job in public agencies such as DAE.</p> <p><i>Collaboration:</i> Possesses reasonable record of collaboration and networking support.</p> |
| BPATC: Bangladesh Public Administration Training Center | <p><i>Influence:</i> Most influential public body that trains both entry level and mid-career public servants.</p> <p><i>Incentives:</i> Given its primary mandate, inclusive (agri)business is a distant concept. Yet, the idea may be 'sold' if the value linkage is well-articulated and it is approached in collaboration with another reputed public agency.</p> <p><i>Capability:</i> Would need to rely on external experts, at least at the early stage of introduction.</p> <p><i>Reach:</i> Excellent reach throughout the public service system</p> <p><i>Collaboration:</i> Open to collaboration, but prefers to go by its own terms (suggested by Katalyst)</p> |
| KGF: Krishi Gobeshona Foundation | <p><i>Influence:</i> Significant influence on agricultural research community that includes NARS institutes and universities.</p> <p><i>Incentives:</i> By mandate, keen to work on innovations that serves both the farmers and the consumers most</p> <p><i>Capability:</i> Primarily limited to research grant processing</p> |



| | |
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| | <p><i>Reach:</i> Not much direct reach to farmer, but through partner (research) organizations</p> <p><i>Collaboration:</i> Welcomes partnership in areas that are not supported by its funding facilities.</p> |
| BIDS: Bangladesh Institute of Development Studies | <p><i>Influence:</i> Pioneer think-tank in social research under public sector domain. Very influential in national policy issues.</p> <p><i>Incentives:</i> Issues such as MDG, poverty alleviation, gender mainstreaming, etc. are central to its mandate.</p> <p><i>Capability:</i> Possesses sound human capital. Financial resources are earmarked to specific projects and programs.</p> <p><i>Reach:</i> good intellectual reach, with very limited field activities.</p> <p><i>Collaboration:</i> Outstanding collaboration record</p> |
| BB: Bangladesh Bank | <p><i>Influence:</i> The authority in monetary policy management. Extreme control over bank and non-bank financial institutions. Also exerts influence on organizations such as SMEF, DCCI, etc.</p> <p><i>Incentives:</i> Although major agenda is national monetary discipline; has special interest in poverty reduction, employment creation and rural entrepreneurship development. (This is particularly so under the regime of the current Governor.)</p> <p><i>Capability:</i> It has outstanding capability to mobilize resources – financial, human and organizational.</p> <p><i>Reach:</i> Through its control over the financial system, it can reach each and every corner of the country through financial system</p> <p><i>Collaboration:</i> Being the central banking institution, BB offers outstanding collaboration even for its partners</p> |
| PKSF: Palli Karma Shohayak Foundation | <p><i>Influence:</i> Being the key microfinance agency, it exerts enormous influence over partner NGOs and MFIs.</p> <p><i>Incentives:</i> Mandated to attack poverty through financial inclusion and beyond.</p> <p><i>Capability:</i> Outstanding team of development professionals, small in size though.</p> <p><i>Reach:</i> Has nationwide reach through partners.</p> <p><i>Collaboration:</i> collaboration and partnership is the key part of its business model.</p> |
| TMSS: Thangamara Mohila Shobuj Shangha | <p><i>Influence:</i> Highly respected by peer organizations, donors and its one million micro credit recipients/beneficiaries.</p> <p><i>Incentives:</i> Mandated to uplift the living condition of the most distressed poor people, particularly women and children of both urban and rural areas.</p> <p><i>Capability:</i> The biggest women organization in Bangladesh, with 5,300+ workforce.</p> <p><i>Reach:</i> Has nationwide direct reach through its 600 branches in 64 districts.</p> |



| | |
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| | <p><i>Collaboration:</i> Open to collaboration in areas of poverty alleviation, particularly involving women.</p> |
| RDRS: Rangpur-Dinajpur Rural Services | <p><i>Influence:</i> A respected multi-sectoral national NGO with strong international connections and regional networks. Enjoy direct influence on 17,000 groups and 1.6 million program participants (landless and marginal families), of which 85% are female.</p> <p><i>Incentives:</i> Mandated to help rural poor and marginalized achieve meaningful political, social and economic empowerment, quality of life, justice and a sustainable environment through individual and collective efforts.</p> <p><i>Capability:</i> Has managerial capability to reach (within its geographic coverage) ultra-poor, farm laborers, etc. through its microfinance, loan insurance, remittance service, savings mobilization and training programs through 375 community-based organizations and 3,000 + staff (90%+ are field-based).</p> <p><i>Reach:</i> Working area covers 18 districts, 86 sub-districts and 658 unions (mostly in the northern part of the country)</p> <p><i>Collaboration:</i> Collaborates in projects of non-profit nature (suggested by Katalyst)</p> |
| BARI: Bangladesh Agricultural Research Institute | <p><i>Influence:</i> The leading agricultural research hub under direct government control.</p> <p><i>Incentives:</i> Mandated to undertake (and extend support for) scientific agricultural research in order to best utilize soil, water and environmental resources and disseminate the output and build capacity – internal and external.</p> <p><i>Capability:</i> Has 694 scientists: 202 PhD-holders and 377 MSc degree holders. Total staff size is 2690 (including class 1 and class 2 officers and other staff members). Receives fund from GoB's development and revenue budget. (for 2011-12, revenue budget was BDT 1.36 billion and development budget was BDT 533 million (of which 499 million by aid agencies).</p> <p><i>Reach:</i> Has nationwide coverage through 7 crop research centers, 17 thematic divisions, 6 regional research stations and 28 sub-stations.</p> <p><i>Collaboration:</i> Open to collaboration with non-governmental and private sector organizations.</p> |
| BRDB: Bangladesh Rural Development Board | <p><i>Influence:</i> The largest service oriented institutional setup of the Government of Bangladesh (GoB) which is directly engaged in rural development and poverty alleviation activities in Bangladesh since early 1970s. Has pioneered the two-tier cooperative system, based on <i>Comilla model</i>.</p> <p><i>Incentives:</i> Mandated to undertake programs and projects to alleviate the endemic poverty of Bangladesh's rural populace</p> <p><i>Capability:</i> Boasts coverage unmatched by any other Governmental or non-Governmental organization working in rural development and poverty alleviation in Bangladesh.</p> <p><i>Reach:</i> Has 57 District Offices and over 476 Sub-District (Upazila) Offices across the</p> |



| | |
|--|---|
| | <p>country. Has successfully mobilized 5.3 million beneficiaries into cooperative societies and informal groups throughout the country.</p> <p><i>Collaboration:</i> Collaborates with local government and NGOs.</p> <p>(suggested by Katalyst)</p> |
| HF: Hortex Foundation | <p><i>Influence:</i> Has (probably less than expected) influence on producers and exporters of high-value crops; yet (potentially) one of the most influential players in agribusiness</p> <p><i>Incentives:</i> Mandated for the development, promotion and marketing of exportable horticultural/agricultural produces for generation of income and employment of the farmers by being 'an essential facilitator of high value agro-commodities export promotion'. Future outlook incorporates domestic market as well.</p> <p><i>Capability:</i> Although somewhat limited by its human and financial capability, it has the strength to implement projects with the workforce drawn from within and from partners.</p> <p><i>Reach:</i> Has good reach at policy level as well as within business community.</p> <p><i>Collaboration:</i> collaborates with MoA and its allied agencies, other government bodies, and different trade associations (e.g. BAPA, BFVAPEA)</p> |
| MoA: Ministry of Agriculture | <p><i>Influence:</i> Is one of the key ministries of the Government of Bangladesh led by a full cabinet minister. Acts as the supreme policy making body involving agriculture and exerts authority over all agriculture related agencies and organs of the government.</p> <p><i>Incentives:</i> Mandated to develop (and oversee implementation of) agricultural policies, plans, regulations, acts, etc. for sustainable agricultural development and food security AND to support development of new agricultural technologies to boost up agricultural production AND to coordinate with local and international trade agencies for agricultural marketing</p> <p><i>Capability:</i> Has seven (7) wings and 16 agencies under it.</p> <p><i>Reach:</i> Nationwide coverage through its research and extension agencies.</p> <p><i>Collaboration:</i> Collaborates with private sector and NGOs, usually through any/some of its 16 agencies.</p> |
| WEAB: Women Entrepreneurs Association Bangladesh | <p><i>Influence:</i> One of the vibrant associations working towards the empowerment of women primarily through entrepreneurship development, WEAB exerts influence on its members and the policy making bodies of the government.</p> <p><i>Incentives:</i> Mandated to work towards the development of support services for women entrepreneurs to improve product quality and design, help meet the changing market demands, update technical know-how and create market linkages.</p> <p><i>Capability:</i> Has 15 executive committee members and 27 general members. Run by a small management team.</p> |



| | |
|--|---|
| | <p><i>Reach:</i> limited reach at grass-root level, but potential is good.</p> <p><i>Collaboration:</i> Collaborates with other chambers (national and regional), funding agencies, government agencies, etc. on issues related to projects and policies.</p> <p>(suggested by Katalyst)</p> |
| BS: Banchte Shekha | <p><i>Influence:</i> Recognized as a key player in liberating and empowering the women, particularly of Khulna region. Leadership brought Magsaysay awards.</p> <p><i>Incentives:</i> Mandated to work towards improving the socio-economic condition of the beneficiaries, especially in the area of women and child rights.</p> <p><i>Capability:</i> 17 member-strong general body, including 9 women, of whom two are Magsaysay awardees (Head of the Governing Body and the Executive Director). Six women representatives from the beneficiary groups feature in the Governing Body.</p> <p><i>Reach:</i> Direct reach of more than 500,000 women of Khulna and Dhaka division, with indirect impact on more than 2,500,000 people.</p> <p><i>Collaboration:</i> Open to collaborate in areas that benefit its beneficiaries.</p> |
| DU-DoWGS: University of Dhaka, Department of Women & Gender St | <p><i>Influence:</i> Housed at the most influential and leading public university of the country. By such placement, has the potential to offer thought leadership.</p> <p><i>Incentives:</i> Mandated to undertake teaching, training and research activities involving gender, poverty, women empowerment, livelihood and entitlements</p> <p><i>Capability:</i> Has resource persons with knowledge in gender mainstreaming and women empowerment issues; maintains good institutional network</p> <p><i>Reach:</i> Students are the primary focus. Institutional networking helps go beyond boundary.</p> <p><i>Collaboration:</i> collaborate with regional and international universities such as ISS (the Netherlands) and AIT (Thailand)</p> <p>(suggested by Katalyst)</p> |

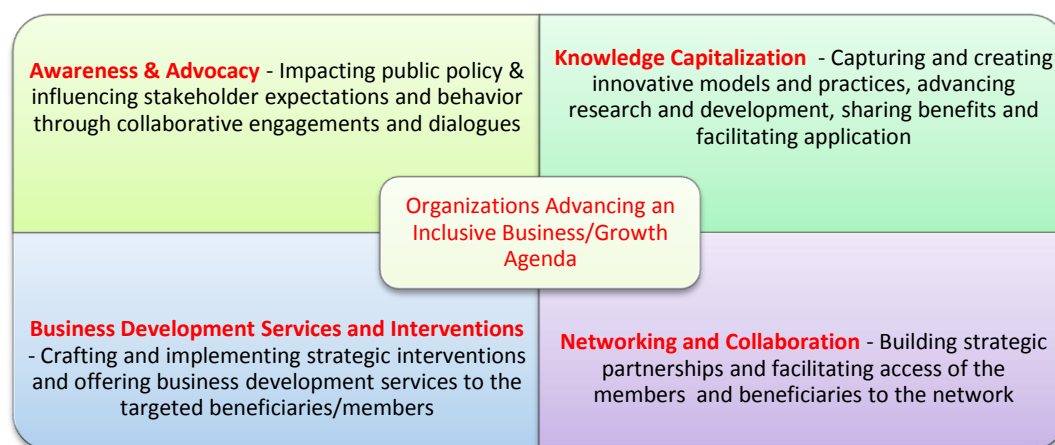


1.7 Analytical Framework: The Grid of Strategic Mandate

This research is guided by a simple, yet comprehensive, framework of analysis. The framework, called **Grid of Strategic Mandate**,⁵ helps analyze the potential roles of organizations under different institutional clusters in advancing an inclusive business/growth agenda.

An institutional cluster⁶ is said to have an inclusive business mandate if the activities/practices of its constituent organizations have (the potential of) direct or indirect impact on economic realities of the communities at the base of the pyramid (BoP), who live on, according to many, less than \$2-\$3 a day.

Exhibit 1.2: The Grid of Strategic Mandate (GSM) of Organizations Advancing Inclusive Business



Source: adapted from Jahan, S.M., UNDP (2012)

The illustration above succinctly explains (potential) inclusive business mandates of organizations belonging to such institutional clusters as business associations and chambers, think tanks, academia, public agencies, development community and special interest groups. It is envisioned that in their pursuit to inclusive business agenda, these organizations may follow any or all of the following four approaches: (i) awareness and advocacy, (ii) knowledge capitalization, (iii) networking and collaboration, and (iv) intervention and business development services. It is therefore imperative to analyze the role and contribution of the selected PPOs along these four strategic grids of (potential) mandate.

⁵ Jahan, S.M., UNDP (2012)

⁶ An institutional cluster is a group of organizations of same or similar nature or mission.



The following sections offer an overview of these grids.

Advocacy mandate mainly triggers business enabling environment. From policy amendment to subsidy benefit – advocacy issues can address varied aspects of inclusive business. However, for this to happen, the stakeholders need to be sensitized through awareness campaign in a way that shapes their expectations and actions (behavior).

Knowledge mandates are generally research and capitalization activities targeted towards development of the organization and/or institution as a whole. These activities may include capturing and creating innovative practices and models, disseminating the same and facilitating application thereof. Visible forms of outputs would be publications, case studies, success stories, profiles, presentations, demonstrative museums, conference/seminar participation, etc. The main purpose of knowledge accumulation and dissemination would be to capitalize on the lessons learnt from own and other's models, activities and interventions.

Networking and collaboration mandate focuses on building winning partnerships with different stakeholders and market actors. Donors, value chain actors, credit receiver, trader, policy makers all are included in the stakeholder list. Establishing business to business (B2B) linkages and setting the tone for stakeholder dynamics are the main objectives of such mandate.

Intervention and business development service provision mandate focuses on solutions to specific problems or challenges facing the organization or its constituents. This is done by crafting and implementing strategic interventions and offering business development services to the targeted beneficiaries/members. Advising and building capacity at individual and enterprise levels through training, coaching, workshop, etc. are the activities under this mandate.

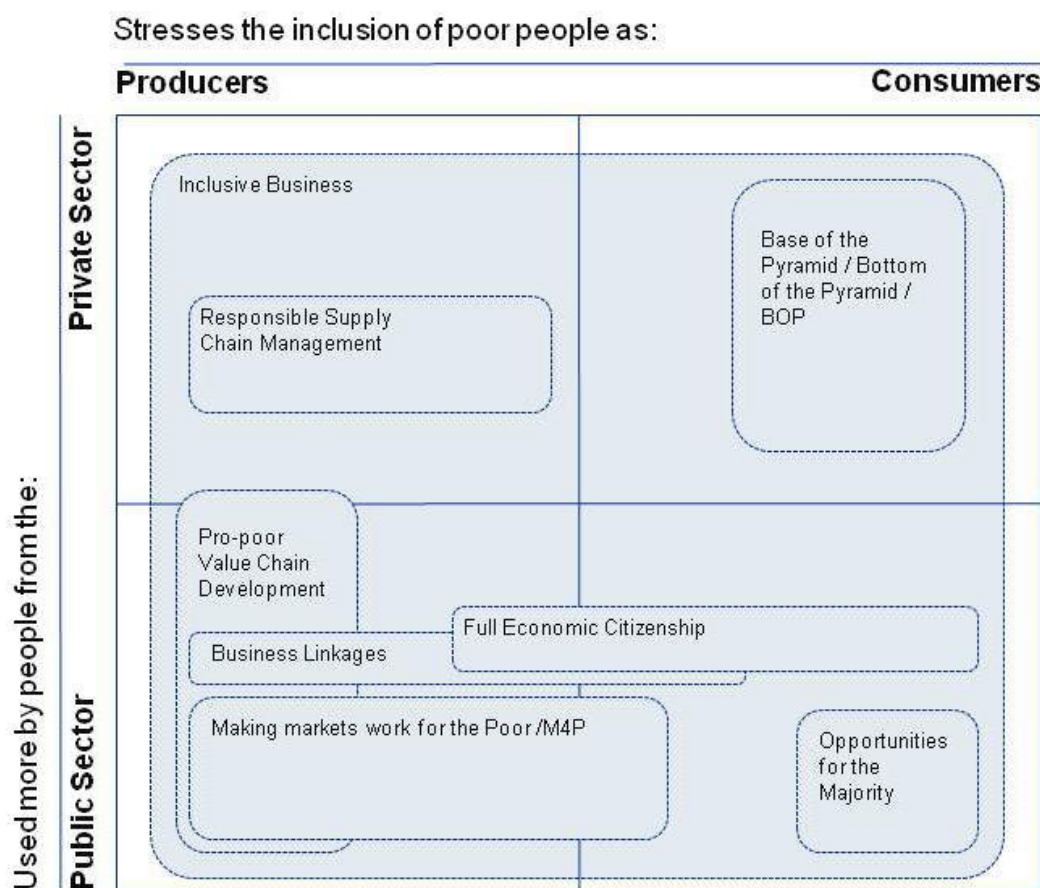


Chapter 2: Conceptual Underpinnings: Inclusive Business and Knowledge Capitalization

2.1 What is inclusive business?

Inclusive business models are those that ‘include the poor into a company’s supply chains as employees, producers and business owners or develop affordable goods and services needed by the poor’. There are several other concepts that revolve around this concept, but with different centers of emphasis – i.e. producers vis-à-vis consumers and private sector vis-à-vis public sector.⁷ The exhibit below offers an overview: (UNDP, 2010)

Exhibit 2.1: Inclusive Business Terminologies



Source: *Brokering Inclusive Business Models*, UNDP, 2010

⁷ For details, please refer to UNDP primer *Brokering Inclusive Business Models* (2010)



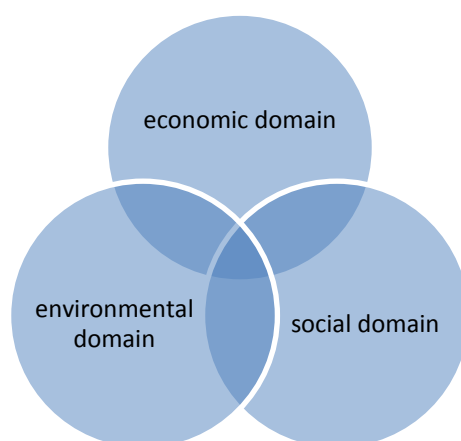
By **inclusive business**, we mean, in economic sense, *“an increased, equitable, and responsible participation of small and economically-challenged individual market players and MSMEs along the industry value chains that help reduce poverty”* (Jahan, S.M. 2014). When it deals with agricultural and agribusiness value chains, it would refer to **inclusive agribusiness**, and so on and so forth. And the models and practices that nurture this philosophy are **inclusive business models** and practices. Likewise, an **inclusive market** would mean a *“market system that addresses the issue of poverty alleviation through fair inclusion of the (economically or otherwise) challenged community as market actors and thereby enriches the industry value chains in a socially responsible manner”* (Jahan, S.M. 2014).

This is, of course, the traditional way of thinking.

As advocated by Jahan, S.M. (2014)⁸, we too find it useful to think of inclusive business from a perspective beyond the traditional line of thinking. Because, the traditional approach is primarily ‘poverty-centric’ that is measured in terms of wealth or money power. What would make our approach to inclusive business more complete is incorporation of other perspectives along the line of challenged communities – be it due to gender, cultural, religious and political discrimination or be it for physical, geographic and climatic reasons. Similarly, putting customers at the forefront of inclusion is also beneficial. At the first glance, such inclusion may seem important only for public sector and development community, and not for the market. This is not right. Market has its own interest too. For example, serving an ethnic market or climate-challenged communities may be a source of fortune for businesses. Likewise, when customer rights/voices are ignored (e.g. in case adulterated food), smart companies can do good business just by being responsive to the customers. In sum, inclusive business has at least three facets: the economic domain that includes the supply side (i.e. producers and all other value chain actors) and the demand side (i.e. consumers), the social domain that includes community of different social strata, and the environmental domain that includes, for example, climate-challenged communities.

⁸ Jahan, S.M. delivered his expert opinion on the issue in the roundtable discussion on *“Inclusive Business in the Context of Bangladesh: Prospects and Challenges”* organized by Katalyst and held in Dhaka on June 29, 2014.

Exhibit 2.2: Inclusive business domains



Source: Jahan, S.M., CDCS® (2014)

However, for the purpose of this study, no deliberate attempt could be taken to address such a comprehensive perspective, of course, only with the exception of the women issue. That is, this study report deals primarily with the inclusion of the poor (i.e. around the economic domain).

2.2 Why promote inclusive business models and practices?

The UNDP primer, *Brokering Inclusive Business Models*, defines inclusive business models as those that include the poor into a company's supply chains as employees, producers and business owners or develop affordable goods and services needed by the poor. The models build bridges between businesses and the poor for mutual benefit that go beyond immediate profits and higher incomes. Business competitiveness and poor benefit both needs to be achieved along the endeavor of establishing inclusive business. Competitiveness of business can be strengthened by number of ways, for example: building new market, strengthening supply chain, improving reputation, driving innovation and retaining employees. On the other hand, poor can be benefited by satisfying their basic needs, increasing productivity, generating income, being empowered and so on. To achieve both the goals, there need to be a mechanism where low income community will be given certain roles to play and will ultimately contribute to their own well being. (Gradl, C. and Knobloch, C, 2010)



As profit-driven companies, the private sector businesses themselves may develop and practice inclusive business models. This is because they may believe in ‘the fortune at the bottom of the pyramid’ (as marketed by C. K. Prahalad and Stuart L. Hart (2001) or they find the practice to be the vehicle for longer term sustainable competitiveness or they merely see it to be a socially responsible business practice. Such models, on the other hand, may as well be developed by public sector agencies and non-profit sector organizations as vehicles to *make market work for the poor* (M4P) or ensure a *sustainable market* mechanism that solves some of the development challenges facing the world. In either case, to be truly effective, such models need to ensure a win-win proposition for all the parties concerned.

2.3 The Great Divide & The Bridge

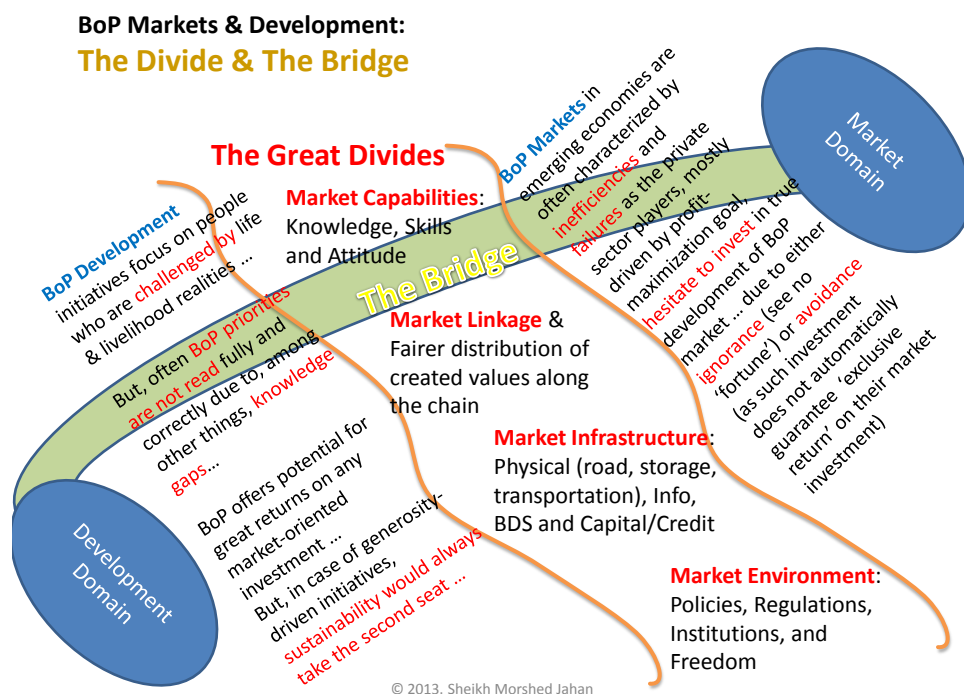
Despite having a seemingly shared understanding on the utility of BoP-inclusive business, there exists a gap between the agenda and/or actions of market and development forces for obvious reasons, of course. This gap has been well articulated in a keynote paper of Jahan, S.M (2013)⁹. The development community traditionally addresses the base of the pyramid (BoP) challenges from a ‘perspective of generosity’ and therefore lacks sustainability, in general. Of course, exceptions are there. On the other hand, the players in the market domain often smell (while some others find successfully) the fortune at the base of the pyramid. But the problem is that the private sector is not so keen to invest in BoP development, since they are not sure of exclusive return on their investment in BoP. This phenomenon makes BoP market development so challenging. However, this at the same time offers ample opportunities for innovation of BoP-centric inclusive business models. And this is where thought leaders, market actors, public agencies and development community should invest in.

The illustration below summarizes what is labeled as “the Great Divide” by Jahan, S.M. (2013). This offers a fair insight regarding a potential “bridge” to deal with this gap.

⁹ The paper was presented in the national roundtable on *BoP Markets and Development* held in 2013 in Dhaka.



Exhibit 2.3: The Great Divide – Challenges and Opportunities for BoP-inclusive Growth



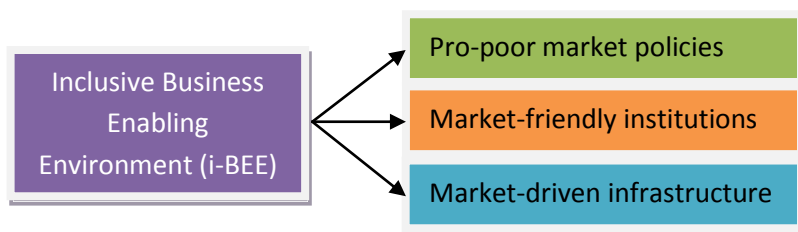
Source: Jahan, S.M. (CDCS®, 2013)

The Great Divide is characterized by underdeveloped (i) market capabilities, (ii) market linkages, (iii) market infrastructure, and (iv) market environment. One of the cross-cutting elements that runs through these building blocks is the issue of *knowledge gap* that exists among different stakeholders and economic actors.¹⁰ This calls for bridging – as soon as possible, as comprehensively as possible.

2.4 So, what needs to be done?

In terms of action agenda for advancing inclusive business, a holistic approach is required. Actions need to be taken at three levels: macro, meso, and micro. At the macro level, government/policy makers need to create, what we call, an **inclusive business enabling environment (IBEE)**. This necessitates a bundle of well-crafted pro-poor market policies, sound market-friendly institutions backed by mandate and appropriate resources, and market-driven infrastructure.

¹⁰ Swisscontact-Katalyst plans to address this knowledge gap through its phase III interventions.



At the meso level, the facilitators (chambers, development community, think-tanks, etc.) need to advise government and the private sector, facilitate dialogues, help build wining partnerships, develop organizational capability, channel resources and coordinate actions. At the micro level, companies and entrepreneurs need to identify market opportunities, craft inclusive business models (with vivid business case), implement the models, measure results and capitalize on the learning (i.e. knowledge capitalization). It may however be noted that works of different levels need to be well-knitted. And such coordination of actions may be performed by, what we may call, ‘fusion agents’.

2.5 Are Inclusive Business Models Working?

Evidences are there that win-win scenarios can be crafted and innovative inclusive business models can be developed and adopted. For example, the exhibit below presents three types of inclusive business model that benefit both the poor and the businesses.

Exhibit 2.4: Benefit of Inclusive Business Models

| Poor as | Company Benefits | Poor Benefits |
|----------|---|---|
| Supplier | <ul style="list-style-type: none">Strengthening supply chainsReducing costImproving the product | <ul style="list-style-type: none">Increasing incomesBuilding skillsEmpowering communities |
| Consumer | <ul style="list-style-type: none">Building new marketsIncreasing revenues | <ul style="list-style-type: none">Improved productivity and quality of lifeCost savings |



| | | |
|---------------|--|---|
| | | <ul style="list-style-type: none"> Choice and voice |
| Entrepreneurs | <ul style="list-style-type: none"> Scaling up and achieving fast growth Deepening market penetration and increasing sales | <ul style="list-style-type: none"> Income opportunities Skills Empowerment |

Source: *Brokering Inclusive Business Models*, UNDP, 2010

2.6 Inclusive Business Practices in Bangladesh

Contextualizing the above business models, some examples of successful inclusive business models that are already being practiced in Bangladesh may be shared. Some of these businesses are attributing poor with the roles of suppliers and entrepreneurs, while others are focusing on them as consumers.

Exhibit 2.5: Examples of Working Models of Inclusive Business in Bangladesh

| Poor as | Example |
|---------------|---|
| Supplier | Kazi & Kazi Tea has developed innovative partnerships with co-operatives that ensure environmental sustainability, offer superior supply for the company and real economic benefits to local farmers and general people of the Panchagarh area. |
| Consumer | Lal Teer's inclusive business model involves providing mini packs of seeds for poor farmers' affordability which got huge response from their customers. Lal Teer started seed cultivation in 1995 after identifying that the country does not get enough vegetables in summer due to lack of seeds. They worked with the farmers to understand their problems and designed its business model accordingly. |
| Entrepreneurs | Apex Adelchi Footwear Limited trained 200 individuals every three months time, resulting in a total of 2400 operators trained in three years and create employment opportunities in footwear and leather goods sub-sectors. |

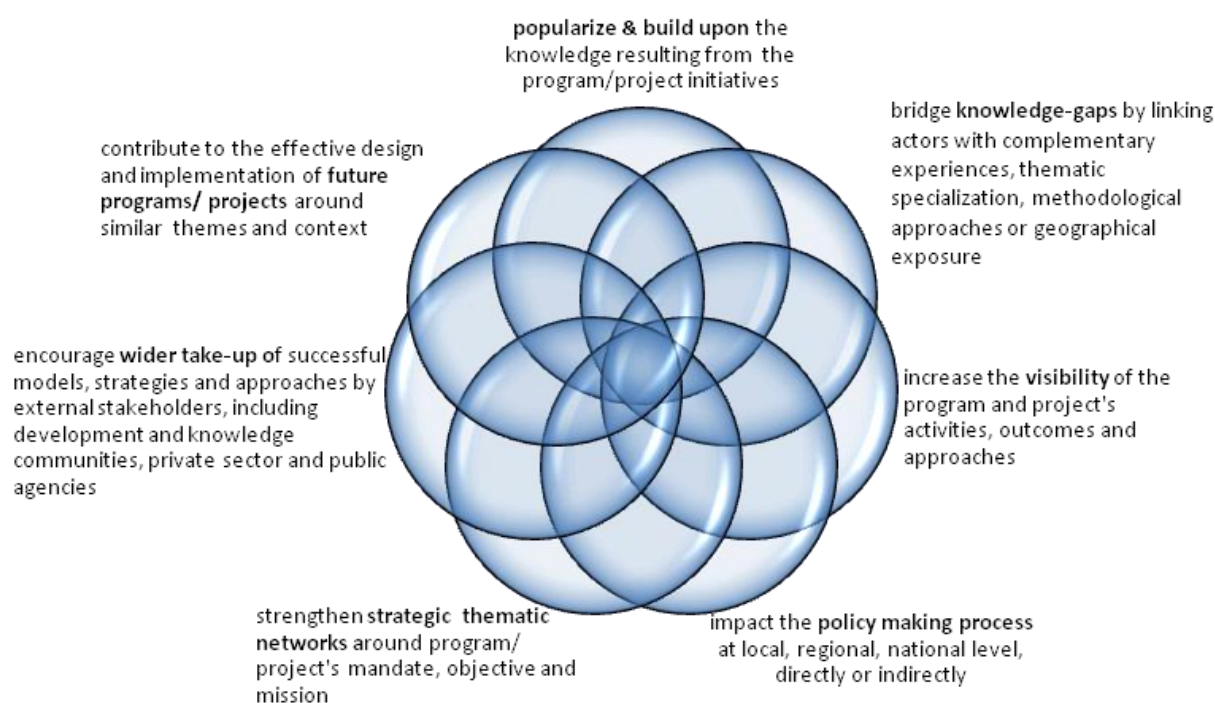
Source: *Inclusive Business Sourcebook: Case Studies across Asia 2010*, International Business Leaders Forum



2.7 Knowledge Capitalization

Knowledge capitalization may be viewed as the process through which an organization/institution learns from its own and other's experiences, practices and models and disseminate and apply such knowledge for further improvement in work of its partners and itself. The justification for capturing and capitalizing on knowledge derived from development programs and projects may be outlined by a 7-Domain Framework (7DF) (Morshed and Jahan, 2014). The framework is presented below:

Exhibit 2.6: Knowledge Capitalization Rationale – The 7D Framework



Source: Morshed, S.F. and Jahan, S.M., CDCS® (2014)

It is believed that such knowledge and innovation may be captured and disseminated through facilitative indirect approaches and multi-stakeholder collaboration. With a greater number of stakeholders appreciating and promoting inclusive business interventions, such knowledge capitalization effort will have far greater level of outreach and impact. This will eventually result in both direct and indirect benefit to the poor.



However, for successful implementation of capitalization strategies, a thorough understanding of potential partners and the institutional set up to which they belong is required. In other words, to ensure optimum outcome from knowledge capitalization strategies that involves external partners, the process has to take a complete account of institutional dynamics and the peculiarities of the organizations within the institutional context. This would help better strategize and craft ways and means to effectively promote inclusive growth.



PART B: ADVANCING INCLUSIVE BUSINESS IN BANGLADESH – FINDINGS ON INSTITUTIONAL & ORGANIZATIONAL DYNAMICS

Chapter 3: Business Associations and Chambers in Advancing Inclusive Agribusiness

3.1 Institutional Outlook: Relevance, Roles & Constraints

Agriculture and agribusiness sector offers substantial growth potential, thanks primarily to increasing demand for quality food at home and in international markets. Due to her enormous population base of 160 million people, Bangladesh has a huge market for agro products. Besides, agricultural exports from Bangladesh have currently undergoing rapid growth.¹¹ However, country's export potential and performance, though encouraging, has to endure hiccups, such as EU ban (since March 2012) on betel leaf involving salmonella bacteria crisis. HACCP and other compliance issues are some of the areas that require immediate attention. Nonetheless, this creates business opportunities for high-value crops as well as value added and processed products. At the same time, this propels the derived demand for agro-tools and machineries, quality seeds and other inputs, etc. That means, despite very limited government support, new markets are opening up all around – vertically and horizontally.¹²

Helping enterprises banking on these opportunities requires visionary leadership and bold engagement at the institution level. This is where the role of business associations and chambers is so crucial. And these chambers and associations need to interact with government on issues such as policies,

¹¹ Thanks to the relentless private sector drive, today nearly 100 types of fruits and vegetables are exported from Bangladesh to more than 40 countries. Export of fresh fruits and vegetables from Bangladesh increased significantly from \$50.71 million in FY2008-09 to \$182.23 million in FY2012-13. In FY2012-13, fresh vegetables export market comprises Middle East countries (50%), EU region (31%), Far East (14%) and others (5%). On the other hand, fresh fruits export market comprises of India (94%), Middle East (4%), EU (0.42%) and others (1.34%).

¹² Government initiative in the promotion of agribusiness is largely unnoticed, if not missing. In fact, its mind set (and therefore its instruments) still lives in the domain of 'food shortage management', an era that Bangladesh has overcome decades back. The sector is currently struggling with 'management of (irregular) surplus' and resultant wastage at postharvest, processing and marketing levels.



institutions and infrastructure and with member-enterprises to help them become more competitive. Besides, chamber and associations also need to coordinate their actions with similar other organizations. In this connection, associations and chambers do work at the levels of policy, stakeholders and value chain actors. For example, BFVAPEA is currently working on the salmonella issue, DCCI is working on standardization and HACCP issues, BOPMA is working on organic agriculture issues.

Yet, private sector business associations and chambers have the potential to play a vital role in advancing inclusive business. Because private initiatives in agribusiness have contributed tremendously and, under burgeoning agro-commercialization regime, most of today's achievements have come from private sector initiatives. (Of course, public sector contribution to agricultural research and extension must be viewed with great respect as well.)

The potential roles that private associations can play are as follows:

- Pursue IB focused research involving enterprise competitiveness, value chains, global, regional and national market access, national and international policy and regulatory regime, etc.
- Stimulate inclusive business model innovation, facilitate collective learning from working models and practices, and capitalize thereon
- Run inclusive business advocacy to create awareness among their members and value chain partners
- Collaborate with other stakeholders (public sector agencies, private sector and development community) to help create inclusive business enabling environment (iBEE)
- Develop (or facilitate development of) innovative service packages for inclusive agribusinesses

Unfortunately, mutual confidence and coordination among these chambers and association is somewhat weak. Besides, the organizations within this institutional cluster are poorly-equipped to handle the situation and capitalize on the ever increasing opportunities. They do not have the capacity to create and capture a sound and comprehensive knowledge base, to perform policy analysis for educated lobbying, to design innovative interventions and services to benefit their members, and to network for collectively wining partnerships. Consequently, enabling business environment support remains to be a far cry. So is the case of competitiveness of member enterprises. The economy suffers, as does the value chain actors at the base of the pyramid – be they farmers and traders or consumers.



IB-related Institutional Constraints and Challenges: Business associations and chambers, in general, lack proper understanding of IB concept, its philosophy and utility. Although the organizational set-up has elements (e.g. willingness, indirect mandate) of being supportive to promotion of IB models and practices, absence of innovative business models (coupled with poor understanding) bars such initiative. Moreover, poor understanding of IB concept restricts institutional collaboration and knowledge creation and up-gradation. In this connection, underdeveloped human capital (in IB sense) is also a barrier.

3.2 Selected Organizations of Influence

3.2.1 Dhaka Chamber of Commerce and Industries (DCCI)

Mandate, Positioning & Influence

Dhaka Chamber of Commerce & Industry (DCCI) was established in 1958, was incorporated under the companies Act, V11 of 1913 as a limited company on March 10, 1959. It has rendered more than four decades of very useful services for the development of business and industry in Bangladesh¹³.

Mandates

Major mandates of DCCI are policy advocacy, create exposure & represent Bangladeshi trade bodies, support entrepreneurs (with special focus on women) with information and consultation.

Policy advocacy

- to give market oriented inputs for formulation and implementation of government policies
- to prepare Economic Policy Papers (EPPs) for conducting policy advocacy for the benefit of the business sector;

Create exposure & represent Bangladeshi trade bodies

- to represent trade commerce and industry on various advisory or consultative committees
- to function as a forum for exchanging views among different Chamber members, Government agencies, DCCI members and local or foreign business delegations;
- to organize training courses, seminars/workshops/symposia, and participation thereof at home and abroad;
- to sign Memorandum of Understanding (MOUs) with overseas Chambers and other business organizations;

¹³ www.dhakachamber.com



Support entrepreneurs (with special focus on women) with information and consultation

- to prepare, implement and evaluate projects of entrepreneurship development and to deliver time bound, need-based and diversified services to the members;
- to help women entrepreneurs to promote & expand their businesses.
- to disseminate business related information to the members;

Through all of the focus areas, it is possible for DCCI to incorporate inclusive approach. As a chamber, it is not possible for them to directly engage in inclusive business. But strengthening core activities by increasing their reach to poor/agriculture relevant stakeholders they can drive the agenda of inclusive business.

Positioning

Being established in 1958, Dhaka Chamber of Commerce & Industry (DCCI), is the largest and most active chamber of the country, with 14,000+ member enterprises. In comparison FBCCI, which was established in 1973, has total member bodies of 426. FBCCI being the apex trade organization of Bangladesh has Chambers of Commerce and Industry, Trade and Industrial Associations and Joint Chamber (with Foreign Countries) as members. On the other hand MCCI, established in 1904, has almost all the established industrial organizations in private sector¹⁴ as their member.

Comparing the establishment time and types of members, it can be said that DCCI is in a moderate position. But given that they work with associations of all kinds of business, by number and by activities they have comparatively higher reach.

From its position, it can exert influence on both public policy process and industry growth trajectory, thereby, the strategic and operational choices of the member enterprises. DCCI is playing a vital role in advancing inclusive agribusiness. Bangladesh has a huge market for agro products as we have high quality output in our country and DCCI is working on exporting products in the agricultural sector.

¹⁴the manufacturing field, the public sector corporations, banks, non banking financial institutions, insurance companies, other service sector enterprises like telecom, IT and IT enabled technology related services, health and media



Inclusive Business Relevance

DCCI serves as a model non-profit, service-oriented organization. It has been rendering its services for more than four decades and has been very productive in supporting the development of the industrial sector of Bangladesh. It plays (and has even greater potential to play) a vital role in advancing inclusive agribusiness. Bangladesh has a huge market for agro products and DCCI members are active in agro-processing, marketing and export.

DCCI has a dedicated standing committee on agribusiness (one of 24 committees) to look into the interest of the business community. It pursues networking both in national and international domains, links investors and businesses, works as support point for its members, handles matters of common interest etc. DCCI works as representative of its members, appears as the interface between government, investor/financer and entrepreneurs. It pursues policy advocacy and business research and offers different business development services. DCCI has strong network with various international organizations such as UNDP, UNCTAD, WTO, ITC, ESCAP, UNIDO, USAID, CBI, World Bank, ICC, GTZ, JICA, ZDH, APO, IFC-BICF, JETRO, CIPE, SEDF, WCC, CCPIT.¹⁵ They have established a help-desk to support businesses of local and foreign ownership.

Few Initiatives of DCCI are as follows:

Avian Influenza, 2007: Crisis Management

Poultry association and private poultry farms tried to hide the issue, when Avian Influenza outbreak first occurred in 2007. Seeing the fast spreading rumors and their impact on poultry business, DCCI decided to intervene. They organized seminars with different stakeholders of poultry industry demonstrating how to get rid of the disease, suggested possible compensation package from government and how to get rid of the hazards of this disease. Ex DCCI person Moshir Rahman (Paragon Feeds) took an initiative by organizing a food fest with broiler chicken and demonstrating that not all chicken/poultry product is harmful. These awareness programs helped to remove the mass-fear in public's mind about poultry products.

Source: www.dhakachamber.com

¹⁵ http://en.wikipedia.org/wiki/Dhaka_Chamber_of_Commerce_%26_Industry



Vegetable Export: Advocacy in favor of the traders

Lack of enough carriers was hampering export of vegetable. As only Biman Bangladesh had the authority to carry vegetables, not all traders were getting the opportunity to export. As a result Bangladesh was losing a huge amount of foreign currency. When DCCI was notified of this issue, they looked into the matter and found that there was potential for exporting additional amount of vegetables. Now the challenge was to convince private sector airlines to agree to carry food-products and the government to give permission.

In this scenario DCCI intervened, by successfully convincing the government (GoB) to allow private sector carriers (beside Biman) to handle the cargo and convinced some of the carriers to get involved in the business.

Source: DCCI representative at Institutional Dialogue 6

Entrepreneurship Development Initiative

The Dhaka Chamber of Commerce and Industry incorporating with Bangladesh Bank launched an initiative to develop 2,000 young entrepreneurs in the country. They organised several motivational workshop in different universities to introduce their initiative and educate interested participants about the submission system.

Some 3,200 entrepreneurs have registered their names with the DCCI through on-line registration, of which 2,200 business projects under different categories have been selected while 1050 youths received training from the DCCI.

So far 75 projects under different categories have so far been forwarded to various banks from DCCI for financing and most of the entrepreneurs of those projects have already started their business with their own funds

Source: www.dhakachamber.com



Inclusive Business Related SWOC

Strengths

DCCI has a separate standing committee on agribusiness that oversees agribusiness related issues. Although DCCI is not fully aware of the inclusive business models/practices, it has significant potential to become a very productive change ambassador in this regard. Traditionally, it enjoys power to influence policies and actions (e.g. subsidy or sanction related issues) of the government in favor of its members and the industry as a whole.

Weakness

DCCI has a mandate for disseminating business related information to its members, but lacks capacity to have coverage at regional levels. Likewise, DCCI does not have an explicit mandate on inclusive (agri)business, although most of its members are SMEs.

Opportunity

DCCI membership is growing at a faster rate and agribusiness sector is an emerging sector here in Bangladesh. More and more partners are coming to them as well. Under such circumstances, it can leverage its influence and advance the cause of inclusive agribusiness.

Challenge

Being a very influential chamber, it has to endure political pressure as well. Also, being a democratic organization, leadership changes may bring changes in priorities.

Business Model

Dhaka Chamber of Commerce and Industry (DCCI) is a non-profit, service-oriented, business promotion organization committed to provide various services to its members, business community, interest groups as well as government.

Existing and Potential Customer Base

DCCI has 14,000+ member enterprises.. Thus DCCI potential customer base is huge that includes its member enterprises as well as associated value chain actors with each of the enterprises.



Governance Structure & Internal Decision Making Process

Management

The Chamber has four classes of membership: General, Associate, Town Association and Trade Group. It is run by a Board of twenty-four Directors representing all classes of membership. One third of the Directors retire every year. A President, a Senior Vice-President and a Vice-President are elected by the Board for a term of one year. The President is the Chief Executive of the Chamber. The Board of Directors is assisted by a number of Standing Committees on various important business-related subjects and by a full-fledged Secretariat.

DCCI executive secretariat is managed by a team of professionals and 24 standing committees that oversee various operational and strategic affairs. Through this setup DCCI pursues networking both in national and international domains, links investors and businesses, works as support point for its members, handles matters of common interest etc. DCCI works as representative of its members, appears as the interface between government, investor/financer and entrepreneurs. It pursues policy advocacy and business research and offers different business development services.

Stakeholder Analysis

Veto Players

DCCI's President by position is the chief executive of the Chamber and makes the key decisions regarding the activities of the organization. Other board members, Ministry of Commerce are also key veto players of DCCI in terms of their influence, interest in the organization and providing the president guidance and supervision regarding complex decisions.

Key Stakeholders

The organization's key stakeholders comprise of Standing Committees, different ministries and agencies of GoB, FBCCI, advisory or consultative committees of GoB and its members. This group has a high interest in the DCCI's over all activities but little influence (in most cases) in the discussion making process of DCCI.



Recommendations

Way of Overcoming Constraints & Challenges

Regional coverage may be improved through partnership with organizations having wider national coverage. Organization-wide IB sensitization will help ensure that IB priorities do not change with change in leadership.

Potential Collaboration (Common Areas of Work) for Katalyst and Action Plan

Potential areas of collaboration with Katalyst may be the organizing of sensitization workshops for elected and permanent members of DCCI, in order to share the IB concept and its benefit among them. Furthermore, a joint effort on inclusive agro-entrepreneurship development can be undertaken as well so that DCCI member organizations can carry the concept much further through their own stakeholders. Potential areas of collaboration may be:

1. Joint dialogues, seminars and/or workshops on IB
2. Collect, document and disseminate success stories, cases, working models
3. Capacity building on inclusive agribusiness financing and entrepreneurship development

Katalyst may work in association with a co-facilitator with sound knowledge in inclusive business and proven capability to network at the top to get engaged with DCCI in a series of discussions to specifically outline the collaboration framework along the leads mentioned above and execute the same. DCCI's Incentive will be the potential ability to increase members' benefit.

Action Plan

The issue of interest needs to be specified with sufficient clarity and formal discussion with the President is required. The President will take the issue to the BoD and relevant standing committee. The rest will follow suit. (Note: if the standing committee is approached first, it will take the matter to the President, who'd then place it before the BoD).

Resource commitment from DCCI could be physical facilities and access to its member organizations where as katalyst is expected to provide funding support for the initiatives at least at the initial stages. Gradually more funding partners may be attracted to support the cause.

Entry Point
Standing
committee
on
agribusiness



Key Resource Person

Md. Shoaib Chudhury, Director DCCI, Agribusiness Standing Committee, can be the key resource person at DCCI. He has participated in the Institutional Dialogues and has interest in pursuing inclusive agribusiness. Also he knows about the internal decision making process of DCCI and can influence the decision making process of DCCI as well.

3.2.2 Bangladesh Fruits, Vegetable & Allied Product Exporters Association (BFVAPEA)

Mandate, Positioning & Influence

Bangladesh Fruits Vegetables and Allied Products Exporter's Association (BFVAPEA) was established in 1973 but got formalized in 1984 with the mandate of export promotion and diversification. Since its inception the association has been working to promote agricultural produce in global market and protect the interest of member-exporters. The association helps and promotes exporters to explore new agribusiness, investment and export opportunities. BFVAPEA has also been playing a vital role in advising the Government in relevant policy, quality control, marketing, storage and transportation to develop this sector.

Mandates

BFVAPEA is established with a mandate of export promotion and diversification of horticulture & allied products to export market. Agricultural product development and poverty reduction of VCAs through horticulture & allied product export. BFVAPEA is directly involved with inclusive agribusiness. BFVAPEA is planning to initiate mandatory contract farming for its member-exporters to fulfill one of EU's market standards. Beside that as a result of their advocacy, the government is in the process of constructing a central warehouse for exportable fresh produce.

Future Plans

BFVAPEA is planning to initiate mandatory contract farming for its member-exporters to fulfill one of EU's market standards. Beside that as a result of their advocacy, the government is in the process of constructing a central warehouse for exportable fresh produce. New plans of BFVAPEA will increase opportunities of inclusive agribusiness for members of the association.

Positioning

BFVAPEA is the only association for export of horticultural fresh vegetables, fruits, betel leaf and allied products to export market. They have more than 500 members, but currently 300 members are actively



involved with the business of fresh fruits and vegetables export. In 2011-2012 its members contributed 5.54% of the country's total export in terms of value¹⁶.

Inclusive Business Relevance

BFVAPEA is the association of organisations which export fruits, vegetables and other related products. They also provide service such as training to the grassroots level and advocacy service to the exporters, policy makers & relevant organizations. To small extent, they conduct research on agricultural products and explore potential export markets. They have formed a common platform for exporters of fresh fruits, vegetables and allied products. Target of the platform is to generate rural employment and increase income of the rural poor as well as agronomical and horticultural growers of Bangladesh through increased export of fresh vegetables, fruits and allied products from Bangladesh.

Given BFVAPEA's scope of work, they have huge opportunity of adopting inclusive approach and increase their export while doing it. But for most cases they are not doing it and seem uninterested. If their future plan of engaging all exporters in contract farming can be achieved, then it would be easier to convince them about inclusive business.

Inclusive Business Related SWOC

Strengths

Due of the nature of the business, its members have grass-root reach. It has a strong network with MoA, research institutes, government and non-government organizations, seed companies, public agencies (BADC, BARI, BARD & DAE) etc. They have strong connections in international market. On many occasions BFVAPEA has successfully influenced at policy level to pursue their agenda.

Weaknesses

BFVAPEA lacks financial resources to promote inclusive agribusiness by providing high standard training, promoting good agricultural practices, hygienic post-harvest practices, etc.

Opportunities

Business opportunities for Bangladeshi agro-exporters in the international market are expanding, so is the scope of the work for the association. Currently there is a market of 9 million Bangladeshis who are living in different regions of the world and prefer fresh fruits and vegetables from Bangladesh. Besides the market of Europe and Middle East, North America, Japan, South Africa is appearing as new export destination. Japan and America are interested to import mango, litchi and other fruits and vegetables,

¹⁶ Source: BFVAPEA profile



provided that all the phyto-sanitary requirements are fulfilled. Maintaining all the hygiene and safety factors

Challenges

Despite growing global demand, BFVAPEA members fail to capture most part of it due to air carrier scarcity. There are no direct flights or special air-cargo services from Bangladesh to most of these booming market-countries. Besides, unlike Thailand, India and Pakistan, there is no central or regional postharvest handling centre or packaging house that can cater the needs of exporters of high value fruits and vegetables. Moreover, lack of temporary storage facilities force the exporters to throw away the commodity that do not get transported on schedule or within the stipulated time.

Business Model

BFVAPEA maintains a small office and charge minimum fees from its member exporters for the services. With very limited capacity, sometimes they undertake development activities like- research, advocacy, training, etc. for export promotion and diversification with support from external funds.

Existing and Potential Customer Base

BFVAPEA provides training facility to the farmers through its members and advocacy services to its member exporters. Sometimes they arrange awareness programs for the members and farmers. Currently BFVAPEA has around 500 members from which 300 are actively involved in agribusiness.

Governance Structure & Internal Decision Making Process

Management

Management committee of BFVAPEA consists of 11 members. Generally election of the association takes place every three years. President and secretary are the top body of the association. They have the power to take any decision for the wellbeing of the members and the association. Beside them two co-presidents, two co-secretaries, three member directors and a cashier are also part of the management committee.



Stakeholder Analysis

Veto Players:

President and secretary are the top head of the association and decisions must be approved by them. They can undertake any activities for the interest of the association and can play as a veto player regarding decision making.

Key Stakeholders:

Executive committee member of BFVAPEA plays key role in execution of all BFVAPEA activities. Thus they will have a big say when a new issue will be pursued. Advisor of BFVAPEA play an important role in organizing training, workshops and seminars. Hortex foundation creates opportunities for direct linkage to facilitate the export of fresh agricultural produce. Hortex foundation act as an facilitator of agro-commodities export promotion in Bangladesh.

Recommendations

Ways of Overcoming Constraints & Challenges

Investing in capacity building, particularly in quality standard and compliance areas will enable member-exporters to maintain foreign market standard criteria and export more agricultural produce. Katalyst can intervene in this area to build farmers and exporters capacity to overcome this constraint. Support infrastructure like -handling, processing, packaging, storage, etc. are some major challenges faced by the BFVAPEA. Investing in support infrastructure is very crucial to optimize our export potential. This is another area where katalyst can intervene to help overcome these challenges.

Potential Collaboration (Common Areas of Work) for Katalyst and Action Plan

The areas in which Katalyst may collaborate with BFVAPEA in order to pursue inclusive agribusiness agenda are as follows:

- Organize training workshops on export-oriented quality standards and compliance
- Craft compliance-focused interventions (e.g. on GAP, good postharvest practices, and value addition)

BFVAPEA incentive is largely dictated by its ability to increase members' benefit.



Action Plan

The issue of interest needs should be specified with sufficient clarity and formal discussion with the President/Advisor is required. (If Advisor is used as the entry point, he will take it to the President anyway.) The President will take the issue to the Executive Committee. The rest will follow suit.
Resource support would come from Katalyst.

Entry Point

President
or
advisor

Key Resource person

Mr. Monjurul Islam, Advisor (BFVAPEA) can be the key resource person. He is knowledgeable about the internal process and has significant influence in decision making as he is close to the president. He is also responsible for the training facility.



Chapter 4: Universities and Training Institutes

4.1 Institutional Outlook: Relevance, Roles & Constraints

Although inclusive business/growth is somewhat new to the organizations of this institutional cluster, many are in fact involved in advancing the cause, unknowingly though. For example, SCITI, the Small and Cottage Industries Training Institute of BSCIC, has long been training small entrepreneurs was found to be unaware that they are in fact directly contributing to inclusive business. Likewise, BAU-GPC has long been undertaking research in agriculture and spreading the benefit to thousands of farmers and commercial nurseries (through training and extension) are in fact involved in advancing inclusive growth. On the other hand, universities such as Jahangirnagar University, Brac University, Eastern University and American International University have long been trying (or contemplating) to come-up with academic programs around agribusiness, but are yet to make a reasonable ‘discovery’ or success.

Training institutes have the potential to play a crucial role in developing agricultural knowledge among trainers (e.g. CERDI) and developing entrepreneurs at rural level (e.g. SCITI). These institutions have the reach and to some extent, mandates to obtain the results that an inclusive business would like to achieve. Still there are inbuilt constraints – for example CERDI has no business focus, SCITI has agricultural focus, none of these two has well-articulated inclusive business agenda. However, sound collaboration may potentially bridge such knowledge divide.

Potential role of the players under this institutional cluster may be as follows:

- Running technological and business research projects/programs
- Developing and offering innovative inclusive business training programs for market actors
- Collaborating with other stakeholders (public sector agencies, private sector and development community) to bridge the knowledge divide and develop a joint ‘capacity building product’ for executive training and targeted businesses
- Designing curriculum/courses for graduate/post-graduate studies on inclusive business/growth.
- Crafting and practicing inclusive business/growth models for its own service (knowledge/skill) delivery



However, the biggest challenge is probably about market readiness. For example, social perception towards agriculture sector is not so supportive for the students to demand an academic degree on (inclusive) agribusiness. For example, universities such as SAU did launch an agribusiness undergraduate program, which was later redesigned/renamed to BBA degree due to market pressure.¹⁷

IB-related Institutional Constraints and Challenges: Although this institutional cluster has its own diversity¹⁸, organizations are similar one respect: i.e. the level of understanding of IB approaches is new to many, if not all. This is a major hurdle to advance IB agenda. However, the organizational set-up is more or less conducive to the needs of IB approaches. For example, university such as BAU offers training/extension services for farmers and commercial nurseries, but it fails to do so under a comprehensive IB model. They lack both awareness and (comprehensive) capability in this connection. Although collaboration in general is widely accepted practice, collaboration in IB is still missing (again due to lack of awareness). Besides, funding is a key constraint for organizations under this cluster – either public or private.

4. 2 Selected Organizations of Influence

4.2.1 Bangladesh Agricultural University (BAU)

Mandate, Positioning & Influence

Mandate

Bangladesh Agricultural University (BAU) is the top University in higher agricultural education and research in the country. The main task of the university is to tone up the quality and standard of higher agricultural education and to produce first-rate agriculturists, agricultural scientists and researchers for shouldering the responsibilities of agricultural development of the country. The missions of university

¹⁷ The first few batches of SAU agribusiness graduates were finding employment very difficult in a market which was not ready to employ them or not aware of such development. This propelled long protest in the campus, forcing the authority to bow down and change the focus.

¹⁸ This cluster includes both specialized universities (e.g. agricultural) and training centers (public servant training) as well as general education and training institutes – both under public and private management.



have been to develop the art and science of agriculture for the well being of mankind, and to educate agriculturists of high standards of scientific, managerial and professional competence in harmony with the environment, and to share knowledge and skills with world partners. There is no direct relation to inclusive business mentioned in BAU's mandate. But the quality of students that BAU is producing is quite capable of promoting and practicing inclusive business in the agricultural sector of our country.¹⁹

BAU-Germplasm Center (BAU-GPC)-The largest fruit bio-diversity center in Bangladesh provides one stop service for fruit conservation, diversity, research, development, extension, education and recreation. Initially the project was established on 1 acre of land in 1991 funded by Swiss Agency for development and Cooperation (SDC) whose mission was established of a seed bank and extension of technologies among the farmers. About 8500 thousand plants of 161 species have been planted and being maintained in this Germplasm Centre.

Positioning & Influence

In Bangladesh, BAU is the oldest leading institution in the area of Agriculture with more than 40 years of international reputation. It is also the second highest budgeted public university in Bangladesh for the year 2013-2014. BAU's unparalleled research in agriculture has made it very recognized university in whole ASIA continent. Having a very low ratio of teacher-student, quality of education in BAU is brilliant and remarkable.²⁰ It produced a huge numbers of scientists, researchers and graduates who play important roles in the alleviation of agriculture by developing and improving the modern technologies in Bangladesh as well as all over the world in the agricultural sector.

BAU Germplasm Centre (GPC) is the largest depository/germplasm centre of fruits, medicinal plants and agro forestry in Bangladesh as well as second largest in the world next to Miami, USA with Dr. M. A. Rahim as the Project Director.²¹ BAU Germplasm Center is continuously working to provide new varieties of fruits at lower cost to the farmers. It gives BAU-GPC an added advantage compared to other Agricultural Universities of our country. BAU-GPC at present conserves 220 varieties of mango, 57 varieties of guava, 25 varieties of litchi and 48 varieties of citrus. 94 accessions of jackfruit, 67 species of minor fruits and 52 species of exotic fruits collected from 47 countries including 97 species of medicinal plants. BAU-GPC-FTIP has been released total 70 varieties of fruits already.²² Thus BAU-GPC's continuous effort makes itself different from other institutions of its kind.

¹⁹ <http://www.bau.edu.bd/#>

²⁰ http://en.wikipedia.org/wiki/Bangladesh_Agricultural_University

²¹ <http://www.eduicon.com/Feature/Details/120.html>

²² Bangladesh Agricultural University Research Progress, Volume-22, 2011. Proceedings of the workshop of BAU Research Progress, 02-03 April 2012



IB Relevance

BAU has a lot of extension works going on. There are 40 Associations of Mymensingh sadar with 3 Associations of Trishal and Gouripur upazila where agricultural extension and village development activities are being carried out by the Bangladesh Agricultural University Extension Center (BAUEC). Besides, Vegetables Cultivation Schemes are going on 10 Primary school, High schools, Madrashes & Orphanages under Mymensingh sadar, Trishal, Gouripur and Phulpur Thanas. 48 ideal houses have been selected to introduce Farm Management in Agricultural Development. As many as 10,005 farmers have so far attended 36 training programs arranged by BAUEC.²³

A huge number of quality planting materials of different species are being produced and being distributed by BAU-GPC to growers through DAE, BADC, CARE, CARITAS, GKF, Proshika, BRAC and World Vision and many other organizations for establishment of mother tree orchard, mini mixed orchards and plantation of QPM. Lots of saplings are being distributed free of cost to the helpless people affected by flood, drought and disasters. A total of 10000 officers, field workers and farmers of different government and non-government organizations have been trained in this BAU Germplasm centre.²⁴

IB Related SWOC

Strength

BAU offers training support to nursery owners and farmers at large volume. It has a huge depository of fruit plants, medicinal plants etc. BAU is connected with other universities, agricultural related organizations and government and acts as the prime knowledge hub for the development of agriculture sector.

Weakness

As BAU does not have an explicit inclusive business promotion mandate, it lacks the orientation as well as organizational set up to pursue such mission. And the works of researchers and academicians are not approached from inclusive agribusiness point of view.

Opportunity

As the BAU-Germplasm center has interest in knowledge capitalization, training and awareness building, all these can be done from inclusive agribusiness development point of view.

Challenges

BAU's research and extension activities are external fund dependent, a phenomenon that may sometimes push it to financial uncertainties and force it to follow donor mandates.

²³ <http://www.bau.edu.bd/BAU-at-a-Glance>

²⁴ <http://www.eduicon.com/Feature/Details/120.html>



Existing and Potential Customer Base

BAU has been the principal supplier of skilled human capital for modernizing our national agriculture since its establishment in 1961. BAU has 549 teachers combining all the departments and 5284 current enrolled students. So far 36,833 graduates passed out from BAU. The Graduate Training Institute (GTI) of BAU offered 898 pre-service and in-service training courses including 14 international training programs & 55 workshops. A total of 20,027 people were trained under GTI including foundation training of University teachers & Officer.²⁵

BAU conduct basic and applied research in various aspects of agricultural problems faced by farmers, change-agents and agro-industrialists with a view to recommending possible measures for solving them. BAU strives to provide training for personnel of different government and non-government organizations and also for farmers and farm-leaders on various aspects of agriculture and rural development. BAU is also providing support to 1000-2500 farmers exclusively to build their capacity along the value chain.²⁶

Governance Structure & Internal Decision Making Process

BAU has a *syndicate*, the vice-chancellor Professor Dr. Md. Rafiqul Hoque is the Chairman of the *syndicate*. This *syndicate* has in total 12 members including dean of the departments, professors and secretary. BAU also has *planning committee* and *finance committee* and Mr. Hoque is the Chairman for both committees too.²⁷

BAU has 6 faculties, namely Faculty of Veterinary Science, Faculty of Agriculture, Faculty of Animal Husbandry, Faculty of Agricultural Economics & Rural Sociology, Faculty of Agricultural Engineering & Technology, Faculty of Fisheries and 43 departments in total.

Stakeholder Analysis

Veto Players:

The Prime Minister of the Peoples' Republic of Bangladesh is the Chancellor of the university and the Vice-chancellor is the Executive Head. Any decision must go through their concerns to be implemented in the University. They preserve the right to accept or deny any change or new practice in the institution.

²⁵ <http://www.bau.edu.bd/BAU-at-a-Glance>

²⁶ From the discussion of institutional dialogue

²⁷ <http://www.bau.edu.bd/Syndicate>



Key Stakeholders:

Government of Bangladesh (MOA, MOF, etc.), research support from USAID, World Bank, International development Research Center and funding support from DFID, FAO, IRRI, EU, DANIDA, United States Department of Agriculture etc. are par of BAU's key stakeholders as BAU depends on them for funds, research support and expertise.

Recommendations

Ways of Overcoming Constraints & Challenges

BAU does not have an explicit inclusive agribusiness promotional mandate. Thus, getting engaged in intervention to introduce the inclusive agribusiness concept can overcome this problem on hand. To accelerate the process, awareness building among students and faculties on the concept of inclusive agribusiness and its far reaching benefit is required.

Potential Collaboration (Common Areas of Work) for Katalyst and Action Plan

There is scope for providing joint training program for example on agribusiness, commercial nursery management etc. There is also scope for joint certificate program, bridging between our Agricultural Universities and Non-agricultural Universities. It will certainly help the students to have the orientation of agricultural knowledge while having a professional degree.²⁸ Also training of commercial nurseries and farmers is a crucial area where GPC-BAU is already involved in and can enhance and expand their services nationwide. Thus potential areas of collaboration are as follows:

1. Joint training program: short courses and/or diploma in agribusiness management, entrepreneurship development
2. Training of commercial nurseries and farmers (re technology popularization)

And while collaborating for inclusive agribusiness, BAU can partner with an anchoring knowledge partner to offer courses in agribusiness/agro-entrepreneurship, inclusive business etc. Also it is better to approach departments and centers rather than BAU as a whole to avoid unnecessary long bureaucratic process of engagement.

²⁸ Based on the discussion on Institutional dialogue.



Action Plan

While collaborating with BAU relevant head of the Center/Department should be approached. And s/he would determine the next course of action and advice accordingly. Katalyst may wish to get one anchor knowledge center engaged that may work sustainably in the area of inclusive business/agribusiness

Individual faculty/researcher should be approached who then will take it to the Head. The rest will follow suit.

Resource support would come from Katalyst.

Entry Point

Individual center or department – through concerned researcher or the Head

Potential Resource Person

The potential change agent from BAU can be **Professor Dr. Md. Abdur Rahim**, Department of Horticulture. He is also the project director of BAU-GPC. Prof. Dr. M. A. Rahim received prestigious Dr. Normen E. Borlaug International Science and Technology Award 2008. Mr. Rahim is ready to accept any new strategy or addition to existing strategy that will benefit the farmers our country.

4.2.2 Sher-e-Bangla Agricultural University

Mandate, Positioning & Influence

Sher-e-Bangla Agricultural University (SAU) is located in Dhaka and stands on 86.92 acres (35.19 ha) of picturesque land. The "Sher-e-Bangla Agricultural University Act 2001" was passed in the national Parliament on 09 July 2001. SAU has started functioning as a University from the year 2001 with a single faculty, namely Faculty of Agriculture. Agribusiness Management, the second faculty has been started functioning from the year 2007. Two more faculties namely 'Animal Science & Veterinary Medicine' and 'Fisheries & Aquaculture' started their journey in the academic year 2012.

Mandates

The mission of the Sher-e-Bangla Agricultural University is based on the firm belief that Agricultural education, specially higher education provides a critical pathway to leadership development in the field of academic and research as well as more broadly in achieving sustainable agricultural development, economic progress and social development of the country. SAU at present is playing very vital role in



agricultural research and development (R&D) of Bangladesh through creation of knowledge, agricultural technology generation and transfer, crop diversification and intensification for the benefit of farming communities.

Inclusive business is not in SAU's mandate directly. But as a university, scope of their mission can be very wide. From that perspective, SAU can use their graduates as a tool for promoting inclusive practice.

Future Plans

Some future plans of SAU are:

- Over 150 highly qualified brilliant faculty members are shouldering the academic responsibilities as well as other research activities of the students. About 35-40 more faculty members are going to be recruited very soon for smooth and effective academic progress of the University.
- Launch diploma/certificate course on agribusiness (After construction of new Agribusiness Management Building is completed, likely after 2015)²⁹
- Development of new technologies by potential researchers through Sher-e-Bangla Agricultural University Research System (SAURES)

Positioning

Sher-e-Bangla Agricultural University is the oldest agricultural institution in Bangladesh and South Asia, being established on 1938 as Bengal Agricultural Institute (BAI) and later upgraded to university in 2001 renaming as Sher-e-Bangla Agricultural University. SAU became the 17th public university of the country in 2001 and now one of the leading agricultural universities in Bangladesh. They have a significant role in public sector agriculture and come next to Bangladesh Agriculture University in terms of influence.

Inclusive Business Relevance

Sher-E-Bangla Agriculture University is one of the top agriculture based education providers of Bangladesh. Their students are working at many levels, all around the country and engaged in one form of agricultural development or another. For University it is difficult to directly engage in inclusive business, but it is possible to prepare their graduate so that when they will work for an organisation they can pursue inclusive agenda. Such an initiative of SAU is launching agribusiness management bachelor degree.

²⁹ SAU interview



Agribusiness Bachelor Degree in SAU

Faculty of Agribusiness Management in Sher-E-Bangla Agriculture University is rare of its kind which had major focus on agribusiness. They launched Bachelor of Science in Agribusiness Management as an initiative to produce graduates who would be able to drive the agribusiness sector of Bangladesh. The degree consists of total 160 credits (120 Cr in business and 40 Cr in agriculture). But after two-three batches of student graduated, students begin to find it difficult to get jobs. Because this was a new sector and most job circulars (especially government jobs) did not mention this special sector. Few years later academic authority, under immense pressure from students changed the degree name to BBA in Agribusiness.

SAU also engages in various research works, both independently and in collaboration with donor or other organisations. One such example is “Mrittika” software for fertilizer.

Research for software based fertilizer recommendation³⁰

SAU has collaborated with America Grameen Intel Social Business for a project where computer software will recommend dosage of fertilizer for cultivation lands. This project is titled Project Harvest and the software is named “mrittika”. Piloting Project Harvest was conducted on research lands of SAU. According to the project team utilisation of this software will double crop production.

Inclusive Business Related SWOC

Strengths

- SAU has a dedicated department for agribusiness management and a BBA degree (with specialization in Agribusiness).
- Faculty members of SAU have interest to get involved (inclusive) agribusiness related activities.
- SAU has network with large agribusiness companies like ACI, Pran & Aftab.

Weaknesses

- SAU has no incentive to change current agribusiness degree curriculum.
- Due to lack of resources (including physical infrastructure) at present they are not able to address the agribusiness agenda rigorously

³⁰ www.grameen-intel.com/projects/project-harvest



Opportunities

- The university is expanding, so is the size of the sector. More and more agribusiness companies are joining the industry, which would at certain point demand agribusiness graduates.

Challenges

- Demand for agribusiness specialization among students is low. Also employers need to post job circular in a customized format highlighting degree or certificate requirement in agribusiness. Private sector employers are often not aware of such specialization and cannot realize utility of these students. Like, government, their job circulars do not have any focus on agribusiness.
- Lack of knowledge resource (experienced agribusiness faculties) and infrastructure resource (some departments do not have permanent building yet)

Existing and Potential Customer Base

Nearly 5700 graduates plus 600 postgraduates have so far been produced by the Sher-e-Bangla Agricultural University. Graduates of this University have been playing pioneer role in the development of agricultural system and agro-based economy of the country. Number of currently enrolled undergraduate and postgraduate students is about 2500.

Governance Structure & Internal Decision Making Process

How SAU was formed:

The Bengal Agricultural Institute (BAI) was established in 1938. After the emergence of Bangladesh as an independent country in 1971, the name of the institute was spontaneously changed to Bangladesh Agricultural Institute (BAI). Since its inception in 1938, the BAI had been functioning as a "Faculty of Agriculture" under Dhaka University. Meanwhile with the establishment of Bangladesh Agricultural University (BAU) at Mymensingh in 1961 its academic function was transferred to BAU in 1964 till it's up gradation to Sher-e-Bangla Agricultural University in 2001.

Academics³¹

There are four faculties; Faculty of Agriculture, Faculty of Agribusiness Management, Faculty of Animal Husbandry & Veterinary Medicine, Faculty of Fisheries & Aquaculture (Proposed). Faculty of Agribusiness Management is the most relevant in terms of pursuing inclusive and agribusiness agenda.

³¹<http://www.sau.edu.bd/academics/departments>



This faculty consists of five departments; Agricultural Business & Marketing, Agricultural Statistics, Agricultural Economics, Development and Poverty Studies, Management & Finance.

Stakeholders

Veto Players:

Academic Committee/Council/Syndicate for curriculum issue, Relevant Unit Head (Department Chairman, Center Director) for research/extension intervention. New agendas or important matters in hand are usually discussed and decided in academic committee meetings. As other public universities, this is also true for SAU. Department Chairman has a strong say and can give veto in any decision regarding his department.

Key Stakeholders:

All government funds come through University Grant Commission. But, they do not intervene in the institution's internal matters. Donor agencies often fund research projects, also university faculties from time to time participate in their project.³²

Recommendations

Ways of Overcoming Constraints & Challenges

Get engaged in intervention to share the inclusive business concept and its benefit among the faculties, students as well as potential employers. This will work as awareness building and sensitization among the key stakeholders of the university. As more agribusiness companies are joining the industry, which would at certain point demand more agribusiness graduates with specialization at different fields. In such case, orientation in inclusive agribusiness would be of added benefit.

Potential Areas of Work for Katalyst and Action Plan

Joint training program: Introduce short courses and/or diploma in agribusiness management, entrepreneurship development from inclusive agribusiness point of view. As demand for bachelor degrees in agribusiness is low, a diploma/certificate course can alternatively prepare set of enthusiastic professionals who are already in agriculture sector or students who want to develop sector expertise in

³² Button mushroom production in SAU, funded by USDA and Bangladesh Academy of Science



short time. Swisscontact-Katalyst can share their knowledge resource in such initiatives and also facilitate the training/short course in collaboration with SAU.

While offering training, SAU can partner with an anchoring knowledge partner to offer courses in agribusiness/agro-entrepreneurship, inclusive business etc. for greater sustainability.

Action Plan

While collaborating with SAU relevant head of the Center/Department should be approached. And s/he would determine the next course of action and advice accordingly. Katalyst may wish to get one anchor knowledge center engaged that may work sustainably in the area of inclusive business/agribusiness.

Individual faculty/researcher should be approached who then will take it to the Head. The rest will follow suit.

Re resource support, Katalyst (programs & module development cost and partial support for marketing), SAU & anchor-Training Institute (partial cost).

Entry Point
Individual center or department – through concerned researcher or the Head

Decision Making Process

Current Dean of Agribusiness Management needs to be approached first for making any proposal or approach regarding collaboration.

Key Resource Person

Prof. Zulfikar Ahmed Reza, Dean, Faculty of Agribusiness Management. He is former dean of the faculty and was in charge while launching the agribusiness bachelor degree. As a syndicate member, he not only has influence in the administration but also has first-hand experience of taking such initiative and the challenges of it.



4.2.3 Bangladesh Public Administration Training Center (BPATC)

Mandate, Positioning & Influence

Bangladesh Public Administration Training Centre (BPATC), the apex training institute in the public sector, emerged as an autonomous organization in 1984 under the Bangladesh Public Administration Training Centre Ordinance 1984. New entrants to the Bangladesh Civil Service, the Deputy Secretaries (& their equivalents) and the Joint Secretaries (& their equivalents) are target audience of BPATC.

Mandates

BPATC's vision and mission focus on development of civil service officers and armed forces officers through various training, workshop, research and human resource development programs. BPATC is currently top human resource development institution in Bangladesh for the Public Sector officials. There is no explicit mention of inclusive business in the objectives and mandates of BPATC, also there is no indication that in future inclusive business will be included. Agriculture or poverty reduction is also missing from their focus. But after discussion with the organization's officials, it can be said that if the higher ups are convinced of the benefits of inclusive business orientation among the public servants, they may later on opt to include it into the curriculum in a format applicable.

Positioning

BPATC has a unique and niche target for their service. Different levels of BCS (Bangladesh Civil Services) cadets and armed forces officers are being trained here, from new entrants to very senior level. For new entrants, all of them (including those from agriculture cadets) are provided training here. There are many training institutes at public and private sector but BPATC is the only institution to cater training service to BCS cadets.³³

According to public administration policy (PATP) 2003, BPATC is entitled to get necessary support from government to establish itself as apex training institution and as a think tank capable of providing advisory service to the government on public policy, administration and management.

BPATC conducts researches based on government need and demand. We are not certain how the research activities are prioritized, whether there is any specific guideline or not. But from the list of researches they have already conducted we can assume that they mostly fall under need assessment or evaluation category. For example, Performance Appraisal System for Class-I Officers in Bangladesh or Curriculum Development and Training Needs Assessment of Class-II Gazette Officers – these studies are conducted to find a way forward and recommend government next steps to be taken. Recommendations such as specialised training courses on performance appraisal or certain courses to be

³³ www.bpatc.org.bd



dropped or added in the training are usual. Advisory function of BPATC is basically based on recommendations of such researches.

Influence

PATC is in a unique position to influence as they both provide foundation course and specialized course. Among public servants it has high regard as they all the cadars services get trained here.

Future Plan

From the paper “Strategic Plan for Institutional Development of BPATC 2013-2021” we can see BPATC has set seven strategic goals for next eight years. In brief they are:

- 1) Integrated human resource management system
- 2) Client focused quality training and education programs
- 3) Innovative management practices
- 4) Quality infrastructures and learning aid
- 5) Leadership in research and consultancy in the area of training and HRD, governance and public management
- 6) Strategic partnership and networking with reputed national and international institutions for enhancing organizational capacity
- 7) Policy autonomy through legal and structural reform

No. 6 & 7 can be crucial for promoting inclusive business in the public sector organisations. In one hand, partnership with BPATC will be required for promoting inclusive business (e.g. add new topic in the curriculum or arrange lecture classes) inside the organisation. On the other hand policy autonomy will make any intervention through PATC (e.g. pushing IB in government agenda) easier and more effective.

Inclusive Business Relevance

Among BPATC’s core activities, there are:

- Training: Focus of the training programmes are development of the conceptual and technical base while short specialized courses focus on the development of skills of specific clientele groups.
- Human resource development,
- Research: Total 113 researches have been so far successfully completed by BPATC. Most of them are regarding training needs assessment, case investigation or study of current systems and procedures.
- Workshop: BPATC also conducts a number of workshops each year. Topics of the workshops are decided from time to time through faculty meeting. Number of participants of each of the



workshops varies from 30 at the minimum to 40 at the maximum. Experience shows that recommendations of these workshops have made valuable contribution towards the identification and solution of many important national issues.

Reviewing all the activities and projects of this organisation, it's been found that BPATC is not involved in inclusive business or agribusiness. Although in foundation training course, trainee officials are taught agriculture related topics to some extent but agribusiness is not covered in the curriculum. Saying that, the workshops BPATC conducts can be a significant point of entry to push inclusive business in their curriculum. An explicit focus is missing here. In spite of that, through their workshop or short training programs BPATC can build capacity of government officials (regarding inclusive business and agribusiness). From that perspective BPATC has a potential role to play to pursue inclusive agenda.

Inclusive Business Related SWOC

For analyzing strength, weakness, opportunity and challenges we have utilized the findings from depth interview and various documents and publication of BPATC. Specifically, we have largely depended on a document titled "Strategic Plan of Institutional Development of PATC 2013-21". This document is basically a strategic planning of the organisation for coming years based on their analysis.

Strengths

Brand image and influence as apex training center: BPATC, blessed by ministry of education, ministry of finance and ministry of public administration has grown to become top training institute for government officials. Since its inception BPATC has covered 13,218 new entrants, 2,389 Deputy Secretaries and 1,192 Joint Secretaries. Given the large number, BPATC's influence among all levels of civil and army officers are profound. As such, BPATC can be very useful for creating awareness or sensitization among government officials regarding inclusive business.

Strong administrative and financial support from the government, sufficient budget to pursue its own mandate: Along with ministry of education, ministry of finance and ministry of public administration PATC also occasionally enjoys assistance from donor agencies such as JICA, DFID etc. Along with sharing resources often experienced senior civil service officers come to work in PATC on deputation. Therefore if inclusive agenda can be pushed into BPATC's mandates, they will be able to run inclusive business focused programs (training, workshop etc.) with their own fund.

Institutional Autonomy: BPATC administration can take independent decision on organizing workshop, seminars and curriculum. Hence if any seminar or workshop on inclusive business is to be organized, the decision making process will be quicker than other public agencies.



Weakness

Quality improvement scope (in terms of content and delivery) in training modules

BPATC trainings are run in traditional ways and in many cases trainees feel there are scopes of improvement. Changes in training method as well as in curriculum, use of modern training equipment are considered some of the ways to improve training quality of BPATC.³⁴

Influence of Ministry of Public Administration:

Although BPATC enjoys a significant amount of autonomy, even then it is under influence of several ministries such as Ministry of Finance, Ministry of Education & Ministry of Public Administration. Among these Ministry of public Administration has highest influence and often interferes in decision making of BPATC.³⁵

Inclusive business and agribusiness is currently not in BPATC focus:

This is a major obstacle regarding any collaboration with them. Although agriculture is included in the training curriculum but there is no special focus on agribusiness. Generally PATC personnel would be reluctant to pursue this issue. Because BPATC is a public administration training center, they want to strictly stick to their main objectives.

Opportunity

Being a capacity building institution for BCS Cadars, the inclusive agenda can very well be disseminated among future policy makers so that when they are appointed at different district or upazila level posts and elsewhere, they can apply the concept at work.

Challenge

Due to a growing training market, private sector training service providers are often successfully offering training programs. For example JICA provides training to Bangladesh Government Officials engaged in different fields of the country's socio-economic development and for the Organizations which are approved by the Government of Bangladesh. Future leaders(FLS) is a private sector enterprise committed to developing human resources through training. In the public sector, they have provided services to Securities and Exchange Commission (SEC), PKSf and BPATC. These private organizations are often providing training to corporate executives, in recent times have started penetrating in the public

³⁴As mentioned and recommended in "Strategic Plan of Institutional Development of PATC 2013-21"

³⁵Same as 3



sector arena. Funded by donor agencies, they have already designed and offered courses to the cadars of Bangladesh Government. The government has also implicitly recognized their role and importance by nominating its members to undergo training in those institutions. In near future government might have to allocate a good chunk of their budget for such organisations.

Business Model

BPATC receives fund mainly from government. Along with ministry of public administration, finance ministry and education ministry are also tagged with this organisation. Fiscal budget allocates yearly fund for them. Other than that BPATC also receives project based fund from donor organisations such as JICA, World Bank, DFID etc. JICA was involved in Phase-1 and 2 of TQM project; DFID was involved in MATT-1, MATT-2 HRD Programmes.

As their core service is human resource development, a significant amount of budget is spent on facilitation of training, compensation of regular staffs and trainers. Other than these, it is also responsibility of BPATC to create a congenial environment for attracting trainees and trainers for making the training process enjoyable and attractive. As a result, a large portion of the budget is also spent for accommodation and other maintenance of the infrastructure of the organization.

Existing and Potential Customer Base

BPATC training programs mainly cater to civil service officers and armed forces officers. Officials of different seniority level participate in BPATC training. Currently three levels of officials receive regular training at BPATC.

- i. Foundation training course (for newly joined BCS cadars), 3 batches per year, each batch contains 270 students.³⁶ A tentative list of topics covered in the training is provided in the annex.
- ii. Deputy Secretary level training, 4-5 batches per year
- iii. Higher level training, 3 batches per year.³⁷ A tentative list of topics covered in the training is provided in the annex.

³⁶ Major Topics are: Introducing Bangladesh, Governmental System, Leadership Behavior, New Public Management, Office Management, Financial Management, Basic Economics for Civil Servants, Social Research Methods, Environmental Management and Sustainable Development, Gender and Child Rights, English Language Skills, Information and Communication Technology.

³⁷ Divided in seven major parts, main topics of this training course are: Foundation Lectures, Administrative Structures and Processes, Programme Administration, Roles and Responsibilities Senior Administrator, Field Study, Writing a Seminar Paper, Short Visit to a Foreign Country was for a comparative study of problems and processes.



Foundation training courses for the new entrants of all cadres of Bangladesh Civil Service has covered 13,218 participants till 2011. Over the last 27 years³⁸ BPATC imparted as much as 87 batches of advanced course and development covering 2,389 Deputy Secretaries and equivalent officers from armed forces. BPATC also successfully completed 61 batches of senior course covering 1,192 Joint Secretaries and equivalent officers from armed forces. Other than core courses BPATC also covered 9525 participants of different levels by imparting seminars, workshops, special training programmes etc.³⁹ Training courses are conducted by internal faculties of PATC. A list of faculty is provided in the annex.

Governance Structure & Internal Decision Making Process

Board of Governors (BoG) is the top body of the organisation. Member Directing Staffs (MDS) precedes them by designation and supervises Directors, Deputy Directors and Assistant Directors of several departments.

The Board of Governors consists - Honorable Minister, Ministry of Finance; One Cabinet Secretary ; Senior Secretary from Ministry of Public Administration; Rector, BPATC; One Senior Secretary from finance division, Ministry of Finance; One Secretary from Ministry of Education; President, FBCCI; Vice Chancellor, Jahangirnagar University; Vice Chancellor, National University; One Major General , PSC Commandant.

Member Directing Staffs include six additional secretaries. Under their supervision there are around 16 directors under several specializations such as public administration, economic theory, governmental system, international program, research & development, evaluation, Planning Programming & Recording, Operation etc. Faculties conduct training classes based on their respective specializations. Also there are some directors who are responsible for administrative works of BPATC. Around 30 deputy directors are working under these directors.

Stakeholder Analysis

Veto Players:

Rector, Board of Governors (BOG), Ministry of Public Administration,

Rector by position is the head of the organisation and decisions must be approved by him. Board of Governors, headed by Minister, Ministry of Finance consists of influential members such as senior secretaries from ministry of education, ministry of public administration and ministry of finance, professors from reputed universities, FBCCI president and Rector himself. As these members and their

³⁸ From the year of inception 1984 to till the year of strategic plan 2011

³⁹ Strategic Plan of Institutional Development of PATC 2013-21



organisations have big contribution in BPATC's policy and implementation level they can strongly recommend or oppose any newly raised issue.

Key Stakeholders:

MDS (six members directing staff), Different Govt. ministries & agencies

The six members directing staff (MDS) plays key role in execution of all BPATC activities. Thus they will have a big say when a new issue will be pursued. For organizing workshops and seminars focus people will be trainee public officials of different level (as there are both new entrants and higher level officers who receive training here). Their opinion in general will play an important role to progress inclusive issue in BPATC.

Recommendations

Way of Overcoming Constraints & Challenges

Getting engaged in intervention to share the inclusive business concept and its benefit among the faculties, trainees would make them aware of the cause. Once the members buy the concept, they may include it within their training courses. As a result, IB awareness will be created at public policy and administration level.

Potential Collaboration (Common Areas of Work) for Katalyst and Action Plan

Potential collaborative approaches can be: (i) Seminar/workshop (day/half-day long) to sensitize BPATC senior level trainees, and (ii) Lecture classes for junior (Foundation Training Courses) level cadars

1. Immediate run: Seminar/ workshop for senior level participants
 - Participant level: Deputy secretary and Joint Secretary
 - Cohort size:30-35 participants
 - Duration: ½ day-long
2. Intermediate run: Lecture classes for entry level participants(3 batches per year)
 - Participant level: Entry level cadres,
 - Cohort size: 70 participants (270 participants per batch divided into 4 sections)
 - Duration: 1~2 class sessions

Seminar/workshops can be initial steps of sensitizing deputy and joint secretaries who come to BPATC, while lectures in the foundation courses would build awareness among freshly recruited public servants who will get posting all over the country. Inclusion of the inclusive business/growth agenda in the curriculum may be proposed only later.



Though intervention plan does not directly meet BPATC mandate, in their struggle to improve curriculum quality, such initiative can help the cause. Initially new entrant officers can be addressed through lecture classes. In this way approximately $270 \times 3 = 810$ Civil service officers (entry level cadars) can be addressed and sensitized regarding inclusive business in one year. Also through seminars a great number of senior level secretaries (35 per batch, 2 batches per year) can be addressed.

Through this initiative, Katalyst can gain a big pool of influential government officials, who are aware of inclusive business and ready to take it to the next level. Also through sensitization of a significant number of PATC trainee and key stakeholders, it will be much easier to propose some development or addition to current PATC curriculum regarding inclusive business.

Action Plan

The only viable entry for Katalyst is through seminar and workshop, the Rector should be approached and made an advisor to the (proposed) Seminar Steering Committee. S/he will appoint a director and a coordinator to oversee the execution. The rest will follow suit. If this exercise becomes a success, insertion of regular classes on IB may be discussed at a later stage. And in that case, CDC (curriculum development committee) will be involved in the process.

Entry Point
Rector, may be through Director Planning

Key Resource Person

Mr. TouhidurRahman, Deputy Secretary, Planning, Programming & Recording (PPR), can be the key resource person in BPATC. PPR Department of the Centre appoints Workshop Administration and nominates the participants of the workshops according to the theme of the paper of the workshops He oversees the arrangement of daylong or shorter duration seminar and workshops, which might be the first step for collaboration. Also he is knowledgeable about internal process and decision making of BPATC while holding a significant influence in decision making.



Chapter 5: Think-tanks and Research Institutes in Advancing Inclusive Business

5.1 Institutional Outlook: Relevance, Roles & Constraints

Although inclusive business/growth is discussed to some extent among the think tanks and research community, it is not always pursued vigorously targeting change in the policy or business environment. BIDS and Bangladesh Bank, although working in few project-based initiatives involving agricultural sector, are not yet able to bring out much result in promoting inclusive business. CPD, due to the absence of a core resource person in agriculture, has little focus on agriculture and agribusiness. However, KGF being the research funding institution in agriculture sector can play important role in shaping the agenda of agriculture and agribusiness by promoting research works in relevant areas.

Think tanks may potentially become more active in debating policy issues and advocating pro-business government involvement in a agriculture-led inclusive growth regime. The potential role of these organizations may include the following:

- Pursuing policy research to formulate and impact government policies in order to advance inclusive agri-business.
- Conducting advocacy to promote inclusive agri-business
- Collaborating with other stakeholders (public sector agencies, private sector and development community) to influence their practices and impact public policies involving inclusive business enabling environment (iBEE)
- Developing innovative inclusive business models for policy makers as well as market actors
- Crafting inclusive business/growth models for its own advocacy and, if possible, for service (knowledge/skill) delivery

IB-related Institutional Constraints and Challenges: This institutional cluster enjoy (relatively) better understanding of the IB concept, but lacks capability to innovate winning inclusive business models. Although it has leverage to influence policy, lack of true and complete internalization of the concept (as well as its philosophy and its utility) restricts more meaningful policy contribution targeting promotion of IB. However, organizations under this institutional cluster do pursue activities, projects and programs that carry elements of IB approaches (though not complete). In terms of advancing IB, human capital and, for some, financial resources are the cross-cutting constraints of this institutional cluster.



5.2 Selected Organizations of Influence

5.2.1 Bangladesh Bank

Mandate, Positioning & Influence

Bangladesh Bank (BB) is the central bank and apex regulatory body for the country's monetary and financial system. It performs all the core functions of a typical monetary and financial sector regulator, and a number of other non-core functions.

Mandates

Its mandate includes carrying out the main central banking functions and supporting rapid broad based inclusive economic growth, employment generation and poverty eradication in the country. Currently, it has special interest in inclusive business in the sense that it has dedicated interventions in agriculture, rural economy and SME development (which, according to many, is beyond the central banking activity).

Positioning

Bangladesh Bank holds the regulatory position in the financial sector and monetary policy management of Bangladesh. It has authoritative power on all banks and non-bank financial institutions (NBFIs). Among other things, it manages money supply and supervises commercial banks and NBFIs in matters of overall investment and financing activities. Through its control over the financial system, it can reach each and every corner of the country. For instance under the current regulatory regime each bank must dedicate at least 2% of its portfolio for agriculture. This has created an opportunity for increased investment in the agricultural sector. Thus if inclusive agribusiness can be promoted through Bangladesh bank, the total financial sector of the country can be brought under such inclusive orientation.

Influence

Besides overall supervision, BB guides the commercial banks and non-bank financial institutions (NBFIs) in the areas of credit and financial services for the farmers as well as people engaged in agriculture and agribusiness. BB also has collaboration with organizations such as SMEF, DCCI, etc. and hence exerts influence on them. However, Bangladesh Bank's work in the area of access to market, fair distribution of value, etc from the perspective of inclusive agribusiness, is largely missing.



IB Relevance

Bangladesh Bank pursues a number of non-core functions one of which is facilitating and supporting SMEs (targeting farmers and value chain actors) involved in agriculture and agribusiness sectors. As mentioned earlier BB has introduced agribusiness -inclusive policy by mandating commercial banks to maintain a minimum of 2% of their loan portfolio in agriculture and agribusiness

By actively supporting entrepreneurship development in agriculture and agribusiness to help include the rural base within the financial system, they are making it easier for SMEs and agricultural sector to take loans to finance existing business and/or to start new business. For example farmers are now allowed to open their bank accounts with only ten taka. It has also increased agricultural credit facilities for farmers, making it mandatory for all banks to increase the agro-portfolio. Under the current regulatory regime each bank must dedicate at least 2% of its portfolio for agriculture. This has created an opportunity for increased investment in the agricultural sector.

Besides, BB has a dedicated department – named SME and special programs department – through which it promotes entrepreneurship (including in the area of agro-processing). To support establishment and operation of agro-processing industry, it has prepared a priority list of 37 product-categories. Through SME division, BB ensures loan to SMEs, marginal farmers and entrepreneurs at reduced interest rates and facilitates capacity building support towards agro SMEs. Other than providing fund, BB runs awareness building campaigns, road shows, workshops, seminars etc. and arranges product fairs every year to promote SMEs.

IB Related SWOC

Strengths

Bangladesh Bank being the regulator advocates the legal issues and sets standard for other commercial banks. They also have a huge agro SME reach at the grassroots. For instance, to widen and strengthen SMEs, recently Bangladesh Bank has formed SME and Special Programs Department; to enhance investment in this sector especially to help women in increasing their contribution to industrialization, BB is detecting the hindrances on the way. In this regard it has been made mandatory that at least 15% of the credit will have to be disbursed among women entrepreneurs.



Weaknesses

The bank has limited resources for pursuing inclusive business agenda⁴⁰. Further more, being the central bank, pursuing inclusive business agenda is deemed to be beyond its core activities and there is a lack of organizational orientation and sustained willingness of their representatives to advance inclusive agribusiness agenda. There is also a chance that the bank's priorities (with respect to non-core activities) may change when a new governor takes over or a regime change takes place.

Opportunities

As Bangladesh Bank is in a regulatory position over commercial banks, it may introduce inclusive growth concept in an innovative manner. For example, their SME and Special Programs Department can share the success stories for capitalization and wider dissemination in order to sensitize other banks, financial institutions and key stakeholders.

Challenges

Although through their various activities, Bangladesh Bank is in a way working on IB (e.g. facilitating and supporting SMEs, targeting farmers and value chain actors involved in agriculture and agribusiness sectors), it is not in their mandate to promote inclusive agribusiness directly.

Business Model

Bangladesh Bank's core activities includes carrying out the main central banking functions and supporting rapid broad based inclusive economic growth, employment generation and poverty eradication in the country. BB receives its fund from the government, through the finance ministry. Other than that BB also receives funds from development partners like ADB and IDA etc.

To widen and strengthen SMEs, recently Bangladesh Bank has formed SME and Special Programs Department; to enhance investment in this sector especially to help women in increasing their contribution to industrialization. Through its SME division, BB ensures loan to SMEs, marginal farmers and entrepreneurs at reduced interest rates and facilitates capacity building support towards agro SMEs.

⁴⁰ Comments from BB representative at Institutional Dialogue with Think Tanks & Research Institutes



Other than providing fund, BB runs awareness building campaigns, road shows, workshops, seminars etc. and arranges product fairs every year to promote SMEs.

Customer Base

Bangladesh Bank's customer base comprises of commercial banks, non-bank financial institutions (NBFIs), SMEs, marginal farmers and entrepreneurs. The financial institutions include 47 scheduled banks (4 state owned banks, 4 specialized banks, 30 private commercial banks and 9 foreign commercial banks) and 31 NBFIs.

Governance Structure & Internal Decision Making Process

Management

The Bangladesh Bank Governor is at the helm of all decision making process, all major decisions have to be approved by him. However, regarding very complex decisions the Governor receives supervision and guidance from the Finance Ministry and GoB. The governor is supported by a Deputy Governor who has an Executive Director and an Economic advisor working under him.

Stakeholder Analysis

Veto Players

When it comes to the bank's day to day activities it is the Governor of BB who makes the decisions. However, other stakeholders of BB with veto powers include GoB and the Ministry of Finance in terms of their influence, interest in the organization and providing the Governor guidance and supervision regarding complex decisions.

Key Stakeholders

The bank's key stakeholders comprise of commercial banks, non-bank financial institutions (NBFIs), top officials of Bangladesh Bank (Deputy Governor, Executive Director & General Managers). This group has a high interest in the bank's over all activities but little influence (in most cases) in the discussion making process of BB.



Recommendations

Way of Overcoming Constraints & Challenges

In order to ensure Bangladesh bank's organizational orientation on inclusive business and sustained willingness of their representatives to advance inclusive agribusiness agenda BB and Katalyst can organize dialogues, seminars and/or workshops to share the inclusive business concept and its benefit in order to sensitize the team.

Potential Collaboration (Common Areas of Work) for Katalyst & Action Plan

Katalyst and BB can arrange joint dialogues, seminars and/or workshops to share the IB concept and its benefit among the key stakeholders in order to sensitize them. From Knowledge Capitalization point of view Bangladesh Bank's success stories, cases, working models can be collected and disseminated to a much wider audience to build awareness on IB. Furthermore, capacity building on inclusive agribusiness financing and entrepreneurship development may also be offered. Thus potential areas of work are:

1. Joint dialogues, seminars and/or workshops on IB
2. Collect, document and disseminate success stories, cases, working models
3. Capacity building on inclusive agribusiness financing and entrepreneurship development

Action Plan

IB is a non-Central Banking function. Yet, present Governor has special interest in this. If one can make him convinced, the rest will follow.

The Katalyst team can meet with the top management of BB with a concept note, in order to discuss potential collaboration and scope of work in order to sensitize them as to why inclusive agribusiness agenda is required. Also they can engage a co-fac to work on a proposal to refine the blueprint, strategize and negotiate the plan and execute.

Entry Point

Governor /
SME wing

Key resource person

Ashraful Alam, Deputy General Manager, SME & Special Programs Department, can be the key resource person at BB. He is very interested to work on IB and has participated in the Institutional Dialogues.



Furthermore, he knows about the internal process and decision making of BB while holding a significant influence on decision making in his department.⁴¹

5.2.2 Bangladesh Institute for Development Studies (BIDS)

The Bangladesh Unnayan Gobeshona Protishthan or The Bangladesh Institute of Development Studies (BIDS) is an autonomous public multi-disciplinary organization which conducts policy oriented research on development issues being faced by Bangladesh and other developing countries.

BIDS, before finally reaching to current name, has gone through transformation twice; once in 1971 from the Pakistan Institute of Development Economics (PIDE) to Bangladesh Institute of Development Economics (BIDE) and again in 1974 from BIDE to BIDS. The last change came to reflect its multidisciplinary focus of development research instead of just Economics. Two other institutions - The Population Study Centre and the National Foundation for Research on Human Resources Development, through a process of national level institutional restructuring, were merged with BIDS in 1982 and 1983 respectively.

Mandate, Positioning & Influence

Mandates

BIDS's mandate includes research on socio-economic development, agriculture and rural development, policy research, income distribution, gender and unemployment, urbanization, climate change, etc. It facilitates learning in development solutions by conducting credible research, fostering policy dialogue, disseminating policy options, and developing coalitions especially in priority areas of development related to social well-being of the poor and disadvantaged groups in society.

BIDS do not have inclusive business related mandates, but from broader perspective they can cover a lot of it through their policy research. For example, they can recommend inclusive practice in agribusiness

⁴¹ *Special note:* BB Governor is quite open to new ideas and access is relatively easy. He has a very special interest in issues involving the base the pyramid community and women empowerment, like awareness building campaigns, road shows, workshops, seminars etc.



based on their study. BIDS, to some extent has focus on agriculture (but hardly anything on agribusiness) and rural development.

Positioning

Bangladesh Institute of Development Studies (BIDS) is the top autonomous public policy organization pursuing research and development studies to support government. It is the pioneer think-tank in social research under public sector domain and very influential in national policy issues.

Inclusive Business Relevance

BIDS mainly disseminates its research findings through its library, publications and seminar programs. With its multidisciplinary focus on development, evolving development paradigm, and changing economic and social realities of the country, the research focus of BIDS covers a wide range of issues including macroeconomic fundamentals, agriculture and rural development, poverty and inequality, trade, food security, microcredit, industry and small and medium enterprises, labor market, health, nutrition, education, rural nonfarm activities, environment and climate change, water resources management, energy, gender and empowerment, migration, urbanization and other areas of dynamics of development in Bangladesh and developing countries in general. Emerging priority issues include macroeconomic management, environment and climate change impacts, infrastructure including energy and power, and impact of globalization.

Some of the agriculture and rural development related recent work of BIDS:

- Impact Evaluation Study of “National Agricultural Technology Project (NATP)-Phase I” (for Ministry of Planning, Government of the People's Republic of Bangladesh), 2014
- Policy Briefs on Food Security and Agricultural Development (prepared for IFPRI under the PRSSP), 2014
- Managing Rice Value Chain for Improved Food Security in Bangladesh being (under the Policy Research and Strategy Support Program (PRSSP) implemented by BIDS with support from IFPRI and USAID), 2014



- Productivity and Efficiency of Rice Mills in Bangladesh: Economic, Social and Food Security Implications, 2014
- Growth of Rural Non-Farm Activities in Bangladesh: Implications for Household Income and Employment, 2014
- Farmers' Supply Response to Prices and Non-Price Factors in Bangladesh
- Barriers to Developing the Fisheries Sector in Bangladesh
- Barriers to the Development of Livestock Sector in Bangladesh

Due to nature of BID's activities, it is difficult for them to engage in inclusive business directly. But it is within their scope, and they can work for creating an enabling environment for inclusive business. It can be said they are making effort for that, but in a limited level.

Inclusive Business Related SWOC

Strengths

BIDS has a wealth of knowledge in agriculture and rural economic development as they have a dedicated wing to pursue such research. They have a huge network and experience of collaborating with national⁴² and international level organizations⁴³.

Weakness

BIDS's understanding of inclusive business concepts, approaches and utilities is limited. Currently they have less focus on agriculture and agribusiness. Change of resource person often causes change of research priorities thus inclusion of inclusive agribusiness agenda into their mandate is important.

Opportunity

⁴²Example: Bangladesh Export Processing Zone Authority (BEPZA), Bangladesh Water Development Board (BWDB), Directorate of Primary Education, Bangladesh, Grameen Bank, Grameen Krishi Foundation, Ministry of Health, Government of Bangladesh, Primary and Mass Education Division, Ministry of Education, Bangladesh, Planning Commission, Government of Bangladesh

⁴³Example: JICA, DFID, Rockefeller Foundation, Royal Netherlands Government, Swiss Development Co-operation, Swedish International Development Agency, (UNDP), UNICEF, UN-ESCAP, USAID, World Bank, WHO



BIDS with its huge knowledge base and networks can become potential partner in research, dissemination and policy advocacy. By making small changes, they can start focusing on inclusive business as they already have the flexibility and capability (both in terms of human resource and fund).

Challenges

Given the stature of BIDS as the leading public sector policy research think tank, no agenda would be easily internalized without Government endorsement. Thus, for time bound project, it is a bit difficult to pursue such inclusive agenda.

Business Model

Initially, funding for BIDS was made through regular government budgetary support. In 1983, the Government created an endowment fund to ensure a source of recurring revenue for running the Institute, thereby reducing its dependence on regular budgetary support, and enabling BIDS to enjoy more functional autonomy. In 2009, the Government provided a Research Endowment Fund of Tk. 200 million to support core institutional research of BIDS. Some donor agencies and foundations also provide resources for its activities.⁴⁴

BIDS is a public research institute that conducts studies on development issues. BIDS's funds come from GoB, donor agencies and foundations. With its multidisciplinary focus on development, evolving development paradigm, and changing economic and social realities of the country, the research focus of BIDS covers a wide range of issues including macroeconomic fundamentals, agriculture and rural development, poverty and inequality, trade, food security, microcredit, industry and small and medium enterprises. It facilitates learning in development solutions by conducting credible research, fostering policy dialogue, disseminating policy options, and developing coalitions. Occasionally, it conducts trainings and workshops to disseminate research findings and knowledge on developmental concerns to support policy formulation.

Customer Base

Since BIDS mainly conducts public research on development and policy issues they mainly caters their services to different departments of Government of Bangladesh. BIDS also works in various donor

⁴⁴www.bids.org.bd



organizations supported studies. Some of them are already mentioned in the IB relevance and SWOC analysis part.

Governance Structure & Internal Decision Making Process

BIDS is governed by a high-powered Board of Trustees, with the Minister for Planning, Government of the People's Republic of Bangladesh as the Chairman and the Director General as the Chief Executive of the Institute. The Secretary of BIDS provides administrative assistance to the Director General and also officiates as the Secretary to the Board of Trustees. There are three Statutory Committees of BIDS for decentralizing administration and sharing responsibilities. These committees are:

- (i) The Policy Coordination Committee (PCC);
- (ii) The Administrative Affairs Committee (AAC);
- (iii) The Finance Committee (FC).

Stakeholder Analysis

Veto Players

BIDS's Director General by position is the Chief Executive of the Institute and makes the key decisions regarding the activities of the organization. The Board of Trustees and Minister for Planning are also key veto players of BIDS in terms of their influence, interest in the organization and providing the Director General guidance and supervision regarding complex decisions.

Key Stakeholders

The organization's key stakeholders comprise of Policy Coordination Committee (PCC), Finance Committee (FC), GoB, Advisory Committee and research fellows. This group has a high interest in the DCCI's overall activities but little influence (in most cases) in the discussion making process of DCCI.



Recommendations

Way of Overcoming Constraints & Challenges

BIDS can be engaged in IB relevant interventions in order to instill the inclusive business concept and its benefits in the process of country's development. BIDS' understanding of inclusive business concepts approaches and utilities will be positively impacted if they are engaged in collaborative inclusive business initiatives.

Potential Collaboration (Common Areas of Work) for Katalyst and Action plan

Potential areas of collaboration with Katalyst can be a joint stock taking research to collect inclusive agribusiness related initiatives pursued at national level as well as joint policy research to include inclusive agribusiness agenda within the broad policy framework of the government. Joint seminars/workshops can play a convincing role in such case. Thus the areas of work can be outlined as follows:

1. Joint policy research re inclusive agribusiness
2. Joint seminar/ workshop re IB
3. Joint stock taking research (at individual level)

BIDS's Incentive will be the potential ability to address issues such as MDG, poverty alleviation, gender mainstreaming, etc. which are central to its mandate while Katalyst will have the opportunity to work and impact the policy formulation level.

Action Plan

In order to pursue inclusive agribusiness agenda with BIDS, Katalyst should identify individual research fellow with IB interest and approach accordingly. Inclusion of one co-fac with through understanding of inclusive agenda is deemed important here to help them make a smooth transition. The particular researcher will take up the necessary steps then to get the agenda through.

Funding support should come from Katalyst as all BIDS funds are project tied.

Entry Point

Individual research fellow who may carry forward the lead up above



Key Resource Person

Dr. Anowara Begum, Senior Research Fellow can be the key resource person at BIDS. She has participated in the Institutional Dialogues and knows about the internal process and decision making of BIDS.

5.2.3. Krishi Gobeshona Foundation (KGF)

Mandate, Positioning & Influence

National Agricultural Research System (NARS) in Bangladesh has been the responsibility of the public sector led by BARC. But BARC could not serve all the stakeholders. Lack of adequate and sustainable funding mechanism, lack of incentives for quality research output are few reasons, for which paradigm shift in agricultural research organization and management was required. Hence KGF was created to address all these issues.⁴⁵

Mandates

KrishiGobeshona Foundation (KGF) is a Govt. sponsored- non-profit organization established in 2007 under the Companies Act. KGF is responsible for providing research grants and technical supports to researchers working in public sector agricultural research institutes (ARIs), universities, government, non-government and private organizations. One of the important functions of KGF is to encourage and promote short to medium term research that has potentials to generate, validate, refine, up-scaling and adoption of technologies for increasing production and enhancing food security through Competitive Grants Program (CGP).

The vision of KGF is: “Foster enabling environment for promoting quality agricultural Research &Development (R&D) and capacity enhancement for sustaining agricultural productivity and nutritional security”. The mission of KGF is: “Facilitate capacity improvement, technology generation and adaptation for enhancing productivity and quality of crops, fisheries and livestock agriculture through effective management of R&D under a competitive and pluralistic research environment”.

Inclusivity in KGF Mandate

Inclusive business is not directly mentioned in KGF’s mission, vision and objectives. As KGF is targeting technology generation and adaptation for increasing productivity, they try to reach agro producers,

⁴⁵ Agriculture Research System of Bangladesh; KGF Strategy and Implementation Plan 2013-2022; KrishiGobeshona Foundation;



processors and other stakeholders and bring changes in their lives through increased income. So, although it is implicit but they are aiming to achieve inclusivity in broader perspective.

Positioning

Functionality of KGF is quite unique to the extent that they are one of a kind organization in the country. KGF evaluates proposals, disburse funds and supervise the research activities and thus appear as a research funding organization. Although such initiatives are common within development sector and donor agencies, KGF is the only government organization to conduct such research activities.⁴⁶

Future Plan

Phase 1 (2013-2017)⁴⁷

- I. Improving the management of CGP and management of commissioned /challenge projects
- II. Technology validation and up-scaling
- III. In –country skilled manpower development
- IV. Creating opportunities for utilization of highly skilled Bangladeshi professionals
- V. Improvement of research facilities of NARS and their research stations on the request from NARS
- VI. Capacity building of KGF
- VII. Facilitating collaborative national and international R&D programmes harmonizing with BARC initiatives
- VIII. Organizing national and international conferences, meetings, seminars, etc. in consultation with BARC

Phase II (2018-2022)⁴⁸

- I. Additional (beyond/besides BKGET fund) resource mobilization through donations, benefactions, gifts, etc.

For pursuing inclusive business agenda no. 7 of phase 1 can be useful – “Facilitating collaborative national and international R&D programmes harmonizing with BARC initiatives”. This will create opportunity for partnering with KGF to pursue inclusive agenda. Point 2 in Phase 1 can also be helpful to reach pro-poor population and in the course include them in the process.

⁴⁶ From institutional dialogue & interview with key resource person

⁴⁷ KGF Strategy and Implementation Plan 2013-2022; KrishiGobeshona Foundation

⁴⁸ KGF Strategy and Implementation Plan 2013-2022; KrishiGobeshona Foundation



IB Relevance

KGF wants to contribute towards development of a pluralistic agricultural research system, and promote research partnerships and collaboration. KGF, based on four priority areas (production, protection, processing/value addition, marketing) awards fund for research through Competitive Grants Program (CGP). Every time they aim to reach a solution that benefits terminal population and increases their income at the end of the research project. Although not every project sees success to that extent, but several of them is currently directly benefitting the agriculture dependent population. One great example can be *Crop Intensification in Northern Region of Bangladesh Project*.

A KGF financed project titled 'Crop Intensification in Northern Region of Bangladesh Project' introduced a new cropping pattern of 'Short duration Aman rice- mustard/potato-mungbean- short duration Aus (pariza) rice' which is not only increasing productivity but also is good for environment. With financial assistance of KGF, Bangabandhu Sheikh Mujibur Rahman Agricultural University (BSMRAU) and RDRS Bangladesh are implementing the project in collaboration in Rangpur since 2011. Farmers around the region have successfully cultivated four crops in sequence on the same land annually adopting the cropping pattern⁴⁹.

Two farmers, AbdurRazzaque of Gaibandha and Nurul Islam of Thakurgaon, successfully cultivated four crops in sequence on the same land annually adopting the cropping pattern and earned a net profit of Taka 18,000 per bigha (33 decimals).

This intensive cropping system was developed incorporating early maturing high yielding rice varieties in aman season which enabled farmers to grow rabi and mungbean. The newly developing cropping system, presents opportunities for employment of the farmers of munga-prone northern district and additional income by growing mungbean. Adoption of the new cropping pattern increases 20.79 per cent crop yields and 76.81 per cent gross returns and helps increasing output of pulse and edible oil seeds. This cropping pattern also reduces irrigation water consumption three to four times against the general

⁴⁹Bangladesh Sangbad Sangstha , May 15, 2014



practice of farmers in farming Boro rice. It also reduces number of irrigation thus help conserve underground water⁵⁰.

Here's another example. One research project of KGF has designed and developed a low-cost, well ventilated thatch storehouse (medium sized), that can store about 8 tons of potato tubers to avoid storage loss for about 4 months. It needs about BDT 20,000 to construct the house that can be maintained for three years without repairing. Other crop like onion/sweet gourd can be also stored.

Inclusive Business Related SWOC

Strengths

Wide research scope involving agriculture & agribusiness: High priority research on the emerging issues based on priorities set, emphasizing intensification and diversification of agriculture (crops, livestock, fisheries, etc.) to improve its productivity, stability and sustainability. Also four focus areas such as production, protection, processing and marketing cover a wide range of research area. KGF operates with autonomy and transparency under its Board of Directors and policy guidance of the General Body⁵¹: KGF is free of influence for selecting research projects. They also monitor and supervise ongoing research projects independently. The sustainable funding of KGF comes from the profits of an endowment fund managed by BKGET: One positive thing about KGF's operation model is that it is designed for receiving external funding for research purpose. Also one of its major provider, BKGET has own income source and therefore the fund they provide is sustainable.

Weakness

No initiative on scaling up of successful pilots so far. Besides, KGF does not have knowledge dissemination mandate, therefore their research findings or results often fail to reach farmers or other value chain actors of agricultural value chain. There are other wings of Government who are responsible for extension work, but if there had been any mechanism to make farmers aware of KGF's recent results (such as - crop intensification project or low cost storehouse for potato) it would have greater impact on productivity and income generation.

Opportunities

KGF already has some successful research experiences and some of these are even impacting lives of farmers and agriculture related stakeholders. Capitalization of successful research outcomes can result in efficient research models, which other agricultural research organisations can follow.

⁵⁰ www.bssnews.net; May 15, 2014; Experts advise new cropping pattern for four crops a year

⁵¹ KGF Strategy and Implementation Plan 2013-2022; KrishiGobeshona Foundation



Challenges

Inclusive business is not in KGF's mandate and they have little focus on agribusiness. Although they have a focus on agricultural marketing, but they are still to recognize agribusiness as a core area of research. Also, in spite of have some inspiring results through their research and having positive impact on income of many poor farmers (which is actually inclusive practice), they do not have inclusive agenda in their core objectives.

Business Model

The Krishi Gobeshona Foundation (KGF), in conformity with its mission and mandate, supports short to medium term researches that have the potential to generate, validate and adopt technologies for increasing agricultural productions and stabilizing food security in the country through Competitive Grants Program (CGP).

How CGP works

Competitive Grants Program (CGP) started under KGF BKGET (Bangladesh Krishi Gobeshona Endowment Trust) fund in September 2012. Krishi Gobeshona Foundation (KGF) invited proposals in the Daily Newspaper's on September 03, 2012 for submitting CGP Project proposals within October 2012 based on 12 thematic areas/ Researchable issues of BARC. Within the deadline 128 proposals were submitted by researchers of different NARS institutes, Universities, Private sectors and NGOs. 12-member Technical Advisory Committee (TAC) formed by KGF board, evaluates these projects.

Monitoring the Research⁵²

KGF professionals periodically monitored the ongoing project activities through reviewing the implementation progress report and visiting the project sites as well as consulting with principal investigators (PIs) of the projects. Consultations were also made in the form of coordination meeting, formal workshop and/or bilateral discussions for improving project performances. Besides, an independent monitoring team was engaged for monitoring and progressive evaluation of the projects

Resources of KGF:

- Grants from the National Agricultural Technology Project (NATP) phase-I; supported by the World Bank and the International Fund for Agricultural Development (IFAD);
- Income generated from the Bangladesh Krishi Gobeshona Endowment Trust (BKGET), established by GOB;
- Grants made by the Government; and Funds and donations, grants, income of endowments or other financial assistance from any Government, private or any other sources and agencies, or institutions in Bangladesh and abroad for use in work consistent with the purposes and objects

⁵² Progress Report, January to December 2012, KrishiGobeshona Foundation



of the Foundation; provided, however, that the receipt of any such foreign donations will be subject to such procedures as may be prescribed by the Government from time to time.

Customer Base

Researchers of different NARS institutes, Universities, Private sectors and NGOs are provided fund for research on thematic areas. These research findings are implemented in location specific pilot projects. Limited number of producers and other value chain actors can utilize the benefit of these pilot projects. The target is to trigger positive change by demonstrating good practices in agriculture, both at production level and marketing level.⁵³

Governance Structure & Internal Decision Making Process

As per Memorandum and Articles of Associations of KGF, there are two bodies responsible for the governance & management of KGF. The General Body (GnB) is formed by 11 members, out of whom the Government (MoA/BARC) nominated 6 members from amongst persons associated with government agencies or private individuals renowned in the field of agricultural research and development. The Board of Directors (BoDs) comprising 7 members of the General Body (GnB) pursue and carry out the objectives of KGF. The Board of Directors exercises all executive and financial powers of the Foundation supported by the policy guidance of the GnB. The Executive Director (ED) is the Chief Executive of KGF and is responsible for the day to day management of the foundation under the guidance of the Board. The guiding force for the governance and management of KGF is the Memorandum and Articles of Association. A limited number of expert professionals and support staff are employed to assist ED in performing the technical, managerial and financial functions of KGF.⁵⁴

Stakeholder Analysis

Veto Players: General Body (GnB); Board of Directors (BoDs);

The 11 members General Body (GnB) is formed by MoA/BARC nominated 6 members. They are usually associated with government agencies or are private individuals renowned in the field of agricultural research and development. The Board of Directors exercises all executive and financial powers of the Foundation supported by the policy guidance of the GnB.

Key Stakeholders: Executive Director (ED), High-level professionals of KGF, BARC, MoA, 12-member Technical Advisory Committee (TAC), Donors

⁵³ From institutional dialogue & interview with key resource person.

⁵⁴ <http://www.kgf.org.bd/>



The Executive Director (ED), is the Chief Executive of KGF and is responsible for the day to day management of the foundation under the guidance of the Board. TAC decides which project will be awarded the fund. So they have a huge say on research projects to be accepted by KGF. As BARC is responsible coordinating systematic agricultural research in the country and It is the apex body of National Agricultural Research System (NARS), They also have significant influence on KGF. World Bank and the International Fund for Agricultural Development (IFAD) supports the NATP fund which provides a big part of KGF resource. Income generated from the Bangladesh KrishiGobeshona Endowment Trust (BKGET), is another funding source for KGF.

Recommendations

Ways of Overcoming Constraints & Challenges

- *Lobbying to include inclusive business agenda within KGF research priorities:* Although KGF is funding some significant agricultural researches which are impacting the livelihood of poor people in agricultural value chain, but they do not have any explicit mandate regarding “inclusive business”. Having an “inclusive” mandate has two-fold benefits. Firstly, it’d make the research organisations to focus more on producer friendly technologies. They will prioritize bringing change in pro-poor population lives and thus their research works will be more dedicated to bring direct impact.

Secondly, it will help to promote KGF’s success stories and inspire other research organisations to follow the path of inclusivity. As a government organisation, if KGF can include “inclusive business” in their mandate and also prioritize agribusiness in their focus areas, that will be a firm first step.

- *Capitalization of successful KGF research outcomes, efficient models and good agro-technologies:* Agriculture sector has the potential to grow, no more as a subsistent sector but as a standalone sector. Think tanks and research institutes need to pursue policy research as well as value chain research from macroeconomic perspectives. In order to ensure inclusive growth, stock-taking activity can be launched to scale up & add values to the current practices, to identify the missing pieces and tie stakeholders at all levels to reach the huge value creation potential that is perceived. Core purpose of inclusive growth should be enabling the small people, examining works done to that end, synthesizing the extent of inclusivity and including them in the process of value creation.

Common Areas of Work for Katalyst

- Collecting successful KGF funded research outputs: technologies, good practices and models, for capitalization and wider dissemination



- Lobbying to include inclusive business agenda within KGF research priorities

KGF is already engaged in some inclusive research works, being engaged in income increasing or cost cutting agricultural technologies. If they can add “inclusive business” in their agenda, in one hand they would increase their organisation’s strength on other hand they would be able to achieve greater success in research field as research organizations as well as individual researchers will be forced to focus more on inclusive approach.

Through such collaboration Katalyst will get a new partner in pursuing inclusive agenda, who is already successfully working in an inclusive approach. Also from capitalisation of KGF’s research outcomes they will be able to enrich their own value chain development and similar experiences.

Action Plan

IB is a distant concept for KGF. Well-articulated case should be developed and the role of KGF therein should be specified. It must be noted that KGF is only a research funding organization. Series of meetings and proposal submission needed for engagement.

Potential partnership model can be as follows:

KGF: Access partner

Media Partner: Print and electronic media

Co-facilitator: Knowledge capitalization (capture, analyze, transform info learning cases, technology and promotional videos etc.)

Cost sharing partners: Katalyst (may be plus KGF)

Entry Point
Executive Director, who usually involve the Board / top management

Key Resource Person

M. Nurul Alam, Executive Director, KGF. As the Executive Director (ED), he is the Chief Executive of KGF and is responsible for the day to day management of the foundation under the guidance of the Board.



Chapter 6: Development Community in Advancing Inclusive Business

6.1 Institutional Outlook: Relevance, Roles & Constraints

Development community in general is engaged in supporting poverty eradication and income generation initiatives of/for the poor. Many NGOs in Bangladesh works among other roles, as micro credit providers; and along with that they also provide advisory services to the borrowers to ensure better earning and timely payback. These advisory services also include agriculture and agribusiness related suggestions. So there is a big scope of promoting and practicing inclusive growth along this line. International development agencies often conduct research, study or implement strategic interventions targeting farmers' well-being through increased income. These organizations too have the opportunity and potential to advance inclusive business approaches and practices.

Many in the development community are indeed playing a crucial role in our country in advancing inclusive growth by facilitating linkages. BoP capacity building, technology transfer, awareness building, market linkage development programs are different forms of promoting inclusive business in the agricultural sector. More of such (potential) roles are specified below:

- Pursue research to help innovate inclusive agribusiness models and practices
- Run advocacy to create awareness among organizations and market forces
- Network with other stakeholders (public sector agencies, private sector and development community) to help create inclusive business enabling environment (iBEE)
- Develop (or facilitate development of) innovative market-driven service packages for the support of inclusive agribusinesses
- Help market actors craft and practice inclusive business models of their own

IB-related Institutional Constraints and Challenges: Although the development community is relatively better positioned to advance IB practices (both in terms of level of understanding, organizational set-up and current practices), lack of innovative business models restricts wide-spread application. Initiatives involving knowledge base creation and institutional collaboration are sporadic, if not missing, in many cases. Although current practices have notable inclusive business elements, sometimes social barriers



(e.g. involving women economic engagement, interest-based economic activity, etc.) create occasional hiccups.

6.2 Selected Organizations of Influence

6.2.1 Palli Karma-Sahayak Foundation (PKSF)

Mandate, Positioning and Influence

Mandate

Palli Karma-Sahayak Foundation (PKSF) was established in 1990 by the Government of Bangladesh as a 'not-for-profit' company, registered under the Companies Act 1913/1994. The principal objective of PKSF is to provide funds to various organizations for their microcredit programme with a view to help the poor who have no land or any credible material possession. Funds enable them to gain access to resources that lead to employment opportunities and enhancement of their livelihood. Currently, PKSF is more than a funding agency; for example, it gets involved in value chain development, capacity development among other things.

From broader perspective, PKSF aims to generate income and employment opportunities among the economically most disadvantaged groups of Bangladesh through their POs. This is in line with Swisscontact-Katalyst's mandate and also inclusive in manner.

Positioning

PKSF is the apex microcredit and (related) capacity development organization in Bangladesh. Till date, it has lent about US\$ 1534.16 million (at present value) to its 268 POs covering more than 8.23 million borrowers of which more than 91% are women. Together with different financial supports such as microcredit, micro-savings and micro-insurance, PKSF assists its POs in their institutional development. A number of countries and organizations follow standards, guidelines and modalities developed by PKSF.

Compared to similar organisations like ASA, BRAC or Grameen Bank who also provides microcredit, PKSF has this distinctive advantage due to its partner organisation based lending system.

IB Relevance

Although PKSF's focus is on micro credit, they are currently engaged in several agriculture and agribusiness related projects. Through these projects, PKSF has taken initiative to generate income and



create employment for ultra-poor population. They are not only increasing their business but at the same time including the disadvantaged people in their activities. Some of these are mentioned below.

Agriculture sector program (ASM)

ASM offers comprehensive training programmes for the farmers and staff of the MFIs to develop their capacity in agricultural lending. To improve ASM, attention is given to rigorous research, development of high-yielding seed, management of irrigation, optimum use of pesticides, mechanized and technology-based farming, and vocational education to produce skilled human resources and increased productivity.

Training programs increase farmers' knowledge and eventually help increase farmers' productivity. Although PKSf is not training or for that matter agriculture-focused organisation but these activities aimed towards betterment of loan takers can be accepted as inclusive.

Programmed Initiatives for Monga Eradication (PRIME)

PKSF introduced Programmed Initiatives for Monga Eradication (PRIME) in the year 2006 to fight against the extreme consequences of monga and monga-like situations. PRIME's year-round interventions include continuous access to finance and promotion of profitable income generating activities. These long-term measures guarantee permanent income and employment opportunities to reduce the vulnerability of those affected by Monga, while short-term measures or lean season interventions address immediate problems.

Such interventions, which are not only targeted towards income generation of credit receivers, but also working for development of a specifically disadvantaged population, can be a great example of inclusive business.

Developing Inclusive Insurance Sector Project (DIISP)

Palli Karma-Sahayak Foundation (PKSF) has been implementing DIISP since January 2010 with a financial grant support of USD 2 million from the Japan Fund for Poverty Reduction (JFPR) and administered by the Asian Development Bank (ADB). 14 POs of DIISP have disbursed BDT 2,125 million to their members under PKSf's 'Beef Fattening. A total of 112,821 members received the loan from beef fattening program. A total of BDT 18.2 million was collected as insurance premium. 408 cows had died during the season of 2013 and in this respect BDT 7.68 million was paid as insurance claims. About 36 POs under DIISP will introduce actuarial based livestock (cattle) insurance services in the next season targeting the Eid-ul-adha festival of 2014.

Agriculture insurance system is a much talked about issue, which several organisation is planning to implement. PKSf has already taken the initiative and seeing the success. This initiative is not only generating income for poor population but also providing a support which is encouraging credit takers



to engage more and more in projects such as “Beef Fattening”. No doubt through this inclusive drive PKSF is popularizing commercialization (that is agribusiness) in livestock sector.

Promoting Agricultural Commercialization and Enterprises (PACE) Project

Capitalizing on the accumulated experiences of three IFAD supported projects implemented by PKSF, the PACE project is supporting up scaling of successful value chain interventions throughout the country. The project will also undertake new value chain development programs for selected business clusters of microenterprises in the country. The targeted population would include the extreme and moderate poor, marginal-small farmers and micro entrepreneurs. PACE will focus on agricultural microenterprise development through providing business development services and untying knots in value chains of selected business clusters. The estimated cost of the project is USD 93 million. IFAD is expected to contribute USD 40 million in this project.

Inclusion of extreme and moderate poor, marginal-small farmers and micro entrepreneurs in this value chain development initiative is promoting agricultural commercialization among the disadvantaged population. The target is to create as many micro-entrepreneurs. As a result of this, target population will see new employment, increase in income and improvement of their livelihood.

Finance for Enterprise Development and Employment Creation (FEDEC)

This is a jointly funded project of Pally Karma–Sahayak Foundation (PKSF) and International Fund for Agricultural Development (IFAD). FEDEC focuses on strengthening non-financial support such as skill development, capacity building training and market access. Under FEDEC PKSF has conducted various value chain development project. An example is *Summer Tomato Cultivation of JCF*.

This Value Chain Development project has been initiated to enhance the capacity and productivity of 300 farmers from 10 villages of 2 unions in Sarshaupazila, Jessore. Jagoroni Chakra Foundation (JCF), a PO of PKSF is implementing this project. Under this VCD project, training, technical assistance, good quality tomato seeds and marketing assistance will be provided for increasing the productivity as well as income of the farmer community.

Producing tomato in summer will not only increase supply during off-season (thus benefiting low income consumers), it will also provide farmers opportunity of increased productivity and income. For a micro-credit organisation like PKSF this is obviously an inclusive approach.



IB Related SWOC

Strengths

PKSF is inherently designed to advance inclusive business-like approaches. Its staff members are quite involved in agribusiness development endeavors. A pool of agricultural experts is also working for them in both capacity development of POs and commercialization of agriculture. It has a huge network of 1 crore plus members and 230 plus partner-NGOs. Specifically speaking, PKSF has projects (such as those targeting value chain development) through which it can advance inclusive agribusiness agenda.

Weaknesses

Human Resource-wise, PKSF is a slim organization compared to its volume of work and coverage. This forces the organization to rely on partners which may often cause inconsistent service/output quality.

Opportunities

PKSF has a very good potential to work and promote inclusive agribusiness since it has a very large network at the base of the pyramid (BoP). A number of countries and organizations follow PKSF-developed standards, guidelines and modalities, which ensures its due credibility. Hence from capitalization point of view, successful models and stories of PKSF can be capitalized on and converted into cases, literatures or documentaries for wider dissemination and adaptation.

Challenges

Under IFAD project they have successfully completed 44 value chain projects on 22 different sub-sectors. Most of this value chain projects focus on comparatively small number of farmers. For example their summer tomato project in 2012 worked with 214 farmers. Having a wider reach, these projects could have addressed a greater number of farmers. With their limited number⁵⁵ of employees and partner based approach, reaching a larger number of farmers is often not possible.

Business Model

Mechanism

PKSF, a long-term wholesale portfolio lender⁵⁶, receives large volumes of funding, repackage it into smaller amounts, and pass it as loans, grants, or technical assistance to retail MFIs. Most MFIs, like their poor clientele, are not taken seriously or are seen as uneconomic by domestic and international financial markets. They often are not licensed and not permitted to mobilize savings. Often they are

⁵⁵ PKSF management team is comprised of 163 regular officers, 79 staff, 47 project personnel, and 3 part-time professionals. Generally this is not small in number but given the number of POs they manage and programs they supervise, PKSF could do better with larger workforce.

⁵⁶ The Role of the Palli Karma Sahayak Foundation (PKSF) in the Development of Microfinance in Bangladesh; ASA University Review, Vol. 6 No. 1, January–June, 2012, Pg 292



unable to implement rapidly developing microfinance technologies, and are thus limited in outreach potential and ability to achieve the economies of scale and other requisites of eventual self-sustainability. PKSf thus created to serve as the intermediaries between the few large sources of financing and the potentially large number of small users.

Source of Fund

PKSF collects funds from Government and donors and disburses the cash to its partner organisations. PKSf advocates reduced interest⁵⁷ rate on loans to its partners because it provides subsidized capital. On the other hand, PKSf gets its resources from the government and international sources that include grants from USAID (US Agency for International Development), DFID (UK Department for International Development) and EC (European Commission) as well as substantial loans from the World Bank, ADB (Asian Development Bank), and IFAD (International Fund for Agricultural Development) via the government.⁵⁸

PKSF mandate authorizes PKSf management to mobilize funds in the forms of grants, loans and contributions from a wide variety of sources which include the Government of Bangladesh (GOB), private individuals and organizations, foreign governments, international donors and lending agencies and capital markets. So far PKSf has received funds from the GOB, the IDA/World Bank, the USAID, the Asian Development Bank (ADB) and the International Fund for Agricultural Development (IFAD).

Customer Base

PKSF has 1 crore plus member organizations and 230 plus partner NGOs. PKSf provides micro credit facility to the farmers and also contributes towards agribusiness. PKSf carries out its operations through various POs, therefore, selection of POs is a crucial task of PKSf and this is an ongoing process. Under this process PKSf appraises various types of nongovernment, semi-government and government organisations, voluntary agencies, societies and local government bodies to select these as POs which have gained experience and expertise or which have the potentials to operate a successful microcredit programme for self-employment and income generation of the asset or landless.

PKSF provides loanable funds to its 199 POs⁵⁹ – 10 big, 189 small and medium, POs – under its mainstream credit programme as well as under some projects. PKSf's mainstream credit programme, now, includes five components viz., Rural Microcredit; Urban Microcredit; Microenterprise credit, Ultra-poor Credit and Seasonal Credit.

⁵⁷ PKSf asked its POs to reduce interest percent (flat) from 15 to 12.5 percent (flat) from 2004

⁵⁸ The Role of the Palli Karma Sahayak Foundation (PKSF) in the Development of Microfinance in Bangladesh; ASA University Review, Vol. 6 No. 1, January–June, 2012

⁵⁹ Same as 3



Governance Structure & Internal Decision Making Process

Governance

PKSF has a General Body consisting of 15 members and a Governing Body comprising of seven members. The Governing Body, with the approval and supervision of the General Body, pursues and realizes the objectives of PKSF. The Managing Director is a member of the Governing Body. As the Chief Executive of PKSF, the Managing Director is comprehensively responsible to carry out the functions of the foundation and to implement the programmes within set rules and deadlines.

Management

PKSF management team is comprised of 163 regular officers, 79 staff, 47 project personnel, and 3 part-time professionals⁶⁰. There are four divisions - *Operations, Administrative, Finance and Accounts, Audit*. *There are three DMDs under Managing Director. Each DMD supervises 2-3 General Managers.*

Stakeholders

Veto Players: General Body (Max 25 members), Chairman, and Managing Director;

Chairman by position is the head of the organisation. The General Body includes the Chairman, representatives associated with the government agencies, partner organisation (PO) representatives, voluntary organisations or private individuals having a successful record of service in poverty alleviation and/or interest in such activities. The General Body mainly offers the overall policy directives to the management of PKSF. They approve the annual budget, audited accounts of the organisation and consider the annual report prepared by the Governing Body of the organisation.

The Governing Body, in consultation with the Government, appoints the Managing Director who is the Chief Executive Officer of the organisation and ex-officio a member of the Governing Body as well as of the General Body of PKSF.

Key Stakeholders: Governing Body, senior staff members (Deputy Managing Directors, General Managers);

The Governing Body, subject to the general control and supervision of the General Body, holds the responsibility to pursue and carry out the goals of the organisation. The Governing Body holds the financial control of the organisation, including approval of projects and making grants, donations, loans or other financial assistance to the Partner Organisations (POs). The Governing Body consists of 7 members. The Government of Bangladesh (GoB) nominates the Chairman and two other members,

⁶⁰ Till December 2013



while the General Body, in its AGM, elects three other members representing Partner Organisations and/or individuals having demonstrated notable contribution in the development sector.

Primary Stakeholders: PO beneficiaries (8.23 million borrowers)

POs include: non-government, semi-government and government organizations; voluntary agencies and societies; local government bodies; institutions; groups and individuals.

Recommendations

Ways of overcoming constraints and challenges

PKSF has already accumulated a huge experience from various agriculture/agribusiness projects such as ASM, DIISP, PACEtc⁶¹. Knowledge capitalisation of such projects can be helpful for future implementation or any upcoming intervention. Knowledge dissemination among POs or replication of successful project requires engagement of huge human resources. For example Jagarani Chakra Foundation has implemented “summer tomato cultivation” project which involved 300 farmers from 10 villages of 2 unions in Sarsha upazila, Jessore. To replicate the success in other regions and among other Pos knowledge capitalization and dissemination would be helpful.

Potential Areas of Collaboration for Katalyst and Action Plan

- i. Knowledge capitalization particularly around value chain development projects.

This initiative will work as a guideline for replication of successful value chain development projects. It can be documentation of case stories or production of documentary videos.

- ii. Intervention regarding capacity building of partner organizations, technology transfer and market linkage development

To transfer technology or disseminate knowledge of any specific value chain to a new PO, at first their capacity is needed to be developed. In that they will be prepared to integrate the knowledge with their current experience

PKSF will get opportunity to replicate their successful projects in new regions and with new partner organisations enabling themselves to a wider reach. Also PKSF will get opportunity for capacity

⁶¹DIISP: Developing Inclusive Insurance Sector Project; PRIME: Programmed Initiatives for Munga Eradication; ASM: Agriculture sector program



development of their POs. In this way POs will be prepared to receive and integrate new agricultural knowledge and technology. PKSf, in spite of the lacking in human resource, will be able to get a wider reach.

Katalyst develops innovative, pro-poor services or products which would allow improved access by the poor. For last few years they have been involved in value chain development of many subsectors. So knowledge capitalisation initiative with PKSf regarding value chain development will enrich its basket and help in its future interventions.

Action Plan

PKSf has its own priorities and style: the partner should swallow PKSf dictated terms. The issue of interest needs to be specified with sufficient clarity and formal discussion with PKSf relevant authority is required. The department will take the issue to the Governing Body. The rest will follow suit.

Katalyst is expected to provide funding support for the initiatives at least at the initial stages.

Entry Point
Managing Director / relevant department

Key Resource Person:

Gokul Chandra Biswas, Assistant General Manager, Palli Karma-Sahayak Foundation (PKSf). He oversees the value chain development related projects. In a knowledge capitalisation intervention around value chain activities, his experience and influence will be significantly helpful.

6.2.2 TMSS

Mandate, Positioning & Influence

TMSS was initially known as Thengamara Mohila Sangha from 1964 as a Social Development Organization. On 1980 Prof. Dr. Hosne-Ara Begum reforms the organization as Thengamara Mohila Sabuj Sangha (TMSS) and gradually emerged as the biggest national women organization in Bangladesh.



TMSS engaged in uplifting the living condition of the most distressed poor people particularly women and children of both urban and rural areas.

Mandates

Prime objective of TMSS is to develop the socioeconomic status & condition of the poorest to the poor, especially ultra hard-core poor, through implementation of grassroots decision and utilizing local human and material resources. At the same time TMSS wants to improve life/living condition of women through capacity building, optimum use of their own/available resources and participation in development activities. Some more specific objectives of TMSS, which have potential of “inclusivity” are: to reduce poverty through financial services, to ensure women participation in the society, to create jobs through women involvement, to transfer technology for increasing productivity.

Positioning

TMSS is one of the largest women NGOs in Bangladesh having objective to promote emancipation of the ill-fated and neglected women through removing their illiteracy, poverty, ignorance, and religious and social superstitions and prejudices. TMSS worked in 2967 unions of 266 upazilas in 47 districts. Its programme spread over 19,587 villages. The numbers of beneficiaries are 786,983. There were 12 training centers. Its head office is at Dhaka and its activities are managed through 38 area offices and 526 branch offices. TMSS is also involved in activities like agriculture and fisheries for strengthening the poor and rural development.

Influence

TMSS having a huge partner network and reach among population of northern region has big influence in the NGO sector (or for the matter of fact in development community).

IB Relevance

TMSS has conducted several agriculture based projects, focusing on livelihood development of pro-poor population through capacity building, technology dissemination and market linkage. Women in Seed Entrepreneurship (WISE), TMSS Barkat Seed Sector, TMSS Fisheries Project, Cereal Systems Initiative for South Asia – (CSISA), TMSS Agriculture Project are example of some agriculture focused initiatives of TMSS. Some notable functions and achievements have been mentioned here



Women in Seed Entrepreneurship (WISE)⁶²

Rural women of Bangladesh have been traditionally playing a significant role in various types of post-harvest activities such as seed production and processing. RDA, Bogra, under active collaboration with seed wings-Ministry of Agriculture, IFC/SEDF, and Government of Bangladesh initiated an action research based model – “Women in Seed Entrepreneurship” and eventually tested the model. TMSS, partnering with RDA, Bogra worked for wider scale-up of this model. Goal of this project is upgrading WISE groups to WISE association and linking them with private seed company. They also aimed to increase farm level seed supply by educating and involving rural women in seed production and seed business. Target beneficiary were 300 women of Jamuna Chars in Sariakandi, Bogra. TMSS’s major activities include: organizing women seed entrepreneurs association, provide assistance to targeted women in preparing seed marketing plan and seed marketing materials, linkage development between women seed entrepreneurs and seed traders/private seed companies, monitoring of seed production preservation activities and marketing operations.

TMSS Agricultural Project⁶³

Objective:

- High value & high yield crop production through transfer of modern technology.
- Creation of employment opportunity for the ultra-poor.

Beneficiaries: People of five unions of Bogra.

Key Success: Cultivation of Amar Rice, Jute, Wheat and Vegetable in around 15 acres of land.

TMSS Barkat Seed Sector⁶⁴

Objective: Popularize and patronize TMSS Barkat seed in TMSS’s working area, particularly at grass root level

Target Beneficiaries: 50,000 person

Key Success: TBSS successfully produced 4320 Kgs of seed, processed 2000 Kgs of seed, preserved 5500 kgs of seed and sold 13,280 kgs of seed.

TMSS Multilateral Agriculture Technology Institute (TMATI)

Objective of the institute is to promote technology based agricultural system by creating technically skilled person in the agriculture. It provides diploma course in agriculture. The institution Initiated in 2010-11 and currently they are training 95 students.

⁶² TMSS Annual Report 2012

⁶³ Same as 1

⁶⁴ Same as 1



Some unique practices of TMSS⁶⁵

TMSS provides training to both husband and wife of a family. This new approach is more effective for capacity building. They also offer technological know-how, financial knowledge etc. TMSS considers successful entrepreneurs are more effective as trainers than academicians. Demonstration and consultation through regular visit is also part of their capacity building. Those borrowers who are involved in agriculture, TMSS also provides advice on production planning. TMSS is also working for linking agro-producers with large traders, getting rid of middle man in the market. TMSS is playing an important role in product diversification. As small farmers/producers cannot compete with large market players like PRAN, TMSS encourages their members to go for byproducts like: ghee, curd. This strategy has seen great success. As part of their support program for beneficiaries, TMSS provides paramedic service in all the branches free of cost. They are allocating three to four crores BDT for this purpose. Business Development Service is very essential for women entrepreneurs and currently there is lack of this service.

IB Related SWOC

Strengths

Strong agribusiness involvement: TMSS has involved themselves in several agribusiness related activities. Unlike many other micro-finance organisation, they not only counsel their borrowers, they also show them how to do it (for example assist in market linkage or monitor the progress after technology transfer).

Large numbers of partners and funding: They have a strong network with local and international organizations which enables them to collect huge funds.. For example the Agribusiness Development Project, which TMSS has received along with BRAC and ASA.⁶⁶

Weaknesses

Compared to its huge national and international network, diversified activities and mind-blowing successes, organization's visibility is not parallel to many of the industry (For example BRAC, ASA). TMSS resource person also admitted during interview that they had been more focused on their work (rather than promoting themselves) but now they want to capitalize their accumulated experience and knowledge for scaling up and knowledge dissemination.

⁶⁵ From TMSS interview

⁶⁶ The Agribusiness Development Project (Loan 2190) is one of ADB's first major assistance to Bangladesh to develop agriculture-based enterprises. The project is implemented in partnership with the government and the country's three largest nongovernment organizations (NGOs) - ASA, BRAC, and TMSS



Opportunities

From capitalization point of view, successful models and stories of TMSS can be capitalized and converted into cases, literatures or documentaries etc. for wider dissemination and adaptation. These can be used as training and communication materials by universities, training centers and even private sector organizations. Also being one of the largest NGOs, TMSS has the potential to engage itself in advocacy related activities to safeguard the interest of the NGO community as well as its beneficiaries.

Challenges

Since all of the TMSS initiatives are donor driven, sustainability of IB related initiative is a concern as it may not always match with donor priorities.

Business Model

Operational Process of TMSS:

TMSS adopts participatory & democratic process in planning & decision making, decentralization & delegation of authority, back & forth adjustments, gives importance to contemporary development needs & risk factor, considers environmental situation and own strength/ weakness/ opportunities/ threats for better management and running its all organizational activities. For efficient management of all the organizational activities, the highest management authority of TMSS has introduced Domain concept in the year 2009 in order to ensure decentralized management system and development of a second tier in the organization. A Domain is led by a senior management person with a minimum rank of Director. Currently TMSS has 14 Domain to run the business of TMSS and ES (Executive secretarial) acts as regulating Domain to ensure smooth functioning of other domains.

An inclusive Micro-finance Model

TMSS thinks health and education of target members are two key factors for proper management of micro-credit. Therefore TMSS has developed an approach called “Health-Education & Microfinance-HEM”. The HEM approach entails awareness building on primary healthcare issues, promoting basic literacy(reading, writing and numerical and capabilities on microfinance management among the target participants(mostly extreme poor)

TMSS has so far successfully implemented HEM approach in Bangladesh through 659 offices scattered all over Bangladesh covering .7 million poor households.

Customer Base

TMSS cover entire Bangladesh having **one million** micro credit receivers in 600 branches of 64 districts. The goal of TMSS micro credit program is to empower poor women by creating, expanding,



strengthening and upgrading their abilities and ensuring their direct involvement in income generating activities through demand –driven, multi-dimensional and integrated financial services. TMSS also provide some support services like training, business development services, production planning, product diversification and market linkage for their beneficiaries.

Principal loan products and coverage:

| Loan products | Outstanding (%) |
|---|-----------------|
| Rural micro credit | 32.96 |
| Urban micro credit | 13.27 |
| Ultra poor program | 3.56 |
| Micro enterprise & SEM program | 40.32 |
| Agriculture & Agribusiness program | 7.05 |
| Livestock & Fisheries development program | 0.44 |
| Disaster management program | 0.12 |
| Seasonal loan program | 2.30 |
| Total | 100.00 |

Governance Structure & Internal Decision Making Process

Governance Structure of TMSS:

TMSS is governed by its registered constitutions of joint stock companies and related registration authorities. Governing body ensures the proper governance of TMSS. TMSS governing body consists of 15 members who are elected by the members of the general body of TMSS for term of three years.

TMSS is equipped with a capable workforce of around 5300. TMSS management uses domain approach in managing its activities. Organogram of TMSS has Governing Body in the top layer. TMSS hierarchy in descending is as follows: Executive Director, Deputy Executive Directors, Executive Secretariat and Domain Directors. Executive Secretariat is the Secretariat of the honorable Executive Director and Deputy Executive Directors. There are three Deputy Executive Directors, 13 Directors, and eight Joint Directors. Domain Directors are assigned to Domains such as – HEM (Microfinance), Health, HRM & Admin, HRD & training etc.

Executive Secretariat (ES) is the coordinating segment of TMSS which executes all policy guidelines belongs to TMSS & the chief of ES acts like a catalyst. An executive in the rank of director out of the



directors will in charge of the secretariat as Director (Executive Secretariat) for managing all the activities of the Organization in establishing Good Governance.

Stakeholders

Veto Players: Governing Body², Executive Director (ED)

Governing Body offers important policy guideline and thus has a great influence on the organization's decision making regarding big issues. Executive Director leads the ES and is the top person to supervise the implementations of all programs and activities.

Key Stakeholders: Executive Secretariat (including its members), National and International Partner organizations

TMSS has 14 domains and each domain are led by senior management person with a minimum rank of Director. Partner organisations also play a significant role in TMSS' activities. PKSF, Commercial Banks, DFID, RDA, Spanish Govt, GiZ, WFP, Smile Train Inc (USA), GFATM, BRAC, Swisscontact, UAE-Bangladesh Development Cooperation, UNICEF, AusAid, IDCOL are some of TMSS's development partners.

Decision Making Process

Executive Secretariat (Upon approval of Executive Director) makes final decision about operational activities. Any addition (such as adding inclusive business in their priority) in policy must be approved by Governing Body. Any proposal or discussion for collaboration can be initiated through the Director of Microfinance who eventually will take up the matter with Executive Secretariat.

Recommendations

Ways of overcoming constraints and challenges⁶⁷

TMSS has already implemented some successful projects in several locations of Bangladesh. As the projects were under limited scope, dissemination of the success stories, experiences and knowledge was never possible. Through knowledge capitalization endeavor it is possible to replicate successful projects in other areas and also disseminate among other stakeholders. For example TMSS is implementing HEM (Health, Education, and Microfinance) model in several areas. To replicate this model it needs documentation, case building, testing/piloting etc.

TMSS would be interested to collaborate as replication of successful models in new areas, thus successfully disseminating their success and increasing their reach. While through such partnership,

⁶⁷ In many cases addressing the opportunities instead of challenges, can be collaboration scope. Also some generic challenges are not possible to address through collaboration



Katalyst will be able to form partnership for knowledge capitalization and also share the knowledge of such successful and reputed organisation like TMSS.

Potential Areas of Collaboration for Katalyst and Action Plan

TMSS is engaged in agricultural and agribusiness related projects such as: TMSS fisheries project, TMSS seed projects , TMSS agricultural projects. As Katalyst is involved in many subsector studies including fisheries, seed etc, they will be easily able to relate their experience with that of TMSS.

The core area where TMSS can collaborate to advance inclusive agribusiness is as follows:

Agricultural knowledge and technology dissemination: Collect, document and disseminate success stories, cases, working models.

TMSS success stories and models can be captured to prepare cases on for wider dissemination and use.

Action Plan

Proposals may be placed before the Executive Director or the Deputy ED. The rest will follow suit.

Resource support for the collaboration efforts mentioned above can be arranged mutually by TMSS and Katalyst.

If such initiative is to be taken, with support from co-fac, assessment of scope, TMSS successful projects to be capitalized, knowledge dissemination guideline, area/location and feasibility of replication etc. can be done and discussed through number of meetings with the top managed.

Entry Point

Executive Director
or Deputy
Executive Director

Key Resource Person

Mr. Munawar Reza Khan. He is the Director of Health, Education & Micro-finance. He is with TMSS for many years and also has huge influence on the organisational decision making because of his significant contribution.



6.2.3 Rangpur–Dinajpur Relief Services (RDRS)

Mandate, Positioning & Influence

Mandate

RDRS was established to assist with relief and rehabilitation of greater Rangpur-Dinajpur region immediately following the War of Independence of Bangladesh in 1971, the RDRS program evolved into a sector specific and then comprehensive effort. Formerly the Bangladesh field program of the Geneva-based Lutheran World Federation/Department for World Service, RDRS became a national development organization in 1997. RDRS works for the rural poor and marginalized to help them achieve meaningful political, social and economic empowerment, quality of life, justice and a sustainable environment through their individual and collective efforts.⁶⁸

RDRS works with the rural poor and their organizations in order to establish and claim their rights as citizens; to build their capacity and confidence to advance their empowerment and resilience to withstand adversity; and to promote good governance among local institutions and improved access by the marginalized to opportunities, resources and services necessary to fulfill decent lives. Thus RDRS's mandate is closely tied with inclusive growth practices in the north-west Bangladesh.

Positioning & Influence

Operating a large integrated development in northern Bangladesh for over 30 years, RDRS Bangladesh is one of the most experienced and highly respected NGOs in the country. RDRS is now a major multi-sectoral development agency focused on disadvantaged North-West Bangladesh. It provides development opportunities and services to around 1,600,000 landless and marginal families in 18 districts, and work with 375 community-based organizations (Federations) seeking to empower their grassroots members. RDRS maintains a staffing of over 3,000, over 90% of whom are field-based. RDRS is unusual in maintaining a concentrated geographic program, focusing on 57 Upazilas (sub-districts) mainly in deprived North-West Bangladesh in Rangpur Division, far from the over centralized economic and political powerbase of Dhaka, Chittagong, even Rajshahi. Unlike others RDRS working area already covered **146 Upazilas & 658 Unions in 18 districts of** North-West Bangladesh which makes RDRS unique in the development of this particular region of Bangladesh. RDRS also has local, national and international level networks which can help to promote inclusive practices.⁶⁹

IB Relevance

At the end of 2013, RDRS's Micro-finance Program's 164 branches supported around 289,000 families with financial, technical and social inputs. Among the participants, roughly 60,000 were ultra-poor; 196,400 were farm laborers or landless/marginal farmers; 30,300 were small farmers; and, 2,600 were

⁶⁸ <http://www.rdrsbangla.net/rdrs-in-brief/>

⁶⁹ <http://www.rdrsbangla.net/core-partners/>



from the Adibasi (tribal) communities.³ A success story related to inclusive agribusiness is added in the text box below⁷⁰:

Basonti Rani is one of millions of poor, hard-working farmers who seize anything that comes along to make life better for their families. So Basonti was disappointed when her husband put his foot down and said “you are not bringing that thing here” when she told him about a wonderful new invention she’d heard about.

Earlier that day, Basonti had been at a meeting of her Farmer Field School, run by RDRS in her village of Horidev, Panchogram. The extension worker had been talking to them about soil fertility and how to improve it on land that had been heavily-worked for years. One way was by vermiculture, or vermicompost a clean fertilizer created from bio-degradable waste found in every household; using it would mean farmers like Basonti would not have to buy or use more expensive synthetic materials. Basonti could see it was ideal for their 40 decimal plots and although her husband said “no” she eventually managed to change his mind and she set about improving their land.

The first thing was to attend a day’s training with RDRS after which she was given 200 earthworm and the boxes to keep them in. Basonti brought them home carefully and put the worms near to the homestead where she could keep an eye on them. After three months she had 56 kg of compost which she used to cultivate gourds, cucumber and coriander on 16 decimals of their plot. She was delighted. “The 200 earthworms increased to 7,000 and I sold 5,000 of them to a local NGO for 5,000Tk. The next time, the worms gave me 130kg of compost and so I had an even better crop on 35 decimals. I sold most of them but kept some back for my family. Doing that saved me 10,000Tk alone. Now my husband agrees with me!” For her splendid work, Basonti has been honored by the Federation and even the Department of Agriculture has recognized her efforts. But Basonti is not sitting still; instead she is working tirelessly to persuade other husbands to let their wives set up vermiculture on their place.

IB Related SWOC

Strength

RDRS has high implementation competence and has a huge partner network consisting of local and international organizations. RDRS is, to some extent, capable of influencing policies through advocacy campaigns. RDRS offers extensive training for its own staff, group leaders and members, federation (CBO) leaders, volunteers and staff of other development agencies, NGOs. RDRS is presently proving 28 training courses successfully.⁷¹

⁷⁰ RDRS Annual Report 2012

⁷¹ <http://www.rdrsbangla.net/training-center/>



Weakness

Unfortunately RDRS does not have focus on value chain development; hence inclusive agribusiness agenda is tough to get a go in its mandate.

Opportunity

The skills, experience and facilities of RDRS can be tapped through training for other organizations to develop staff at any level in a range of skill areas (management, professional and technical).⁴ There is also a need for good working models re inclusive growth. In this connection, successful models and stories of RDRS can be capitalized for wider dissemination and replication.³

Challenges

Awareness about inclusive growth/agribusiness is low within the organization. Although it is a new concept but the Interest level regarding advancing inclusive agribusiness is also low.

Business Model

In 2013, RDRS Enterprise (Pvt Ltd) produced agricultural inputs (seeds, poultry feed and fish hatchery) and handicraft products. They sold rice, potatoes, vegetable seeds, poultry feed and fingerlings to 20,000 farmers, 1,000 breeders and 1,000 fish-farmers, earning over 685,000Tk profit. These items were distributed to market traders as well as RDRS Group Members in order to spread modern ideas and improved seeds as widely as possible. On the handicraft side, 3,300 women were taught mat-making, weaving and embroidery in 2013. We were able to buy back 30,000 sq. ft of matting, 8,500 yds of cloth; 2,300 garments; and 8,000 seed bags from 2,100 women who earned 180Tk per day on average who put in approximately 8,500 days.⁷²

Existing and Potential Customer Base

RDRS reaches some over million rural dwellers through its various development interventions. RDRS presently works with 1,572,416 rural poor of 18 districts in Bangladesh, namely Panchagarh, Thakurgaon, Dinajpur, Rangpur, Nilphamari, Lalmonirhat, Kurigram, Gaibandha, Jamalpur, Bogra, Naogaon, Chapai Nawabganj, Rajshahi, Natore, Pabna, Sylhet, Moulvibazar and Habiganj. RDRS's development aim is to achieve sustainable increases in the living standards of the people of this region. With this aim, RDRS enables those who participate in its programme to gain the necessary skills, understanding, confidence, institutions and services; and ensure that the rural communities have the necessary economic, social and environmental resources.

In its programme, RDRS applies priorities with a continuing focus on the rural poor, marginalized and disenfranchised, with some engagement with urban slum dwellers in regional towns. RDRS works with two main categories- i) Minorities: excluded and marginalized groups (eg, ultra-poor, indigenous,

⁷² <http://www.rdrsbangla.net/economic-empowerment/>



char/riverine communities, disabled, selected discriminated-against urban poor (slum dwellers, sweeper community etc). ii) Majorities: landless and near-landless/marginal farmers, climate change-affected people, small farmers, health service users.⁷³

Governance Structure & Internal Decision Making Process

RDRS is governed by a Board of Trustees comprising leading actors from the humanitarian sector in Bangladesh. The Board of Trustee consists of seven members including Chief Executive, Executive Director and Chief Financial Officer. Its programs run by a Management Committee consisted of senior staff members. Regular co-ordination meetings are held involving management and supervisory staff from across RDRS. RDRS Bangladesh is registered under NGO Affairs Bureau.

Stakeholder Analysis

Veto Players:

As RDRS is run by a Board of Trustee, seven members of that Board of Trustee holds the authority of accepting or denying any decision and are also key decision makers for implementing any new projects. Chief Executive, Executive Director, Chief Financial Officer and Managing Director are part of this board.

Key Stakeholders:

RDRS has local, national and international level networks. All core partners and business development partners are part of key stakeholders for RDRS. Among them Bread for the World, Germany, Global Fund, World Food Programme (WFP), PKSF Bangladesh, WaterAid Bangladesh are mentionable.

Recommendations

Way of Overcoming Constraints & Challenges

Although RDRS is working for a long time now to help the marginal farmers and poor people of the North-West part of Bangladesh but some how they overlooked the importance of value chain development. As RDRS regularly provides its manpower appropriate training for skill development, they can easily address this issue by building their capacity within the organization with proper training.

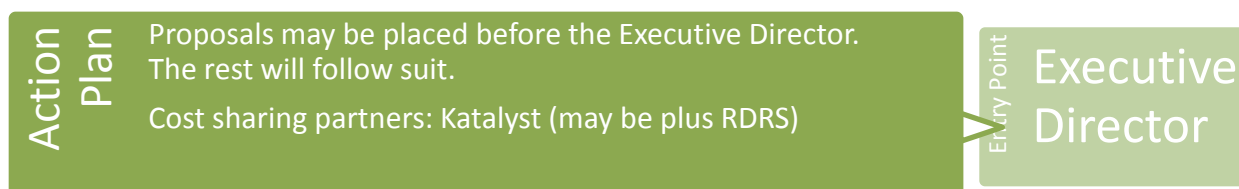
Potential Collaboration (Common Areas of Work) for Katalyst and Action Plan

Policy advocacy and communication from food security and farmers' right perspectives (injecting IB focus would be a useful value addition to the effort) can be a major potential area of collaboration for Katalyst. RDRS has huge work on food safety.

⁷³ <http://www.rdrsbangla.net/programme-participants/>



According to RDRS they are the 1st initiator of food safety law. RDRS is working on food safety since 2005. They already completed eight successful projects on food security since then. Katalyst can easily access North-West part of Bangladesh to promote inclusive agribusiness with the help of networking, experience and expertise of RDRS. RDRS can also be benefited with the value chain development approach of Katalyst through practicing inclusive agribusiness.



Potential Resource Person

The potential change agent from RDRS Bangladesh can be Mr. Md. Mamunur Rashid, Agriculture and Environment Coordinator. He is the appropriate parson for the inclusion of inclusive agribusiness in practice for RDRS as he is in charge of agriculture and environment coordination.



Chapter 7: Public Sector Agencies in Advancing Inclusive Agribusiness

7.1 Institutional Outlook: Relevance, Roles & Constraints

Public sector agencies are working hand to hand with the market actors to develop the agricultural sector in Bangladesh. Despite limitations, the country is moving forward ‘as a nation of agricultural production’. The public sector agencies are working towards technology innovations (focusing primarily on production though), develop skills of farmers in rural areas through extension services and help market the agro-produce.

Flagship NARS institutes (e.g. BARI, BINA, BRRI), under the umbrella of BARC, are involved in agricultural technology and crop variety development research, while agencies such as DAE is helping through their extension work taking the research outcome to the farmers living in rural areas. Through DAE, farmers are getting new crop varieties and technologies (discovered/approved by BARI, BINA, BRRI, etc.) within a short span of time. The Ministry of Agriculture (MoA) is the parent organization or apex body responsible for formulating policies, establishing infrastructure and strengthening relevant institutions. It strives to balance the interest of farmers as well as that of consumers. However, the vital middle (i.e. trade links where private sector works) still remains largely ignored or is treated inappropriately.

Few potential roles of public sector agencies are outlined below:

- Incentivize inclusive agribusiness practices and business models
- Encourage research-based policy analysis and advocacy
- Drive the agenda of inclusive agribusiness enabling environment
- Facilitate public-private collaboration on agriculture and agribusiness development
- Help private sector businesses gain international market access on fair terms

Public sector agencies are in the driving seat, with enormous power to potentially leverage in favor of inclusive business agenda. These agencies have *reach* all around. For example, all the fish farms needs to be registered with DoF, which may promote (or hinder) development of the sector. On the other hand, RDA works on small issues, but with much impact and effective market-oriented models. For example, smart model involving deep tube-well solves not only the irrigation problem but also helps sort-out the problem of safe drinking water for the poor people as well as for livestock. Besides, organization such as BARI (although mandated to pursue research only) are connected not only with researchers and extension professionals, but also with farmers who extend their support to pilot new discoveries and



technologies. Yet, the problem is that rarely these public sector organizations collaborate with each other with highest possible success.

Private-public partnership is extremely beneficial in advancing an inclusive business agenda. Such partnership may involve long term strategic planning, backed by policy and institutional support. For example, Bangladesh has sufficient manpower, but continuous skill and knowledge building programs are scarce. Investment in the field of agriculture and agribusiness capacity building is needed both from private and public sectors. But collaboration with the private sector is often a distant milestone to conquer.

IB-related Institutional Constraints and Challenges: For this cluster, generalization of institutional level constraints would probably be risky, except for the fact that bureaucracy and political prejudice is a common phenomenon. This constraint is derived from organizational set up and/or environment in which the organizations of this cluster operate. At the understanding level, there exist differences among organizations. For example, while the IB concept is found to be a ‘distant relative’ for MoA and BARI, it’s a ‘close to the heart’ concept for BRDB.⁷⁴ Likewise, by mandate, BRDB can immediately take-up IB approaches and models, but MoA and BARI cannot do so overnight. However, innovation and high-level networking may pave a way through. In all cases, internal funding by public sector agencies is a major constraint.

7.2 Selected Organizations of Influence

7.2.1 Ministry of Agriculture (MoA)

Mandate, Positioning& Influence

The Ministry of Agriculture (MoA) is one of the key ministries of the Government of the People's Republic of Bangladesh. It comprises of seven (7) wings, with responsibilities of policy formulation, planning, monitoring and administration. Besides, sixteen (16) agencies (including BARC and its nurse

⁷⁴ Although the term ‘inclusive business’ is not common within BRDB either, its activities include at least some of the IB elements.



institutes, Hortex foundation etc.) operate under this ministry. These are responsible for implementation of different programs, projects and plans of MOA.

Mandates

MoA's is mandated to develop agricultural policies, plans, regulations, acts, capacity of the professionals and other team players, etc. for sustainable agricultural development and for food sufficiency. Furthermore, they have to monitor distribution of agricultural inputs and subsidies, marketing of the agricultural products in local and international markets, implementation of agricultural policies, plans, projects, programs and regulations.

Positioning

The Ministry of Agriculture (MoA) is one of the key ministries of the Government of the People's Republic of Bangladesh led by a full cabinet minister. It acts as the supreme policy making body involving agriculture and exerts authority over all agriculture related agencies and organs of the government. It operates through seven wings (with responsibilities of policy formulation, planning, monitoring and administration) and governs sixteen agencies (which are responsible for implementation of different projects and plans of MoA). On the other hand, MoA also maintains strong network of international partners such as ADB, CIDA, DANIDA, DFID, EU, FAO, JICA, GIZ, UNDP, USAID, World Bank, WFP, WTO, etc.

Inclusive Business Relevance

MoA's two relevant wings through which catalyst wants to pursue inclusive agribusiness are seed wing and planning wing. Seed wing, one of the most pro-private sector windows, works as the Seed Certification Agency (SCA). Besides, it organizes seminars and workshops for disseminating information on seed technologies and training courses for capacity development of the seed related professionals. This wing plays an important role in monitoring seed production, import, marketing, distribution and utilization. It also performs market analysis along seed demand and supply in Bangladesh.

MoA's planning wing is responsible for identifying the appropriate investment areas in the agricultural sector. It plans, monitors and evaluates agricultural development projects implemented by different agencies under the Ministry of Agriculture. This wing also makes appraisals on the projects of NGOs, other relevant ministries and departments for protecting the interest of the agricultural sector in



Bangladesh. The Planning Wing plays a vital role in monitoring physical and financial progress of the development projects. It has special attention to women participation in agricultural sector as well. Contribution to the Annual Development Programs (ADP) is another important responsibility of this wing. It prepares the list of the projects that requires financial support from the donors. Thus both planning and seed wings are in good position to pursue inclusive agribusiness agenda from their own authority and scope.

Some of the successful initiatives of MoA

- *Release of Bt Brinjal varieties 1, 2, 3 & 4 at field level:*
The National Committee on Bio-safety (NCB) of the Ministry of Environment & Forest officially released Bt Brinjal on 30 October, 2013. Scientists at the Bangladesh Agricultural Research Institute (BARI) under the Ministry of Agriculture developed Bt Brinjal to give resistance against fruit and shoot borer in order to save crop loss in Brinjal.
- *Good Seed Good Crop:*
Good seed is very important to increase productions. Bangladesh Agricultural Development Cooperation (BADCO) is producing and marketing high yielding variety of rice and potato seeds. There are also a good number of private companies, which are importing hybrid seeds.
- *Balanced Fertilizer Use Save Production Cost:*
Realizing the importance of proper soil fertility and fertilizer management, the Department of Agricultural Extension (DAE) has been implementing Soil Fertility and Fertilizer Management Project (SFFP) in cooperation with National Research Institutes.
- *Bangladesh Agribusiness Development project (BADP)*
Under Agriculture & Finance Ministry, Department of Agriculture Marketing is the implementing Agency of this project (funded by ADB). TMSS has been implementing this project in the field level. This project, a pioneering initiative aimed at financial rural enterprises through TMSS. The Overall objective of the project was to reduce poverty by creating employment opportunity in rural and semi urban areas through increasing agribusiness activities.

Impact of the project:

- Agribusiness Contribution to GDP increased. Up to June 2011 no. of 21481 small scale agribusiness started or expanded
- About 700664 person month employment already created.
- Women entrepreneurs of agribusiness are increasing. Up to June 2011 no. of 11170 women agribusiness entrepreneurs enrolled under this project.
- TMSS staff and officers are developing their skill about agribusiness lending. Up to June 2011 no. of 1138 officer of TMSS already trained about agribusiness Credit operation.
- According to increase of public demand agribusiness lending are increasing.



Inclusive Business Related SWOC

Strengths

MoA oversees 16 agricultural agencies, and thus serves as the highest authority to influence policy, design and approve programs and projects, and ensure proper implementation in agriculture. On the other hand, MoA also maintains strong network of international partners such as ADB, CIDA, DANIDA, DFID, EU, FAO, JICA, GIZ, UNDP, USAID, World Bank, WFP, WTO

Weakness

Despite having huge resources in its account, MOA cannot allocate any fund for externally initiated projects. As a public sector entity, MOA has its own of rules and framework. The incentive structure is not conducive to out-of-the-box thinking and action. Maintaining balance between procedure and freedom of thought and action is quite a struggle for the officials. This may hinder works along any new idea or innovation.

Opportunities

As the private sector is getting increasingly larger and more active, the pressure on public offices is increasing day by day. This has the potential to open the window for innovative thinking and actions. And in that case, advancing an inclusive agribusiness agenda through MoA may come true.

Challenges

Being a government ministry in the public sector,, political and bureaucratic pressure/interferences may play a role. Such role may quicken or hinder proper implementation of inclusive agribusiness projects. Involvements of several ministries, lack of coordination among the concerned ministries are some key issues. Also absence of an institutionalized wing within the government to monitor the implementation of reforms across agribusiness sector as a whole contribute to low level of growth. Primary agriculture and agro-industrial sub-sector is viewed separately leading to dissimilar policies and incentives, as classification and segregation are made based on nature of operations and services. Although primary farm outputs like rice, wheat, fruit, vegetables, etc are well under the Ministry of Agriculture, other agro-industrial sub-sectors like cold storages, agro- processing, etc are structurally placed under the Ministry of Industries under "agro-based industries"; while some other support industries like agro-



machinery are treated under "light engineering" sector. In another case, production and import of fertilizer and pesticides is done under the Ministry of Industries.⁷⁵

Business Model

MoA receives funds mainly from government. The planning wing is responsible for identifying the appropriate investment areas in the agricultural sector. It plans, monitors and evaluates agricultural development projects implemented by different agencies under the Ministry of Agriculture. This wing also makes appraisals on the projects of NGOs, other relevant ministries and departments for protecting the interest of the agricultural sector in Bangladesh.

Governance Structure & Internal Decision Making Process

The MOA is led by a Minister who is supported by one Secretary, two Additional Secretaries, seven Joint Secretaries, one Joint Chief and a number of Deputy Secretaries/Chiefs, Sr. Assistant Secretaries/Chiefs and Assistant Secretaries/Chiefs (ref. MOA Organogram).

There are seven wings under ministry of agriculture.

- Administration and Input Wing
- Policy Planning and Coordination Wing
- Extension Wing
- Audit Wing
- Research Wing
- Seed Wing
- Planning Wing

Some relevant wings are:

Seed Wing⁷⁶

The Seed Wing is the administrative authority of the Seed Certification Agency (SCA). They deal with the personnel management and fund release for the development projects of SCA. Seed dealer registration

⁷⁵“Agribusiness development for economic growth” by Ferdaus Ara Begum; Published on 14 November, 2012. The writer is Chief Executive Officer (CEO), Business Initiative Leading Development, Dhaka Chamber of Commerce & Industry (DCCI). ceo@buildbd.org.

⁷⁶ Anwar Faruque, Additional Secretary, Director General; Tel: 7164624 (Office), 01711564572, dgseed@moa.gov.bd



is another responsibility of this wing. They are also responsible for developing and amending seed acts, rules and regulations and monitors their implementation. This wing plays an important role in monitoring seed production, import, distribution and utilization.

Research Wing⁷⁷

The Research and Development Wing deals with the administrative and the personnel management of the research institutes such as, BARC, BARI, BINA, BANHRDB, CDB, BRRI, BJRI, SRDI and BSRI. It also deals with fund allocation to various projects of these organizations. This wing also takes care of coordination with other organizations and different Ministries including Ministry of Finance, Ministry of Establishment and Ministry of Law and Parliamentary Affairs

Planning Wing⁷⁸

The Planning Wing is headed by joint chief. The Planning Wing of the Ministry of Agriculture is responsible for identifying the appropriate investment areas in the agricultural sector and planning, monitoring and evaluating agricultural development projects implemented by different agencies under the Ministry of Agriculture.

The Planning Wing plays a vital role in monitoring physical and financial progress of the development projects and in reporting to the different Ministries and Divisions of the government. It is also responsible for reporting on women development in agricultural sector.

The preparation or revision of the Annual Development Programmes (ADP) is another important responsibility of this wing. It prepares the list of the projects that requires financial support from the donors. It also reports on foreign aid allocation and utilization to the Planning Commission, ERD, etc. The wing is also responsible for reporting on project, sub-project wise allocation, fund release and expenditure at the monthly ADP review meeting of the Ministry of Agriculture.

There are 16 agencies under ministry of agriculture. These are:

Department of Agricultural Extension (DAE), Bangladesh Agricultural Development Corporation (BADC), Bangladesh Agricultural Research Council (BARC), Bangladesh Agricultural Research Institute (BARI), Bangladesh Rice Research Institute (BRRI), Bangladesh Jute Research Institute (BJRI), Bangladesh Sugarcane Research Institute (BSRI), Bangladesh Institute of Nuclear Agriculture (BINA), Cotton Development Board (CDB), Agricultural Information Services (AIS), Department of Agricultural Marketing

⁷⁷ Md. Jamsher Ahmed Khandker, Joint Secretary Tel: 9540130(Office), 01714-201735 (Mob.), jsres@moa.gov.bd (E-Mail)

⁷⁸ Nakib Bin Mahbub, Joint Chief; Tel: 7168161 (Office), jcplan@moa.gov.bd



(DAM), Seed Certification Agency (SCA), BARIND Multi-Purpose Development Authority (BMDA), Bangladesh Institute of Research and Training on Applied Nutrition (BIRTAN), Soil Resource Development Institute (SRDI), Horticulture Export Development Foundation (Hortex Foundation)

Stakeholder Analysis

Veto Players

Under the direction of the minister, senior level secretaries of MoA make the key decisions regarding the activities of the ministry. Other secretaries also have strong say on many other aspects of the ministry.

Key Stakeholders

All seven wings of MOA, 16 MoA agencies, Ministry of commerce, development partners, policy makers

Recommendations

Way of Overcoming Constraints & Challenges

Arranging sensitization seminars/workshops and getting engaged in interventions to share the inclusive business concept and its benefit among the top level management to make them aware of the cause. Once they buy the concept, they may include it within their activities and future interventions.

MoA's Incentive will be that IB fits into its mandate to develop (and oversee implementation of) agricultural policies, plans, regulations, acts, etc. for sustainable agricultural development and food security AND to support development of new agricultural technologies to boost up agricultural production AND to coordinate with local and international trade agencies for agricultural marketing

Potential Collaboration (Common Areas of Work) for Katalyst

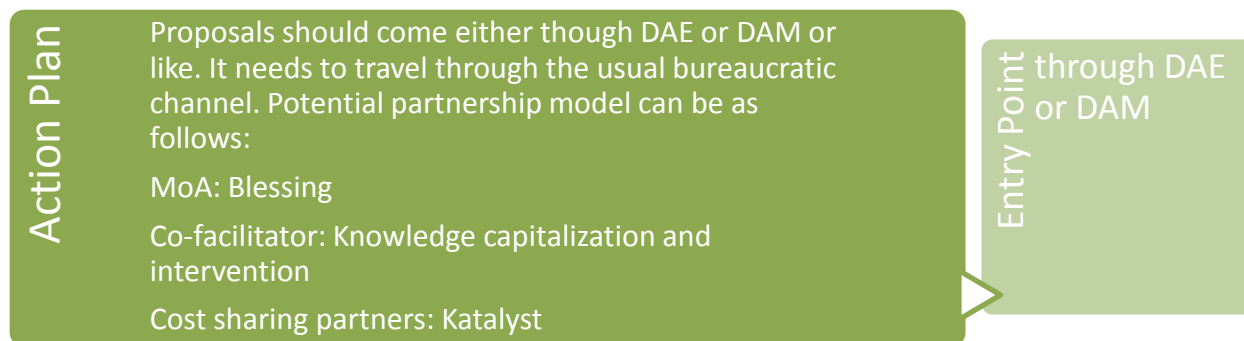
Katalyst's potential area of collaboration with MoA may be,

- MoA would provide 'blessing' in any intervention that benefits farmers, consumers and businesses. MoA will not bear any cost.

The Katalyst team can approach the top management of MoA in collaboration with DAE, DAM, etc. as an entry point. They can put forward a concept note, in order to discuss potential collaboration and scope of work regarding IB related intervention that benefits farmers, consumers and businesses in order to



sensitize them as to why inclusive agribusiness agenda is required. Engagement of a co-fac to put forward a proposal to refine the blueprint, strategize and negotiate the plan and execute is recommended.



Key Resource Person

Mr. Anwar Faruque, Director General (Seed), Ministry of Agriculture can be the key resource person in MoA. He has participated in the Institutional Dialogue and already aware of the inclusive approach. Further more, he is knowledgeable about the internal process while holding a significant influence in decision making of MoA. Unlike many bureaucrats he holds very positive opinion regarding private initiatives in agriculture.

7.2.2 Bangladesh Agricultural Research Institute (BARI)

Mandate, Positioning & Influence

Bangladesh Agricultural Research Institute (BARI) is the largest multi-crop institute conducting research on a wide variety of crops, such as cereals, tubers, pulses, oilseeds, vegetables, fruits, spices, flowers, etc. Besides variety development, this institute carries out research on such areas as soil and crop management, disease and insect management, water management and irrigation, development of farm machinery, improvement of cropping and farming system management, post-harvest handling and processing, and socio-economic studies related to production, processing, marketing and consumption.



Mandates⁷⁹

The mandates of this Institute are formed according to the Bangladesh Agricultural Research Institute Amendment Act. No. 14 of 1996. Major mandates are: to undertake research to ensure a stable and productive agriculture, provide farmers information for efficiently and profitable farming, set up research centers, sub-stations, project areas and farms in different regions on various problems of agriculture, carry out demonstrations, tests or trials of new varieties of crops and their management practices etc.

Viewing BARI's mandate, it is safe to say BARI aim to engage in agricultural research along with some other related activities such as information dissemination. Generally, research output of such organization is implemented in the field in the long run and farmers and poor population enjoys the benefit of high yield or high tolerant species (for example). Therefore organization such as BARI, work with an "inclusive" vision by mandate.

Positioning

BARI is one of the top organisations among the 10 NARS⁸⁰ members and has much more influence on government, private partners and other agriculture research organisations.

IB Relevance

The Swadhinata Award was conferred to Bangladesh Agriculture Research Institute (BARI) for its outstanding contribution to Research and Training on 2014. That says much about the high achievement of the organisation in agriculture research sector. Some of BARI's projects and successes which have the potential of being inclusive are mentioned below.⁸¹

- BARI has so far invented 396 high-yielding species of various crops and 454 crop-production technologies, making it total 850.
- BARI has invented 85 high yielding species of 29 vegetables, which includes two hybrid species of Brinjal and two hybrid species of summer tomatoes. Cultivation of summer tomatoes has

⁷⁹Success of BARI : www.bari.gov.bd

⁸⁰Bangladesh Agricultural Research Institute (BARI), Bangladesh Rice Research Institute (BRRI), Bangladesh Jute Research Institute (BJRI), Bangladesh Institute of Nuclear Agriculture (BINA), Bangladesh Sugarcane Research Institute (BSRI), Bangladesh Livestock Research Institute (BLRI), Bangladesh Fisheries Research Institute (BFRI), Bangladesh Forest Research Institute (BFRI), Bangladesh Tea Research Institute (BTRI), Soil Resources Development Institute (SRDI)



ensured availability of tomatoes all-round the year and thus decreased import dependency in this sector.

- BARI has invented temperature and salinity tolerant species of wheat, which has potential of bringing increased yield in the southern part and the Barendra region of the country.
- BARI in last 5 years has developed nine agro-machineries. These equipment has the potential to decrease required time and expense of farmers
- Invention of environment friendly IPM method instead of pesticide usage is another big achievement for BARI.
- BARI has now started focusing on GMO crop production. In collaboration with Colonel University, USA, BARI has invented pest-free BT-Brinjal species.
- To ensure food security of increased population BARI has been focusing on crop intensification. Strengthened research has been going on how instead of 2-3 crops, 4 crops can be cultivated in one year. BARI has also invented some special crop species, which can withstand salinity, drought, excessive heat or even flood. These crops include, Moong dal, Wheat, Potato, mustard etc.

Knowledge Dissemination⁸²

The Institute organizes "Field-days" at regional stations and sub- stations that are participated by the farmers and the extension workers. In addition, the On-farm Research Division has been playing an important role in the transfer of technology. Moreover, the Institute has established 26 Technology Villages under different Agro-Ecological Regions (AEZ) of the country in order to transfer BARI developed technologies by establishing greater bondage between scientists and farmers.

IB Related SWOC

Strengths

BARI is blessed with skilled and experienced researchers, has collaboration with top international organizations, and open to forge collaboration for the benefit of the people and the country. Although not explicit but it has pro-poor development mandate. It is already engaged in research activities which are in effect increasing crop production and eventually income of the farmers.

⁸² www.bari.gov.bd; Technology Dissemination



Weakness

Although they do have the mandate of providing farmers with necessary information, being a research focused organization they often fail to reach the regional domain. (Of course, extension workforce of DAE is there to fill this gap.) When comes external research mandate, it faces resource constraints. The research agenda that it pursues are not always demand-driven. Consequently, many of the technologies developed remain in the laboratories or books, not in the field.

Opportunities

Proven and productive (in competitive sense) BARI technologies may be transformed into actionable guidelines and disseminated among stakeholders (farmers, VCAs, processors, etc.)

Challenges

Being a public agency, BARI may need to endure political and bureaucratic pressure while pursuing its agenda. Also in spite of having mandate to provide farmers information of modern technology, BARI is often failing to communicate their achievements to farmers. Although knowledge dissemination is mainly DAE's function, but BARI to DAE to farmers is a long route for transferring the knowledge. It often takes long time and decreases in effectiveness in the way.

Business Model

Funds Received

BARI is funded by the government in the form of development and revenue budget. The development budget was made available through the annual development programme (ADP) for the on-going development projects under the Institute. Out of the total ADP allocation of Tk.5338.00 lakh, the GOB funding was Tk.4988.00 lakh, which was offered by different aid-giving agencies as Project Aid (PA). Besides, an amount of Tk.13600.00 lakh was made available from the revenue budget to meet the recurring expenditure of the already completed projects of the Institute.⁸³

Beyond above mentioned process, BARI also partners with private organisation and seeks funding from external sources such as KGF or donor organisations for certain research projects.

Governance Structure & Internal Decision Making Process

In 1976, through the Presidential Order Number LXII, BARI emerged as an autonomous and effective research organization following the dissolution of the Directorate of Agriculture (Research and Education) with sufficient operational flexibility, structural modification, and improvement of regional and sub-stations.

⁸³ BARI annual report 2011-12



BARI has an existing manpower of 694 senior personnel (DG, Director, CSO, PSO, SSO & SO) among which 202 have PhD and 377 have MScs. Adding class 1 and class 2 officers and other staff members there are a total of 2690 personnel. Under the supervision of one Director General there are nine directors, 35 CSOs (Chief Scientific Officers), 108 PSOs (Principal Scientific Officers), 240 SSOs (Senior Scientific Officers) and 301 Scientific Officers.⁸⁴

Stakeholders

Veto Players: Director General, Board of Directors (BoDs)

Director General by position is the head of the organisation and thus have ultimate influence on the decision making process. Board of Directors being comprised of influential members also has power to give veto against or for any proposal.

Key Stakeholders: Ministry of Agriculture, Bangladesh Agricultural Research Council (BARC), DAE BARI along with BARC and 10 other national agricultural research institutes are part of the National Agricultural Research System (NARS). BARC being the apex body of the NARS has responsibility to strengthen the national agricultural research capability through research planning, coordination, integration and resource allocation. DAE is the dissemination partner of BARI by their mandate and implements BARI research findings before taking it to mass people.

Recommendations

Ways of overcoming constraints and challenges

Intervention regarding knowledge base development and knowledge dissemination are needed. First of all knowledge capitalisation of BARI's successful research can be a guideline for other NARS institute as well as private sector engaged in agriculture. Secondly, BARI's research findings are usually tested and implemented by DAE which takes long time and often not equally effective as BARI when the knowledge reaches to farmers. Therefore a linkage between BARI and farmers could see an effective dissemination of research knowledge.

Potential Areas of Collaboration

For the above mentioned ways two things can be done:

- Get engaged with industries to generate demand-driven technologies to help increase productivity, ensure sound postharvest management, value additions and processing.

⁸⁴ BARI website



- Sensitize BARI scientist about the real needs of the farmers and develop a mechanism for sustained farmer-scientist linkage.

Linking the research directly with farmers will help the organisation to be result oriented and hence incorporate an inclusive approach. At the same time they will also get direct feedback from their beneficiaries which will help improve their quality of work.

Through partnership with BARI, Katalyst will be able to get assistant of international quality research team and reap the benefit of rich research experience and success stories.

Action Plan

DG can be approached and he'll engage relevant researcher/department. Or individual researcher may also be approached and s/he will pursue the issue with relevant department or the office of the DG. The focus should be on agricultural research. Potential partnership model can be as follows:

Co-facilitator: Knowledge capitalization (capture, analyze, transform info learning cases, technology and promotional videos etc.) and network building

Cost sharing partners: Katalyst (BARI can share its resources in kind)

Entry Point

Director General BARI

Key Resource Person

Rafiqul Islam Mondal, DG BARI. He was involved in many pro-poor initiatives of BARI and has personal interest in such endeavors where betterment of poor farmer's lives is targeted. Besides that, he has big influence on Board of Directors of BARI.

7.2.3 Bangladesh Rural Development Board (BRDB)

Mandate, Positioning & Influence

Mandate

BRDB placed under the Ministry of Local Government, Rural Development and Cooperatives (LGRD & C), is the largest service oriented institutional setup of the Government of Bangladesh (GOB). BRDB is directly engaged in rural development and poverty alleviation activities in Bangladesh. At the most fundamental level, its application sought to promote economic growth through increased agricultural



production and ensure that the rural poor attained self-sufficiency in food production. The activities of BRDB expanded beyond its originally mandated functions to the task of alleviation of endemic rural poverty by reaching the poorest of the poor through group- based self employment and income enhancing initiatives.⁸⁵

Positioning & Influence

BRDB has coverage unmatched by any other Governmental or Non-Governmental organization working in rural development and poverty alleviation in Bangladesh with 57 out of 64 District Offices and over 476 Sub-District (Upazila) offices across the country. BRDB follows a Two-Tier Co-operative system, which has become the main vehicle of Rural Development in Bangladesh. BRDB is serving in the rural areas of Bangladesh for more than 32 years now so they have the upper hand regarding poverty alleviation, rural development & women empowerment in these areas. BRDB holds a strong position in working with ultra poor and landless people compared to other organizations or NGOs working in this sector.¹

IB Relevance

As mentioned in their vision, BRDB is working to make poverty free and self reliant rural Bangladesh. Among BRDB's main operations, organizing small and marginal farmers, asset less man, women empowerment are closely related to inclusive growth agenda. BRDB places equal value on both the provision of financial and technological inputs and skills development, through training and education. With this approach, the BRDB continues to promote improvements in agricultural production and provide those with no means of production with opportunities to improve their standards of living.

BRDB also provides development services; such as, short and medium term credit, training in modern agricultural and extension techniques, supplies of high-yielding varieties of seed, fertilizer, irrigation technologies, marketing and sales support. It is through the delivery of these services that the BRDB promotes rural development and seeks to alleviate poverty. BRDB's anti poverty interventions have resulted alleviation of rural poverty to a remarkable extent. Approximately 31% of its beneficiaries in general have crossed the poverty line with visible progress in attaining a better standard of living as evidenced under RD-5 Project of BRDB.

IB Related SWOC

Strength

Since inception, BRDB has been striving to improve the status of women within Bangladesh. In 1975, the BRDB launched a countrywide women's development project titled, "Strengthening Population Planning through Rural Women's Cooperatives". The project sought to mobilize women in the development

⁸⁵ http://www.brd.gov.bd/index.php?option=com_content&task=view&id=335&Itemid=386



process by organizing them into cooperatives, which then granted members access to BRDB services. Women empowerment can easily drive woman's involvement into agribusiness and enhance inclusive agribusiness.

Developing human resources through training & motivation to the portfolio of demand driven market is also a major strength of BRDB. BRDB has three training institutes. Since its establishment BRDB has successfully mobilized 5.3 million beneficiaries into cooperative societies and informal groups. So it is easier for BRDB to influence and train up human resources in practicing inclusive agribusiness.

Weakness

BRDB seems to be too much dependent on government for both mandate and fund. There is scope for capacity building of BRDB manpower as it faces problem while pursuing projects due to lack of capacity.

Opportunity

BRDB's successful cases and models can be captured, scaled up and replicated by others. A success story of BRDB is included in the text box below.⁸⁶

For example, Md. Rafiqul Islam was born in a poor family under the district of Bogra. Because of financial problem, he studied up to Class 8. At that moment, he came to know about the Integrated Poverty Alleviation Programmes (IPAP) of BRDB. He with other 20 members of his village formed a team named landless male on 21 August in 2004. In 2005, he took loan of Tk. 8,000/- as second installment and brought a local cow. That cow gives him 3.5 liters of milk every day. He earns two thousand taka per month selling milk. He paid the previous loan in due time. Besides his own development, he is contributing to the socio economic development of his area.

Stories like this can be a source of learning and capacity building for other development organizations in our country.

Challenges

Being a public sector agency, BRDB may at times need to endure bureaucratic and political stresses. As a part of government organization BRDB has to face this challenge frequently.⁸⁷

⁸⁶ http://www.brd.gov.bd/index.php?option=com_content&task=blogcategory&id=156&Itemid=369

⁸⁷ It is not possible to fully overcome this constraint. For this cultural change is required.



Business Model

BRDB receives its fund directly from the government. There are three Funds of the Board, namely, the Rural Development Fund, the Special Projects Fund and the Board Operating Fund. The Rural Development Fund is for channeling to the village based co-operative societies and TCCAs for their promotional, motivational and developmental activities. The Special Projects Fund is for under taking specific and well defined tasks assigned to the Board by the Government or for execution of special projects. The Board Operating Fund is utilized for the pay and allowances of the Director-General, Director, Officers and staff and for all other operational and incidental expenses of the Board. In order to fulfill its lately assumed mission of reducing rural poverty BRDB had to adopt a new strategy and undertaken a number of development projects in addition to its normal programs. Integrated Poverty Alleviation Program (IPAP), Rural Poverty Alleviation Project (RPAP) are part of those development projects. BRDB has so far implemented 66 development projects and 11 are known under implementation.

Existing and Potential Customer Base

BRDB has nationwide grass-root network. It works with the ultra poor, disadvantaged and challenged communities. It operates by organizing small and marginal farmers, asset less men, women and destitute freedom fighters into cooperative societies and/or informal groups and provides them with short and long-term credit, technology for their socio-economic wellbeing and training. In its provision of services and support, the BRDB seeks to promote self-sufficient, fully sustainable income-generating activities amongst the landless, the rural poor and the marginalized.

Governance Structure & Internal Decision Making Process

The Board of directors that governs the BRDB consists of twenty-one members. The Honorable Minister of Local Government, Rural Development and Cooperatives act as its chairperson, the Secretary of Rural Development and Cooperative Division as the Vice-Chairperson and the Director General of the BRDB as the member secretary.

Senior representatives from various ministries, departments and agencies constitute the members of the Board. The Board is mainly responsible for dealing with policy issues, developing long-term plans, coordinating and reviewing operational progress and formulating future guidelines. The Director General of the BRDB is responsible for the implementation and evaluation of policies.



Stakeholder Analysis

Veto Players

The Honorable Minister of Local Government, Rural Development and Cooperatives acts as its chairperson, the Secretary of Rural Development and Cooperative Division as the Vice-Chairperson. Chairperson holds the capability to approve or deny any decision. Vice-Chairperson also holds the power of influencing any major decision taken by the government regarding projects or future plans.

Key Stakeholders

The Board of directors that governs the BRDB consists of twenty-one members. Senior representatives from various ministries, departments and agencies constitute the members of the Board. The Board is mainly responsible for dealing with policy issues, developing long-term plans, coordinating and reviewing operational progress and formulating future guidelines. The Director General of the BRDB is responsible for the implementation and evaluation of policies.

Recommendations

Way of Overcoming Constraints & Challenges

As BRDB faces problems while doing projects in terms of capacity of its employees, it can easily enhance the capacity of its human resource by providing them training facility. BRDB can provide regular training to the employees and educate them regarding inclusive agribusiness and its effect in the development of our country. It will build the capacity within the organization in terms of agriculture, agribusiness, poverty reduction and accelerate the development activity in the rural areas.

Potential Collaboration (Common Areas of Work) for Katalyst and Action Plan

BRDB provides lots of training to the marginal/ asset less poor people around the country. There is scope of training collaboration with BRDB, for example, in the area of technology adaptation by farmers. It will help to build the capacity of poor land less people and farmers.

There is scope of rural networking and consultation support in the form of access to their farmers and small cooperative societies. The inclusive agri business contents should be easy for the farmers to comprehend and practice. Katalyst can get access to a huge area of rural network through BRDB and promote inclusive agribusiness

BRDB can collaborate in the areas of Training & Technology Commercialization and Institution Building for inclusive business like: participation in and facilitation of a knowledge sharing initiatives involving inclusive agribusiness and institutional strengthening through capacity building, strategy mapping and/or leadership development. These participations and practices will help to enlighten concerned persons regarding inclusive business as well as to build the internal capacity of BRDB human resource. Thus there are two potential ways of collaboration with Katalyst:



1. Collect, document and disseminate success stories, cases, working models (e.g 2-tier model/Link model)
2. Revamp existing (2-month long) skill training program OR initiate a similar one focusing on agro-value chains, processing and marketing

Action Plan

The issue of interest needs to be specified with sufficient clarity and formal discussion with the Director General is required. The DG may refer the issue to Director Planning or to the BoD. The rest will follow suit. (Note: if the Director Planning is approached first, s/he will take the matter to the DG, who'd then do the needful.)

Entry Point
Director General or
Director Planning

Potential Resource Person

The potential change agent from BRDB can be Kazi Ali Hossain, Director, Planning. To implement any new concept it requires planning. The director (planning) is responsible for planning and has the authority to bring positive changes in the practice and influence the agenda of BRDB.

7.2.4 Hortex Foundation

Mandate, Positioning& Influence

Horticulture Export Development Foundation, in short, “Hortex Foundation” is a not-for-profit organization set up for the development, promotion and marketing of exportable horticultural/agricultural produces in order to impact farmer income and employment positively. Hortex Foundation has been in active operation for about 17 years from its inception, and is now well known to different stakeholders as an essential facilitator of high value agro-commodities export promotion in Bangladesh.



Mandates

Hortex Foundation's mandate includes the development, awareness building and promotion of agribusiness, with high value agro-products for export through technological and advisory support, in order to boost national economy and farmers' income.

Some of the major mandates relevant to inclusive business are:

- Agribusiness development with high value high quality commodities for export
- Small and Medium Enterprise (SME) development through private sectors
- Promotion of high value high quality agricultural production following international standards
- Promotion of contract/group farming system following FARM to MARKET approach
- Employment generation, poverty alleviation and farmers empowerment.

Also Hortex has the interest to create opportunities for direct exporter-importer linkages to facilitate the export of fresh/frozen fruits and vegetables, value added processed agro-commodities, foliage (betel leaf) and spices, honey, aromatic rice, ornamental plants, flowers, mushroom, ayurvedic, herbal and medicinal products, fresh water fish (fresh, frozen and processed), Halal meat and different dairy products.

So mandate wise Hortex foundation is ready to engage in inclusive business and to many extents they are already making effort regarding that.

Positioning

Hortex Foundation has been in active operation for about 17 years since its inception, and is now well known to different agricultural stakeholders as an essential facilitator of high value agro-commodities export promotion in Bangladesh.

Hortex Foundation has a strong network, since it works in close cooperation with the Ministry of Agriculture and its Allied Agencies. Like Department of Agricultural Extension (DAE), Bangladesh Agricultural Research Council (BARC) and Bangladesh Agricultural Research Institute (BARI), Ministry of Commerce, Export Promotion Bureau (EPB), different Agricultural Universities and Research Institutes, Bangladesh Fruits, Vegetables & Allied Products Exporters' Association (BFVAPEA), Bangladesh Agro-Processors' Association (BAPA), different Farmers Association, Trade Bodies and Donor Agencies. Thus



Hoetex Foundation has the potential to influence inclusive organizations and associations with whom it works or has network.

Inclusive Business Relevance

Some key activities Hortex Foundation generally engages in (related to development of agricultural stakeholders):

- Assist and undertake necessary storage, sorting laboratory, factory for agricultural products and commodities
- Assist entrepreneurs engaged in agribusiness in financial management, receiving fund/loan/credit from Banks or financial institutions, managing funds efficiently, cost control, quality control etc.
- Establish, manage printing, processing and packaging industry, factory or any other manufacturing or processing unit with all facilities related to packaging of agricultural and horticultural products;
- Establish facilities such as, pack house, general and specialized storage, grading centre, pre-cooling and cooling facilities, packaging factory, workshops, etc. subject to approval of the competent authority;
- Import or procure locally seeds, pesticides, and other inputs required for agribusiness and agricultural products with or without monetary consideration.

Some achievements of Hortex which are inclusive in nature and focused on agribusiness:

SCDC: Hortex is successfully implementing Supply Chain Development Component (SCDC) of National Agricultural Technology Project (NATP) activities in twenty upazilas of Bangladesh with intervention in farmer-market linkage development, postharvest loss minimization, capacity building of different stakeholders and entrepreneurship development.

Supply Chain Management of Vegetables: Hortex Foundation and Bangladesh Agricultural Research Institute (BARI) - in collaboration with the University of Sydney – are implementing another project entitled ‘Improving Nutrition and Livelihoods through Efficient Postharvest and Supply Chain Management of Vegetables in Bangladesh’.



Export Growth of Fruits and Vegetables: Hortex supports export growth of fruits and vegetables in Bangladesh. About 100 types of fruits and vegetables are exported from Bangladesh to more than 40 countries in the world. Export of fresh fruits and vegetables from Bangladesh significantly increased In fiscal year 2011-12 and 2012-13 Bangladesh has seen export growth of 25.01% and 35.39%

Hortex Foundation wants to create opportunities for direct exporter-importer linkages to facilitate export of fresh/frozen fruits and vegetables as well as value added and processed agro-commodities. of Hortex, Hortex sponsors, promotes, and provides, assistance (financial, institutional, advisory and training) to farming groups engaged in agri-business in Bangladesh. These activities are targeted towards increase in production and export and development of export market which will eventually help improve the livelihood of farming groups.

Commodity Collection Market Centre (CCMC)

According to Hortex, farmers must be empowered in marketing management to ensure them fair price. That is why a farmer platform is needed. Hortex, in this regard has taken few initiatives. One of them is “marketing center” which is used for commodity collection. These centers are called Commodity Collection Market Centre (CCMC). A group of farmers are taking the responsibility of market management. Hortex Foundation is providing them capacity development supports in:

- Savings management
- Supply management
- How to link with traders and negotiate with them

Traders and packaging labors are also covered under their training. In total there are 20 centers like this.

To engage farmers/traders in these CCMCs Hortex has created some incentives such as :

- Opportunity for post-harvest skill development
- No commission charged
- Opportunity for trader-linkage



Inclusive Business Related SWOC

Strengths

For the last 17 years Hortex Foundation has been known to different stakeholders as an essential facilitator of high value agro-commodities export promotion in Bangladesh. It has a strong network, since it works in close cooperation with the Ministry of Agriculture and its Allied Agencies, different Agricultural Universities and Research Institutes, Farmers Association, Trade Bodies and Donor Agencies.

Weakness

Hortex does not have a strong and wide field level network. Thus it at times cannot pursue its activities to the length necessary to bring about potential change at desired levels. Also it is restricted by financial constraints to engage the required manpower and resources to provide a much wider coverage at all VCA levels nationwide.

Opportunity

Hortex Foundation has started its new phase recently and is expanding its work horizons by stepping into local market linkages. At the same time they are also trying to establish foreign market linkages as well. This opens up a new potential to include inclusive agribusiness agenda in their activities.

Challenge

Since Hortex Foundation is predominantly a donor-dependent organization, it lacks the regular cash flow to pursue any project without any donor approval. Thus risking itself to funding uncertainties as these funds are allocated on a project base basis.

Business Model

Hortex Foundation is a donor-dependent organization, whose projects are funded by various donors like World Bank, IFAD⁸⁸, USAID, FAO, EU, AUSAID⁸⁹ etc. These funds are allocated on project basis. However,

⁸⁸Supply Chain Development Component (SCDC) of National Agricultural Technology Project (NATP) activities in twenty upazilas of Bangladesh since 2008 with financial support from the World Bank, IFAD and Govt. of Bangladesh



some funds are also provided by Government of Bangladesh. The disbursed funds are used to carry out project activities which are monitored closely.

Existing and Potential Customer Base

Hortex Foundation's services mainly cater to vegetable exporters and relevant farmers and VCAs who are involved in the vegetable export value chain. The services they provide are support in quality production, quarantine pest management, proper sorting, grading, packaging, cool chain management, sanitary and phyto-sanitary measures, market intelligence support, and trial shipment.

These services can be availed (where applicable) by attending various workshops and seminars (which are usually donor sponsored). In order to avail services that have to be procured one has to complete the required formalities (e.g. form fill up, payment etc.). Also they have freezer vans of different sizes that any exporter or trader can rent.

Governance Structure & Internal Decision Making Process

Hortex Foundation has one General Body and one Governing Body. The General Body consists of minimum 35 members. Secretary, Ministry of Agriculture (MOA) acts as the Chairman of the General Body and a representative from Export Promotion Bureau (EPB) acts as Vice Chairman. Remaining members are elected by the Governing Body. They have involvement in horticultural crops livestock and fisheries and they represent non-Government organization (Company, Association, Chamber, Society, agriculture and Educational Institution) Secretary, Ministry of Agriculture as the ex-officio Chairman of the Foundation is the Chairman of the General Body as well as the Governing Body, while the Vice Chairman, Export Promotion Bureau (EPB) is the ex-officio member of the General Body and ex-officio Director of the Governing Body. The Governing Body gives overall policy guidance and direction for the efficient functioning of the Foundation.

⁸⁹BARI and Hortex Foundation in collaboration with the University of Sydney, Australia implemented the project on "Improving Nutrition and Livelihoods through Efficient Postharvest and Supply Chain Management of Vegetables in Bangladesh" from April 2012 to March 2014 funded by the Department of Foreign Affairs & Trade (DFAT), formerly AusAID.



The Governing Body comprises of seven directors elected from the members of the General Body, representing two from the public sector and others from private sector organizations including NGOs are elected by the General Body. The Governing Body is accountable to the General Body and is responsible for the management and administration of the regular affairs Secretary, Ministry of Agriculture by virtue of being the ex-officio Chairman of Hortex Foundation, presides over all the meetings of the General Body and the Governing Body. The Managing Director is the Chief Executive Officer of the Foundation. He is responsible for the day-to-day management of the Foundation under the supervision and guidance of the Governing Body.

Stakeholder Analysis

Veto Players

When it comes to the organization's day to day activities it is the Managing Director (is the Chief Executive Officer of the Foundation) who makes the decisions (with supervision and guidance of the Governing Body if required). However, for more complex issues regarding the management, administrative and legal affairs of the Foundation the chairman and vice chairman of the General Body make the final decisions (with supervision and guidance of the MOA and GoB if required). At times Donor Agencies also have a big say in the organization's core activities.

Key Stakeholders

The key stakeholders of the foundation are the: General Body, Governing Body, Ministry of Agriculture, Export Promotion Bureau and Donor organizations.

The Governing Body is accountable to the General Body as they are generally responsible for the management and administration of the affairs of the. Secretary, Ministry of Agriculture by virtue of being the ex-officio Chairman of Hortex Foundation, presides over all the meetings of the General Body and the Governing Body.



Recommendations

Way of Overcoming Constraints & Challenges

Hortex Foundation is restricted by financial constraints to engage the required manpower and resources to provide a much wider coverage at all VCA levels nationwide. It can use knowledge capitalization process to collect and document success stories, cases and working models. These can then be disseminated to provide a much wider coverage at all VCA levels nationwide.

Potential Collaboration (Common Areas of Work) for Katalyst & Action Plan

The potential areas where Katalyst may wish to work in close collaboration with CDCS are: Export market research, collect, document and disseminate success stories, cases, working models and partnership for technology adaptation.

Export Market Research

Research on export market can be conducted in order to get a better understanding of the foreign market demand on different types of agro- produce. Based on such information, Hortex can refocus on specific products and areas thereby initiating value chain development activities. This will help facilitate sustained export from Bangladesh. The concept of inclusive agribusiness will add much value in this case.

Knowledge Capitalization

Collecting and documenting success stories, cases and working models and then disseminating those, can ensure a much wider coverage at all farmer and VCA levels nationwide. Hortex through its own organizational capacity cannot cover whole agri-community. Through such collaboration all level of agro producers and traders around Bangladesh can be sensitized and made aware of good practices required for best quality export product.



Action Plan

The Katalyst team along with a co-fac can meet with the top management of Hortex in order to discuss potential collaboration and scope of work in order to sensitize them as to why inclusive agribusiness agenda is required. MD should be approached first who then would engage relevant people from among the top management and/or consultant pool.

Once the talks proceed to a certain level then co-fac will refine the blueprint, strategize and negotiate the plan and execute.

Entry Point

Managing Director

Key Resource Person

Mitul K. Saha, AGM (*Supply & Value Chain, Marketing, R&D*) can be the key resource person at Hortex. He knows about the internal process and decision making procedure of Hortex and has influence in decision making in his department.



Chapter 8: Organizations promoting Women Economic Empowerment

8.1 Institutional Outlook: Relevance, Roles & Constraints

Organizations that promote women's economic empowerment include associations or chambers led by women entrepreneurs, NGOs and knowledge-based organizations. These organizations primarily are mandated to address social, economic and political issues faced by women. Many of such organizations have the potential to contribute to safeguard women's rights as entrepreneur in agriculture and agribusiness. And, inclusion of women in agribusiness in the mandate of these organizations would make the agenda of inclusiveness more complete and meaningful.

Potential roles of organizations promoting women's economic empowerment may be as follows –

- Pursuing policy review to help impact government policies towards women's economic empowerment through inclusive agribusiness
- Conducting research and advocacy to make room for women in agriculture and agribusiness
- Collaborating with other stakeholders (public sector agencies, private sector and development community) to influence the organizations create enabling environment for women in agriculture and agribusiness.
- Developing innovative service packages, including training, for women as market actors in order to include them in agriculture and agribusiness
- Crafting inclusive business/growth models for its own service (knowledge/skill) delivery as well as advocacy activities.

The organizations within such institution can change dynamics of society and ensure strengthened role of women in the economy. They can very well break various barriers and get women more involved in business (beyond current involvement in mere homestead cultivation) through increased supports from women empowering organizations. However, still women entrepreneurs need capacity building support in agricultural cultivation, postharvest, preservation, processing as well as in agribusiness management, financing, marketing etc. Creating and pursuing market linkage with large scale buyers is another area where women entrepreneurs need support.



IB-related Institutional Constraints and Challenges: Although woman empowerment is the focus of this institutional cluster, generalization of constraints is not appropriate due to the diversity that they bring-in because of their ‘dual identity’.⁹⁰ The constraints that the organizations of this cluster face are largely similar to those faced by their ‘second identity’ (e.g. university, chamber or development community) which are discussed in the sections earlier.

8.2 Selected Organizations of Influence

8.2.1 Women Entrepreneurs Association Bangladesh (WEAB)

Mandate, Positioning & Influence

Mandate

Women Entrepreneur Association of Bangladesh (WEAB) was established in year 2000, by a select group of businesswomen. The aim of WEAB was to create a platform to help business women establish themselves in a competitive field, dominated by men. The main object of WEAB was to develop a support system for women entrepreneur to not only improve the quality of their products, to meet the changing market demands, but also to impart training on technical know-how, design development and to create marketing links for their products. Training programs which are relevant to agribusiness are regularly organized for WEAB members in various fields, ranging from food processing, textile designing and quality development, production of new and innovative handicrafts to export-import, indenting, even running of petrol pumps.

WEAB has created a platform for women entrepreneur to meet and network for their mutual benefit. WEAB facilitates participation of entrepreneur to national and international trade fairs and exhibitions

⁹⁰ Organizations under this institutional cluster have, what we may call, ‘dual identities’: they work for women empowerment, but at the same time they also carry another set of identities due to their affiliation with development community, chamber/association, educational institute or others.



where members acquire newer and better ideas and gain immensely from the exposure.⁹¹ Although WEAB does not have inclusive mandate but it is possible for this organization to engage in such endeavor by focusing more on poor entrepreneurs.

Positioning & Influence

WEAB is the first trade body in Bangladesh. In a very short time WEAB was not only firmly established in Dhaka, drawing large number of members, but also rapidly branched out all over Bangladesh, including North Bengal. WEAB have now access in the grass root levels in the rural areas of Bangladesh. Since inception WEAB members have gained market access in the U.S.SA., U.K, Canada, India, Nepal, Malaysia, Arab and other countries. Compared to other women development organizations WEAB has better exposure in developing women entrepreneurs and creating market access. WEAB organizes seminars, workshops and symposiums where business women, small, medium and large, meet and benefit through exchange and sharing of ideas and experiences. Besides, WEAB regularly prints journals, essays and guideline papers containing valuable data for the benefit of its member entrepreneurs.¹

WEAB has international MOUs with similar organizations in India, Pakistan, Nepal & Iran. As a member of SAARC Chamber Women Entrepreneur Council (SCWEC), WEAB also networks closely with the SAARC countries. Thus Inclusive Business promotion through WEAB is expected to add much value and bring forth promising results.

IB Relevance

WEAB has opened regional offices all over Bangladesh, reaching out to women entrepreneur and artisans in the remotest villages of Bangladesh. The aim is to seek the hidden talent of our women and help them achieve their optimum potential.

Jute products like, Boxes, Photo Frames, Baskets, Bags, Sandals etc are part of core products of WEAB. So agribusiness is a part of practice for the women entrepreneurs of WEAB. Traditionally women of

⁹¹ <http://www.weab.org/details/view/about-us>



Bangladesh were mostly engaged in agro based business like cottage craft, handicraft, stitching and embroidery, cane and bamboo weaving poultry and dairy farming. Now however, more and more women are entering production lines, like production and manufacturing of garments, of artificial jewelry, supplying dry and fresh flowers to hotels and restaurants, food catering on large scale, establishing educational institutions and setting up trendy fashion houses.

The shy and hesitant women who joined WEAB five years ago are truly transformed now. They walk with sure steps, they travel the world with heads held high. They have established their status in their homes, the society, and they make valuable contribution to the country.

IB Related SWOC

Strength

WEAB has strong holdings in the area of women empowerment and market access as they have national and international MoUs at different levels. WEAB has the infrastructure and facility to work in the operation level in all over the country. WEAB considers capacity building as the key and fundamental factor in promoting women entrepreneurship. During the period of 2003-2013 around 19000 women under different categories were trained in different SME clusters. Namely, preparation of diversified vegetables & first foods, environment friendly jute products from raw jute fabrics, advanced courses on fashions & designs, handicraft products, bank loan management etc.

Weakness

Although WEAB provides a lot of trainings to its members but through our study it is observed that there is a Lack of agriculture focused training among women entrepreneurs (postharvest, processing, agro inputs).

Opportunity

Through its network at the grassroots, WEAB has the potential to promote inclusive agribusiness all over the country. WEAB is a part of Multimote Group. **Lal Teer Seed Limited** is the first Research-based and the largest seed company in private sector of Bangladesh, and is also a sister concern of Multimode Group. So there is scope for internal collaboration terms of sharing of knowledge & experience and implement it in practicing inclusive agribusiness in the country.



Challenges

WEAB does not have inclusive business or agribusiness in their mandate, neither they have enough fund to promote the cause. However, if WEAB can start something towards that end with support from external support, better understanding of the benefit of such inclusive business would gradually encourage the members pursue such initiative as part of their own businesses.

Business Model

WEAB observed the marketing challenges for their members; Therefore WEAB already established a mode and market out-let namely SHEUTI located at Tejgaon Link Road, Dhaka. A good numbers of women entrepreneurs have placed their cluster-based SME products with the objective to sales and display the products both for the customers and attracting the buyers. WEAB is very much concern that in near future SHEUTI could have been able as a Clearing House for bridging the huge opportunity both for buyers and sailors. This will act as hub of Remote/ tribal source and countrywide market place as well as the market place in abroad.

This concept organizes the productive quality of woman in the remote rural and tribal area, patronize the production activities, establish supply chain system between the remote production zone and the market place, development of efficiency and productivity through effective training and development system, opening up a window for showing commodity item and create market within the country and as well as in the international market.⁹²

Existing and Potential Customer Base

In our country women were engaged in production and business activities but they were disorganized and functioning mostly alone. They did not know where to market their products with better price and how to enhance their skills to improve quality of their goods. WEAB is a platform on which they could join together as an organized body to receive production guidelines, advice on market outlets and

⁹² Successful Activities Progress & Achievements (2003-2012), Published Article by WEAB.



training facilities to enhance skills. WEAB organizes small and medium women entrepreneurs for their economic solvency and socio-economic development. WEAB is extending its organization, management, communication and co-ordination network with national and international welfare & donor agencies to collect funds and technical supports to facilitate Women Entrepreneurs Association of Bangladesh. The product produced by the women entrepreneurs have already covered Europe, USA, Latin America, Canada and the countries belongs to Asia and the Pacific.²

Governance Structure & Internal Decision Making Process

The executive committee of WEAB is lead by president, Nasreen Awal Mintoo. Two vice presidents, Mrs. Sharuk Rahman and Mrs. Salma Masud are positioned next accordingly in the organogram. Mr. Ahmed Ali Shaha is working as the Executive Director of WEAB. WEAB has one treasurer and one join secretary. The members are listed after them. So far WEAB has 15 executive committee members and 27 general members. Mr. Abdul Awal Mintoo, The chairman & CEO of Multimode Group works as a crucial advisor to WEAB in taking major business decisions.

Stakeholder Analysis

Veto Players:

President of WEAB, two vice presidents, The Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) & the Ministry of Commerce works as the veto players of WEAB. They reserve the authority of accepting or rejecting any business decision at any particular time period.

Key Stakeholders:

The executive committee members, general members of WEAB, local government bodies, small and medium enterprises are also crucial players considering developing new business in the area of women friendly SME clusters through intensive survey and studies.

The member countries of SAARC, Bangladesh Enterprise Institute and South Asia Enterprise Development Facility of the World Bank group, Chamber of Commerce of Iran, Women Entrepreneur Association of Nepal & FICCI are considered to be the key stakeholders as well considering market access and business benefits.



Recommendations

Ways of Overcoming Constraints & Challenges

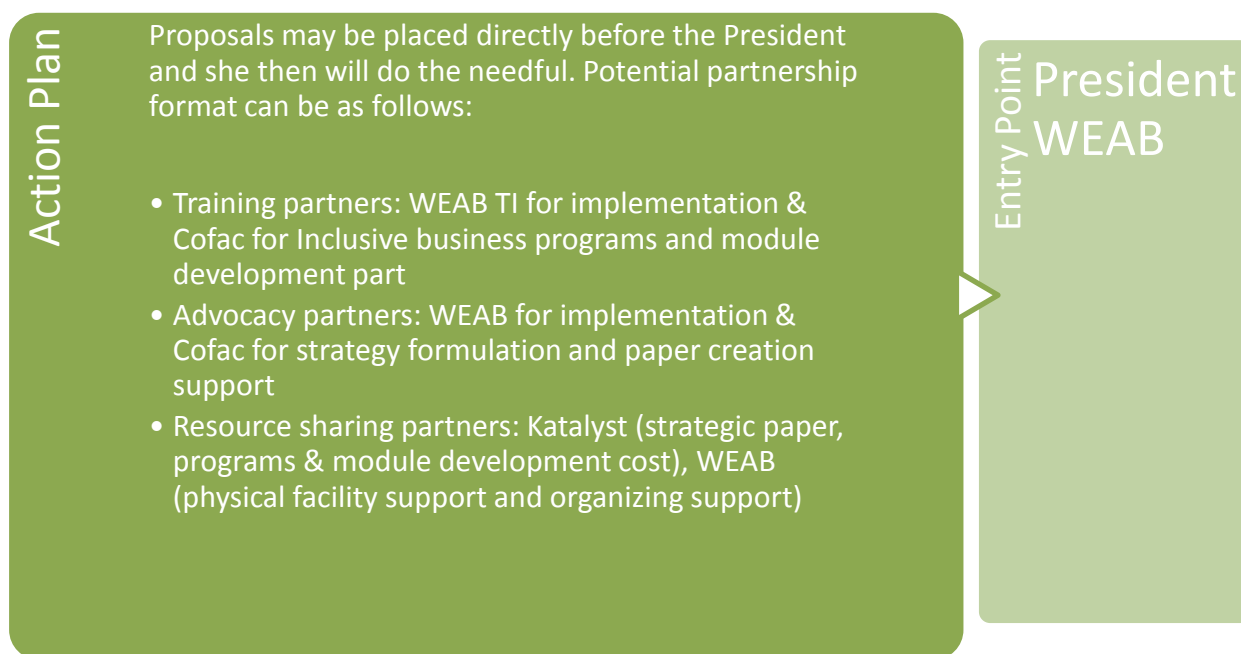
WEAB has training institute and regional offices where inclusive business related trainings can be incorporated within their existing mandate. As WEAB has access to rural untapped areas they can easily train up growing women agro entrepreneurs on agro inputs, postharvest and processing issues as women farmers are not getting proper price for agricultural products due to lack of knowledge, post harvest practices & lack of display centers.

Potential Collaboration (Common Areas of Work) for Katalyst and Action Plan

There is scope for potential collaboration with WEAB in terms of:

- Institutional strengthening: capacity building/ strategy mapping to pursue inclusive agribusiness agenda
- Joint certificates with WEAB training institute for capacity building of women entrepreneurs on agriculture & agribusiness issues
- Pursue advocacy in the areas of women entrepreneur interest such as, space for women entrepreneurs in Specialized Economic Zones around the country.

Katalyst if willing to work with WEAB in accelerating women empowerment is welcomed by WEAB. Mrs. Nasreen Awal Minto, President of WEAB is very easy to access. By setting up meeting with the president one can easily discuss area of collaboration, business plan etc.



Potential Resource Person:

The potential change agent from WEAB can be Mrs. Nasreen Awal Minto, President, WEAB. As WEAB expand their market, they invite suggestions for additional products, or variations for existing products, to meet the worldwide market demand. Any new idea or incentive is welcomed by the president in this regard.

8.2.2 Banchte Shekha

Mandate, Positioning & Influence

Banchte Shekha's major mandate is pro poor development. They are mandated to work to fulfill the fundamental demands and rights of the poor women and children through awareness building and empowering the beneficiaries with necessary skills training support for better livelihood. Also assistance towards accessing legal and democratic rights is another area where BS works. Therefore agriculture and agribusiness is not one of the focus areas for this organisation, although remotely related as many of their member women are involved in agricultural activities.



Mandates

Banchte Shekha's major mandate is pro poor development. They are mandated to work to fulfill the fundamental demands and rights of the poor women and children through awareness building and empowering the beneficiaries with necessary skills training support for better livelihood. Also assistance towards accessing legal and democratic rights is another area where BS works.

Positioning

Banchte Shekha is one of the leading national NGOs in Bangladesh working to improve the socio-economic condition of women and children with long-term goals. It is recognized as a key player in liberating and empowering the women, particularly of Khulna region. They work with the most vulnerable groups of the population. Furthermore, they are positive towards developing women entrepreneurs in management and agricultural technology. Banchte Shekha has a direct reach of more than 500,000 women of Khulna and Dhaka division, with indirect impact on more than 2,500,000 people.

Inclusive Business Relevance

Bachte Shekha's major mandate of pro poor development coincides with that of inclusive agribusiness. Economic development through agriculture project, poultry and livestock project, fish farming and fish hatchery project are few agribusiness projects where BS works. Their members (women) are currently getting more involved in agriculture and that is also independent of their male partners. Women members of Bachte Shekha produce honey, phithas, strawberry, fish etc. and they use their own produced compost. Bachte Shekha provides cultivation and harvesting related skills training to its members on a limited scale and assist members in purchasing agro-machineries such as harvesting/thrashing machine. They even arrange discussion with professional agriculturist once a month, through which members can seek solutions and ask for suggestions regarding cultivation techniques etc. Now women take land lease with support from Bachte Shekha and in cases, conduct farming without any involvement of their husbands.



Inclusive Business Related SWOC

Strengths

Bachte Shekha's major mandate of pro poor development coincides with that of inclusive agribusiness. They are pursuing agriculture related knowledge dissemination activities and are positive towards developing women entrepreneurs in management and agricultural technology.

Weakness

Although the organization's mandate coincides with that of inclusive agribusiness, they have little awareness regarding the concept and its benefit.

Opportunity

Bachte Shekha is positive towards developing women entrepreneurs in business management and agricultural technology. Introduction of inclusive agribusiness concept would help the BS members do better in agribusiness as well.

Challenge

Being a donor-funded organization, its operational and strategic flexibility is limited.

Business Model

Bachte Shekha practices Group Based Development approach to reach its target groups. Through workshops and seminars the groups identify their problems and assess their needs in a supportive environment provided by trained Bachte shekha facilitators. The information collected forms the bases of intervention programs. Regular group meetings, seminars and workshops play a significant role in group development. Groups meet fortnightly for mobilization and capacity building. After this training activity and selection of IGA, group members are provided Micro-Credit for attaining self sufficiency and reliance.

Existing and Potential Customer Base

Bachte Shekha works with the most vulnerable groups of the population; these include poor rural women, slum urban dwellers, hardcore poor, street children and disabled girls. Essentially their poverty is described as "Poor" and 'Hardcore Poor' on the basis of income, assets and welfare condition.



Governance Structure & Internal Decision Making Process

The organization has an approved constitution under the society registration act (1860), social welfare department and NGO affairs bureau. The governance of Banchte Shekha has been ensured following this constitution and other policies, (Human Resource policy, Financial Policy, Gender Policy- The logistic and procurement has been addressed in the financial policy).

Management

Banchte Shekha has a 17 member-strong general body, including 9 women, of whom two are Magsaysay awardees (Head of the Governing Body and the Executive Director). Six women representatives from the beneficiary groups feature in the Governing Body. It is a very balanced governing body with a composition of Journalists, Teachers, Lawyers, Cultural Activists, Women rights Activists and Social Workers. The present Governing Body is very support oriented especially during crisis periods.

The Board Members are involved in Staff Recruitment and Performance Appraisal for maintaining transparency. The Governing Body Members are elected every year from the General Body in a very transparent and democratic process. Basically the Governing Body is well constituted democratically to protect the organization and also to ensure and practice in governance for running an organization more efficiently. Overall BS has the best practice in governance by involving nine women group members as the Governing Body Members, which is a rare instance.

Stakeholder Analysis

Veto Players

The Executive Director makes the key decisions regarding the activities of the organization. Other veto players at BS are the General Body members and the Governing Body whose members in turn are elected every year from the General Body in a very transparent and democratic process.

Key Stakeholders

The key stake holders include the Board Members who are involved in staff recruitment and performance appraisal for maintaining transparency of the organization. Other key stake holders



comprise of funding agencies, poor rural women, slum urban dwellers, hardcore poor, street children and disabled girls.

Recommendations

Way of Overcoming Constraints & Challenges

Organizational capacity building in inclusive agribusiness can help address challenges regarding the organization's lack of awareness regarding IB and its benefits.

Potential Collaboration (Common Areas of Work) for Katalyst and Action Plan

Bachte Shekha beneficiary women agro-entrepreneurs need huge support in terms of their capacity building and market linkage development. As such for these women entrepreneurs, Katalyst may potentially get engaged in the areas of capacity building in inclusive agri-business, agriculture, agro-processing, agro-machineries etc. Assistance in market linkage development for BS women agri-SMEs is also another important area of intervention. BS's particular incentive will be to work along its mandate of pro poor development.

Action Plan

In order to pursue inclusive agenda with Bachte Shekha, proposals may be placed before the Executive Director; she will then take it to the executive committee or the senior management. The rest will follow accordingly.

Katalyst through a co-facilitator may get engaged with BS in a series of discussions to clarify organizational preferences and viewpoints and specifically outline the collaboration framework along the leads mentioned above and execute the same.

Resource commitment could be on a cost sharing basis between Katalyst & Bachte Shekha.

Entry Point

Executive Director

Key Resource Person

Sanjida Rahman, Monitoring Officer, Bachte Shekha can be the key resource person at BS. She has participated in the Institutional Dialogues and has orientation about Katalyst's inclusive Business Agenda.



8.2.3 University of Dhaka, Department of Women & Gender Studies

Mandate, Positioning & Influence

Mandates

Established in April 2000, University of Dhaka's DoWGS is a leading authority regarding women and gender related studies and research. They are mandated to undertake teaching, training and research activities involving gender, poverty, women empowerment, livelihood and entitlement. The department offers a four-year BSS (Hons) and one-year MSS courses. The research areas include Gender, Poverty, Livelihood and Entitlements etc.

Positioning

DoWGS is a leading authority regarding women and gender related studies and research. It is housed at the most influential and leading public university of the country. By such placement, has the potential to offer thought leadership. The Department organizes seminars and special speeches on the occasion of various National Days as Rokeya Day, Women's Day etc. and occasionally arranges conferences. Their research areas include Gender and Militarization; Gender, Poverty, Livelihood and Entitlements etc. They have the resource persons with knowledge in gender mainstreaming and women empowerment issues; maintains good institutional network.

Inclusive Business Relevance

The University is mandated to create new areas of knowledge and disseminate this knowledge to the society through its students. Women entrepreneurs of Bangladesh are advancing in many sectors in spite of social and economic barriers. Enabling factors like capacity building, skill training, market linkage and access to finance can drive their progress. They have the resource persons with knowledge in gender mainstreaming and women empowerment issues.

Inclusive Business Related SWOC

Strengths

They have the ability to network with other organizations within their institutional cluster and beyond. Also they have the resource persons with knowledge in gender mainstreaming and women empowerment issues.



Weakness

The faculties do not have any orientation in agriculture or agribusiness nor the proper understanding of inclusive business concepts, approaches and utilities.

Opportunity

As they have resource persons with knowledge in gender mainstreaming and women empowerment issue, they can work together and share their expertise

Challenge

The department is not mandated to pursue inclusive growth/ agribusiness

Existing and Potential Customer Base

Being an educational institution, the department's major customer base are students interested in studying gender studies at DU.

Governance Structure & Internal Decision Making Process

The management structure of the university follows the following hierarchy:

All key decisions of the university have to be approved by the Vice Chancellor. Faculty heads are responsible for making decisions for issues regarding their respective faculties. In the same way the department heads/ chairman under each faculty are responsible for making decisions for issues regarding their respective departments. Academic committee and academic council are important decision making bodies.

Stakeholder Analysis

Veto Players

The relevant Unit Head (Department Chairman) and makes the key decisions regarding the activities of the department. The Academic Committee/Council/Syndicate for curriculum issue, are also key veto players of the department in terms of their influence, interest in the organization and providing the Department Chairman guidance and supervision regarding complex decisions.



Key Stakeholders

The university's key stakeholders comprise of the Government of Bangladesh (Ministry of Education), UGC, faculty members and students. This group has a high interest in the department's over all activities but little influence (in most cases) in the discussion making process.

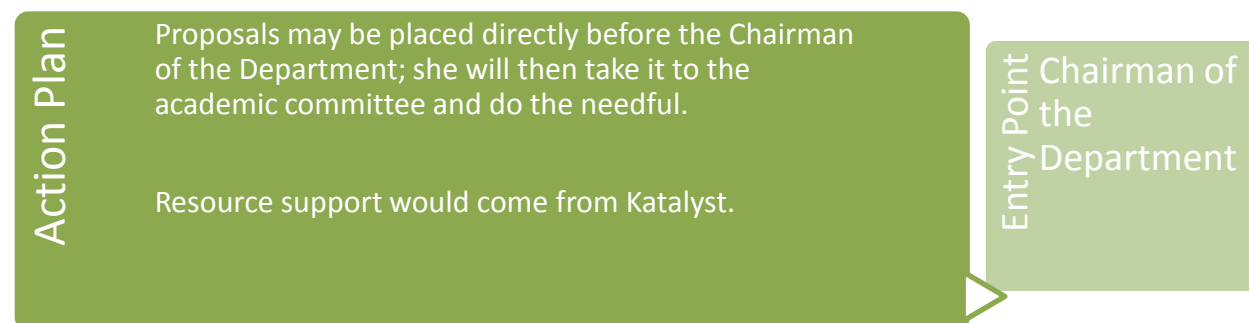
Recommendations

Way of Overcoming Constraints & Challenges

To overcome DoWGS's constraints regarding understanding of inclusive business concepts, approaches and utilities; sensitization workshops can be organized on agribusiness development and women participation issues.

Potential Collaboration (Common Areas of Work) for Katalyst and Action Plan

Co-organize seminars/ lecture series on IB and women issues with regional and international universities such as ISS (the Netherlands) and AIT (Thailand). DoWGS's incentive will be that it falls under their mandate of undertaking teaching, training and research activities involving gender, poverty, women empowerment, livelihood and entitlements



Key Resource Person

Mrs. Tania Haque, Chairperson, Department of Women and Gender Studies, DU, can be the key resource person, as she is the department chair and is also knowledgeable about the internal process and decision making of the department



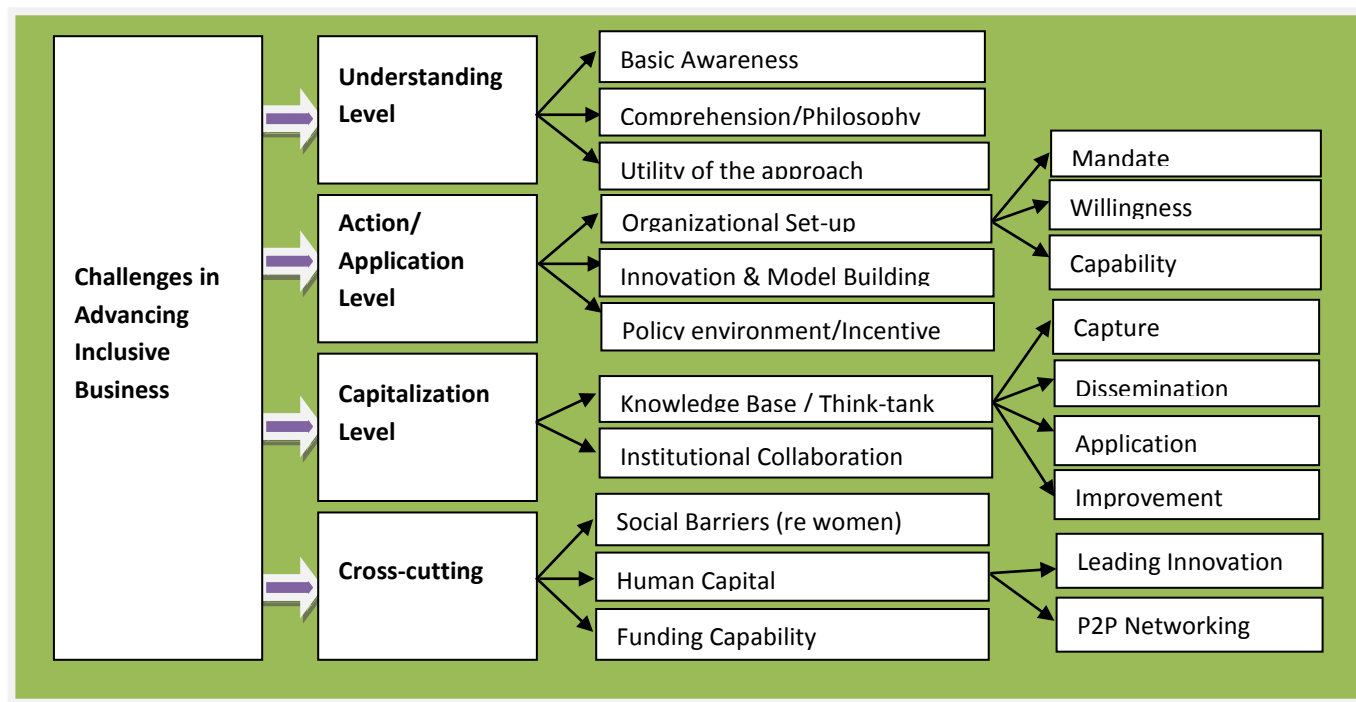
PART C: SUMMARY FINDINGS, CONCLUSION & RECOMMENDATIONS

Chapter 9: Inclusive Business Constraints & Challenges

Advancing inclusive business practices is not a smooth journey. The study uncovers many constraints and challenges – both at institutional level and organizational level. These arise at least at three different levels: understanding level, action or application level and capitalization level. Besides, there are cross-cutting constraints and challenges. The understanding level constraints originate primarily from lack of basic (inclusive business) awareness, ability to comprehend the philosophy behind, and little or no understanding of the utility of the approach (or the ‘business case’). The action level constraints and challenges arise primarily from organizational set-up, capability of crafting innovative inclusive business models, clarity of the incentive structure, and the policy environment in which organizations function. The capitalization level challenges arise from lack of sound IB knowledge base and institutional collaboration. Moreover, there are other challenges that cut across these levels. These are underdeveloped human capital, scarce financial resources and some social barriers (e.g. re women at work and cost of finance in the form of interest).

Based on the findings of this study, an inclusive business constraint and challenge tree (IBCT) is developed and presented in Exhibit 9.1.

Exhibit 9.1: Inclusive Business Constraint and Challenge Tree (IBCT) - Bangladesh Perspective



In this context, institutional constraints and challenges are discussed below:

Business Associations and Chambers: Business associations and chambers, in general, lack proper understanding of IB concept, its philosophy and utility. Although the organizational set-up has elements (e.g. willingness, indirect mandate) of being supportive to promotion of IB models, absence of innovative business models (besides poor understanding) bars such initiative. Moreover, poor understanding of IB concept restricts institutional collaboration and knowledge base creation and continuous up-gradation. In this connection, underdeveloped human capital (in IB sense) is also a barrier.

Universities and Training Institutes: Although this institutional cluster has its own diversity⁹³, organizations are similar one respect: i.e. the level of understanding of IB approaches is new to many, if not all. This is a major hurdle to advance IB agenda. However, the organizational set-up is more or less conducive to the needs of IB approaches. For example, university such as BAU offers training/extension services for farmers and commercial nurseries, but it fails to do so under a comprehensive IB model.

⁹³ This cluster includes both specialized universities (e.g. agricultural) and training centers (public servant training) as well as general education and training institutes – both under public and private management.



They lack both awareness and (comprehensive) capability in this connection. Although collaboration in general is widely accepted practice, collaboration in IB is still missing (again due to lack of awareness). Besides, funding is a key constraint for organizations – public or private – under this cluster.

Think-tanks and Research Institutes: This institutional cluster enjoy (relatively) better understanding of the IB concept, but lacks capability to innovate winning inclusive business models. Although it has leverage to influence policy, lack of true and complete internalization of the concept (as well as its philosophy and its utility) restricts any meaningful policy contribution targeting promotion of IB. However, organizations under this institutional cluster do pursue activities, projects and programs that carry elements of IB approaches (though not complete). Human capital and, for some, financial resources are the cross-cutting constraints of this institutional cluster.

Development Community: Although the development community is relatively better positioned to advance IB practices (both in terms of level of understanding, organizational set-up and current practices), lack of innovative business models restricts wide-spread application. Initiatives involving knowledge base creation and institutional collaboration are sporadic, if not missing, in many cases. Although current practices have notable inclusive business elements, sometimes social barriers (e.g. involving women economic engagement, interest-based economic activity, etc.) create hiccups.

Public Sector Agencies: For this cluster, generalization of institutional level constraints would probably be risky, except for the fact that bureaucracy and political prejudice is a common phenomenon. This constraint is derived from organizational set up or environment in which the organizations of this cluster operate. At the understanding level, there exist differences among organizations. For example, while the IB concept is found to be a ‘distant relative’ for MoA and BARI, it’s a ‘close to the heart’ concept for BRDB⁹⁴. Likewise, by mandate, BRDB can immediately take-up IB approaches and models, but MoA and BARI cannot do so overnight. However, innovation and high-level networking may pave a way through. In all cases, internal funding is a major constraint.

Women Economic Empowerment Organizations: Although woman empowerment is the focus of this institutional cluster, generalization of constraints is not appropriate due to the diversity that they bring-

⁹⁴ Of course, the term ‘inclusive business’ is not common within BRDB either. However, its activities include some of the IB elements.



in⁹⁵. The constraints that the organizations of this cluster face are similar to those faced by their ‘second identity’ (e.g. university, chamber or development community).

In sum, the Inclusive Business Constraint and Challenge Tree (IB-CCT) discussed above provides a generic birds-eye view of the limitations in promoting inclusive business agenda. And, in the process, it outlines potential areas of intervention. Besides, it also indicates that a holistic approach – not a piece-meal solution/prescription – is required to effectively address the constraints and challenges involving promotion and implementation of inclusive business practices and models.

⁹⁵ Organizations under this institutional cluster have, what we may call, ‘dual identities’: they work for women empowerment, but at the same time they also carry another set of identities such as development organization, chamber or educational institute.



Chapter 10: Conclusion

The study of the IB-CCT (discussed above) suggests that to advance inclusive agribusiness agenda, particularly in agriculture and agribusiness sector, the capitalization strategy should focus on several issues. First, stakeholder awareness should be built so that appropriate strategies and policies are formulated, organizations are (re)designed and infrastructure is upgraded. Second, deliberate strategic actions need to be taken so that innovative inclusive business models are crafted and deployed, human and organizational capacity is strengthened, collaboration is fostered, knowledge base is enriched and thought leadership is provided. Third, social inclusivity or ownership in the intervention is instilled and financial support is ensured.

It should be noted that such a high-end drive requires profound strategic insights, ability to provide thought leadership and friendly access to multi-tier complex set of networks. To initiate changes in the organizational culture and approach, required is a deeper commitment and comprehensive understanding and internalization of the mission itself.

Chapter 11: Recommendation

Based on the analysis presented in this paper and the insights gained through the research work, CDCS® research team proposes two mutually non-exclusive, but reinforcing, approaches to potential Katalyst interventions: first one is agenda-specific and the second one is partner-specific. While the partner-specific intervention may generate some immediate ‘micro-level visible output’, the agenda-specific interventions may initiate ‘systemic changes’. Both are important and should be pursued simultaneously. We therefore present intervention leads along both approaches.

11.1 *Agenda-specific Intervention Leads for Katalyst:*

To sustainably promote inclusive business, initiating systematic change is crucial. In this connection, Katalyst may actively consider three intervention packages as discussed below:

Package 1: Design and execute strategic result-oriented sensitization campaign for impacting inclusive business enabling environment (iBEE) through innovations in policies and institutional arrangement AND



for popularizing inclusive business approach among organizations of public, private and non-profit domains. In this connection, Katalyst, as the first step, may organize partner-specific dialogues, seminars, appreciation workshops, etc. in all (or as many as possible) selected organizations. It may be mentioned that the design and delivery of such events should be flexible so as to fit to the context in which each partner operates. Later, a joint national conference/roundtable may be organized with as many partners as possible. This exercise, if done effectively, is expected to pave the way for a shared vision re inclusive business agenda. Besides, this would also provide useful strategic insights if these partners may be brought under a platform (please refer to package 3), and if yes, in what terms and with what commitments. This awareness building campaign must be backed by a strategically crafted follow-up measures (please refer to package 2) so that the process of change in partner's actions and approaches starts soon.

Package 2: Build partnership with organizations of different institutional clusters. Such partnership should target organizational capacity building as well as inclusive business model innovation for private, public and non-profit sectors.

Package 3: Undertake sustainability interventions. In this connection, Katalyst may do two things simultaneously: (i) help create and cultivate an inclusive agribusiness platform to foster collaboration among private, public and non-profit sectors and, (ii) support private sector think-tank(s) to ensure cutting-edge innovation and continuous thought leadership in the area of inclusive business.

It may be noted that agenda-specific interventions discussed above would, at certain stage, turn in to partner-specific leads. However, more of organization-specific intervention leads are discussed below.

11.2 Partner-specific Intervention Leads for Katalyst:

Recognizing the fact that early signals of success/acceptance may trigger wider acceptability and interest, some partner-specific interventions may as well be undertaken simultaneously with agenda-specific interventions. Some such partner-specific leads with potential implication are presented in the following Exhibit.

Exhibit 11.1: Partner-specific Intervention Potential



| Organization Name | Common Areas of Work for Katalyst | Katalyst Intervention Implication |
|-------------------|--|---|
| DCCI | <ul style="list-style-type: none"> Organize sensitization workshop for elected and permanent members of DCCI on IB Joint effort on inclusive agro-entrepreneurship development (eg. inclusive agribusiness financing and entrepreneurship development) | Orientation on inclusive business practices and application potential thereof would help them understand the benefits out of such practices and eventually the member organizations may internalize inclusive approaches while doing business. |
| BFVAPEA | <ul style="list-style-type: none"> Organize training workshops on export-oriented quality standards and compliance Craft compliance-focused interventions (e.g. on GAP, good postharvest practices, and value addition) | Compliance focused interventions targeted towards the fruit vegetable exporters (members of BFVAPEA) as well as their suppliers and farmers would help develop the agro value chains and thus ensure greater profitability at both exporter and supplier (poor farmer) end. |
| BAU | <ul style="list-style-type: none"> Joint training program: short courses and/or diploma in agribusiness management, entrepreneurship development Training of commercial nurseries and farmers (re technology popularization) | <p>Training programs targeting BAU students on inclusive business would create awareness about the benefits of IB among them so that they can apply the same at their work upon graduation from BAU.</p> <p>As GPC is the largest repository in Asia, training on reproduction and management of new varieties would help the commercial nurseries and farmers avail updated knowledge and make profit from such operation.</p> |
| SAU | <ul style="list-style-type: none"> Joint training program: short courses and/or diploma in agribusiness management, entrepreneurship development from inclusive agribusiness point of view | Training programs targeting SAU students on inclusive business would create awareness about the benefits of IB among them so that they can apply the same at their work upon |



| | | |
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| | | graduation from BAU. |
| BPATC | <ul style="list-style-type: none"> Immediate run: Seminar/workshop for senior level participants <p>Participant level: Deputy secretary and Joint Secretary Cohort size: 30-35 participants Duration: ½ day-long</p> <ul style="list-style-type: none"> Intermediate run: Lecture classes for entry level participants (3 batches per year) <p>Participant level: Entry level cadres, Cohort size: 70 participants (270 participants per batch divided into 4 sections) Duration: 1~2 class sessions</p> | Through such seminar and training awareness will be created about IB related practices and benefits. As a result, if included in BPATC curriculum, IB awareness will be created at the overall public policy and administration level impacting government policies and preferences in the long run. |
| KGF | <ul style="list-style-type: none"> Collecting successful KGF funded research outputs: technologies, good practices and models, for capitalization and wider dissemination Lobbying to include inclusive business agenda within KGF research priorities | Through such collaboration Katalyst will be able to access research outputs of KGF that it can apply at its suitable interventions and can disseminate the ones with greater success potential among a wider community. Also Katalyst will get a new partner in pursuing inclusive agenda. |
| BIDS | <ul style="list-style-type: none"> Joint policy research re inclusive agribusiness Joint seminar/ workshop re IB Joint stock taking research (at individual level) | As BIDS is the top public organization pursuing policy research and development studies for the government, through a joint project Katalyst will be able to work and impact at the policy formulation level. |



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| BB | <ul style="list-style-type: none"> Joint dialogues, seminars and/or workshops on IB Collect, document and disseminate success stories, cases, working models Capacity building on inclusive agribusiness financing and entrepreneurship development | As BB holds the regulatory position in the financial sector, orientation of inclusive agenda within its mandate would very much impact the whole financial sector as well as the client base associated with the same. |
| PKSF | <ul style="list-style-type: none"> Knowledge capitalization, particularly around value chain development projects. Capacity building of partner organizations, technology transfer and market linkage development | As PKSF is the apex microcredit organization meant for serving primarily the not-for-profit organizations, inclusive business orientation and knowledge capitalization initiative with PKSF of value chain development initiatives will help instill inclusive approach within its partner NGOs and enrich its knowledge that can be replicated elsewhere. |
| TMSS | <ul style="list-style-type: none"> Collect, document and disseminate success stories, cases, working models | TMSS is an NGO that has nationwide coverage and huge reach at the grassroots with good inclusive models already in application. Capitalization of such cases and models would help access and spread good inclusive approaches by different stakeholders. |
| RDRS | <ul style="list-style-type: none"> Policy advocacy and communication from food security and farmers' right perspectives (injecting IB focus would be a useful value addition to the effort) | RDRS being the initiator of food safety law and working on farmers' right and food security issues, collaboration on inclusive business integrating such farmers' right focus for policy advocacy would add value to overall Katalyst approach to Inclusive agribusiness promotion. |
| BARI | <ul style="list-style-type: none"> Get engaged with industries to generate demand-driven technologies. Sensitize BARI to develop a mechanism for sustained farmer-scientist linkage. | BARI, at the core of agricultural research and development, to make their approaches more inclusive, need to have sustained linkage with industries (at the forward market technology end) as well as farmers (at the backward application end). Katalyst playing a role here |



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| | | would be much appreciated. |
| BRDB | <ul style="list-style-type: none"> Collect, document and disseminate success stories, cases, working models (e.g 2-tier model/Link model) Revamp existing (2-month long) skill training program OR initiate a similar one focusing on agro-value chains, processing and marketing | BRDB with huge reach through its 476 sub-district(upazila) offices across the country can be effective if collaboration in the area of skill development in inclusive agribusiness can be pursued. Also BRDB's successful models of development, if capitalized, can be applied elsewhere for better results. |
| HF | <ul style="list-style-type: none"> Export market research Collect, document and disseminate success stories, cases, working models | Being the pioneering organization for export promotion and support of horticultural products, it has model initiatives that can be very well capitalized and replicated at wider scales. Collaboration in the area of export market research would help identify new locations, clusters, markets and products with greater export potential in order to include more at the grassroots within the agricultural and agribusiness value chain |
| MoA | <ul style="list-style-type: none"> MoA would provide 'blessing' in any intervention that benefits farmers, consumers and businesses. MoA will not bear any cost. The intervention proposal should be approached in collaboration with DAE, DAM, etc. as the entry point. | Collaboration with MoA is kind of a blessing that indirectly will help pursue the inclusive agenda better where government's endorsement adds value. |
| WEAB | <ul style="list-style-type: none"> Institutional strengthening: capacity building/ strategy mapping to pursue inclusive agribusiness agenda Joint certificates with WEAB training institute for capacity building of women entrepreneurs on agriculture & agribusiness issues | Collaboration with WEAB would help Katalyst address inclusive agenda in a manner that includes women with special focus in the inclusive business development initiative from different angles. |



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| | <ul style="list-style-type: none"> Pursue advocacy in the areas of women entrepreneur interest such as, space for women entrepreneurs in Specialized Economic Zones around the country. | |
| BS | <ul style="list-style-type: none"> Capacity building and market linkage development for BS beneficiary women agro-entrepreneurs | As Bachte Shekha works towards women empowerment, collaboration with BS would help include women within agriculture and agribusiness chains and ensure women's economic empowerment through such inclusive practice. |
| DU-DoWGS | <ul style="list-style-type: none"> Co-organize seminars/ lecture series on IB and women | Collaboration with DU-DoWGS will help the faculties and students of the department sensitize on inclusive business approaches that they later on can apply at their work. |

Chapter 12: Additional Insights (Ranking of PPOs)

As additional support for Katalyst to select PPOs, CDCS research team has generated a ranking table based on the insights gained and information found available. The following Exhibit presents the ranking with brief justification.

It may however be noted that this ranking is indicative only and should be treated appropriate only in the context in which Katalyst would (potentially) partner with. The actual ranking is subject to change, depending on the time and modalities of engagement, the specific intervention agenda, changes in the partner mandate and/or staffing even.

Exhibit 12.1: Ranking Table

| Prior ity, score- based | Organization Name | Reach | Capability (in terms of inclusive practices) | Willingness to Collaborate/incentive (Any additional benefit or just mandate) | Influence among the sector /other player/ public sector organisation | Collaboration Feasibility/ Success Potential ⁹⁶ | Total Score |
|----------------------------------|----------------------|--|--|---|--|---|------------------|
| A | PKSF | High till date lent about US\$ 1534.16 million (at present value) to its 268 POs covering more than 8.23 million borrowers of which more than 91% are women. | High. Outstanding team of development professionals, small in size though. | Moderate. Mandated to attack poverty through financial inclusion and beyond. | Overall moderate. Being the key microfinance agency, it exerts enormous influence over partner NGOs and MFIs. No significant influence on public sector. | High. Collaboration and partnership is the key part of its business model. | 3+2+2+2+3= 12 |
| A | BPATC | High. Excellent reach throughout the public service system | Moderate. | Moderate. Given its primary mandate, inclusive (agri)business is a distant concept. Yet, the idea may be 'sold' if the value linkage is well-articulated and it is approached in collaboration with another reputed public agency. | High. Most influential public body that trains both entry level and mid-career public servants. | Moderate. Open to collaboration, but prefers to go by its own terms. | 3+2+2+3+2= 12 |
| A | DCCI | High. 14000 plus member organizations | Moderate. Has a separate Standing Committee | High. Advancing responsible business citizenship; | Low. Little influence in agriculture sector. | High. Already involved in some inclusive | 3+2+3+1+3= 12 |

⁹⁶ Scoring of this column is based on organizational assessment of CDCS team



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| | | | on agribusiness | legitimacy and sustainability. | But high influence in public sector. Has significant influence on its member enterprises, other chambers and associations and FBCCI. Is represented in different government bodies/committees. | activities. Also Outstanding networking and collaboration record with private sector, public agencies and international community. | |
| A | Bangladesh Bank | Moderate. They are authoritative and regulatory body for all banks in Bangladesh. Thus they have a huge reach. Also presently Bangladesh Bank is taking many development initiatives for farmers. | Moderate. Taken many inclusive and pro-poor initiatives such as: * launched “10 tk” account for farmer * made it mandatory for all banks to increase agri portfolio (at least 2%) *all level of stakeholder consultation for SME policy change | Moderate. It is possible to organize different dialogues and communicate or even motivate BB personnel to drive any inclusive agenda. Partnership or collaboration opportunity is limited. | High. High influence on budget, financial planning, policy making. Its easier for them (compared to others in this list) to take any agenda to top level of government. | Moderate. Because by mandate BB does not have agriculture focus. But their current top management is more interested in more pro-poor activities, encouraging entrepreneurship . | 2+2+2+3+2=11 |
| A | Hortex | Moderate Major focus on export related horticulture products. Has good reach at policy level | Moderate Although somewhat limited by its human and financial capability, it has the strength to | High Although somewhat limited by its human and financial capability, it has the strength to implement projects | Moderate Has (probably less than expected) influence on producers and exporters of high- | Moderate Open to collaborate in areas that benefit its beneficiaries. | 3+2+2+1+2=11 |



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| | | as well as within business community. | implement projects with the workforce drawn from within and from partners. | with the workforce drawn from within and from partners. | value crops; yet (potentially) one of the most influential players in agribusiness | | |
| A | TMSS | High. One of the largest MFI, covering all 64 districts 600 branches). So far has disbursed over BDT 3,000 Crore fund. | High The biggest women organization in Bangladesh, with 5,300+ workforces. Was involved in agribusiness project entitled Bangladesh Agribusiness Development project (BADP) | Moderate. Mandated to uplift the living condition of the most distressed poor people, particularly women and children of both urban and rural areas. Resource is not a major issue. | Low Highly respected by peer organizations, donors and its one million micro credit recipients/beneficiaries. But little influence over public sector. | Moderate Has strong capability and nationwide reach | 3+3+2+1+2=11 |
| A | BAU | High. Largest Agriculture University in south and south east Asia. 43 Department under 6 faculties. A total of 10000 officers, field workers and farmers of different government and non-government organizations have been trained in this germplasm centre. | Moderate. Trained 10,000 Nursery, BAU is providing support to 1000-2500 farmers exclusively to build their capacity along the agriculture value chain *GPC has released total 70 varieties of fruits. 27 varieties medicinal plants | Moderate. Has mandate to carryout teaching, research and extension activities to serve the farming communities. | Moderate. One of the leading agricultural centers of excellence. Enjoys widespread dominance in setting research and training agenda of the sector. | Moderate. Possesses outstanding record of national and international collaboration. | 3+2+2+2+2=11 |
| B | KGF | Moderate. | High. | Moderate. | Low. | Moderate. | 2+3+2+1+2=10 |



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| | | Primarily limited to research grant processing | Possesses sound human capital. Financial resources are earmarked to specific projects and programs. | By mandate, keen to work on innovations that serves both the farmers and the consumers most | Significant influence on agricultural research community that includes NARS institutes and universities. | Welcomes partnership in areas that are not supported by its funding facilities. | |
| B | BIDS | Moderate. Government research organisation. Flexible mandate to receive fund or form collaboration. | Moderate Huge knowledge resource and research experience. But lack of agribusiness or inclusive business focus is still missing. Although none of them are directly focused on inclusive business | Moderate Issues such as MDG, poverty alleviation, gender mainstreaming, etc. are central to its mandate. While there is scope of collaboration, the process is too much bureaucratic. | Moderate. Good influence in research field and also government policy making. But cannot directly influence any public sector organisation | Moderate. Outstanding collaboration record with local and international organizations | 2+2+2+2=10 |
| B | BARI | Moderate. Has nationwide coverage through 7 crop research centers, 17 thematic divisions, 6 regional research stations and 28 sub-stations. | Moderate. Has 694 scientists: 202 PhD-holders and 377 MSc degree holders. Total staff size is 2690 (including class 1 and class 2 officers and other staff members). Receives fund from GoB's development and revenue budget. (for 2011-12, revenue budget was BDT 1.36 | Moderate. Mandated to undertake (and extend support for) scientific agricultural research in order to best utilize soil, water and environmental resources and disseminate the output and build capacity – internal and external. | Moderate. The leading agricultural research hub under direct government control. | Moderate. Open to collaboration with non-governmental and private sector organizations. | 2+2+2+2=10 |



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| | | | billion and development budget was BDT 533 million (of which 499 million by aid agencies). | | | | |
| B | Banchte Shekha | High. 500,000 direct reach plus 2.5 million indirect reach in Khulna and Dhaka division. Indirect impact on more than 2.5 Million | Moderate. Member women are provided support for cultivation activities and marketing of agro product | Moderate. Wants collaboration, particularly for market linkage of women engaged in agriculture. | Low. Has good influence on its beneficiaries and other stakeholders; but influence on public sector is low | Moderate. If collaboration involves market linkage. | 3+2+2+1+2=10 |
| C | MOA | High. Countrywide Reach. Top body for any agricultural organization | Low. Has seven (7) wings and 16 agencies under it. | Low. Collaborates with private sector and NGOs, usually through any/some of its 16 agencies. | High. Is one of the key ministries of the Government of Bangladesh led by a full cabinet minister. Acts as the supreme policy making body involving agriculture and exerts authority over all agriculture related agencies and organs of the government. | Low. Possible to influence DAE through MOA to include agribusiness related training for extension workers. | 3+1+1+3+1=9 |
| C | BFVAPEA | Moderate. 500 registered member, active participant 300 | Moderate | Low | High influence in public sector and agricultural market | Low. They are quite unwilling to give any information. | 2+2+1+3+1=9 |
| C | WEAB | Moderate. WEAB facilitates participation of | Moderate. i. Facilitate loan provision for needy | Moderate, | Low. Little or no influence in agriculture or on | Low | 2+2+2+1+1=8 |



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| | | entrepreneur to national and international trade fairs and exhibitions. * WEAB members have gained access in markets of USA, U.K, Canada, India, Nepal, Malaysia, Arab and other countries. | women entrepreneur through bank. iii. Find market linkage for women producers both in the country and abroad. | | public sector organisations. | | |
| C | SAU | Moderate | Moderate. They have a dedicated agribusiness management department. | At this moment low. Although they have plan to launch certificate course on agribusiness but currently they don't have enough facility to offer the course. Maybe in long term they might be interested to collaborate. | Low. Oldest in the region. Significant role in public sector agriculture: comes next to BAU in terms of influence | Moderate | 2+2+1+1+2=8 |
| C | BRDB | Moderate. Regional office in 57 districts, 476 sub-district officers, successfully mobilized 5.3 Million beneficiaries in to cooperative societies and informal groups throughout the countries | Low. Pioneer in women empowerment. Works with ultra-poor population | Moderate. By mandate they work with ultra-poor rural population. | Low. Works under LGRD. Little/no influence on other public agencies. | Moderate. They train up marginal farmers. More accessible content for farmers will make their efforts more effective | 2+1+2+1+2=8 |
| C | RDRS | Moderate. | Low. | Low. | Moderate. | Low | 2+1+1+2+1=7 |



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| | | Has coverage in 18 districts, 86 sub-districts and 658 unions. Very little focus of agriculture | Has managerial capability to reach (within its geographic coverage) ultra-poor, farm laborers, etc. through its microfinance, loan insurance, remittance service, savings mobilization and training programs through 375 community-based organizations and 3,000 + staff (90%+ are field-based). | Mandated to help rural poor and marginalized achieve meaningful political, social and economic empowerment, quality of life, justice and a sustainable environment through individual and collective efforts | Direct influence on 17,000 groups and 1.6 Million participants (of which 85% are female) | | |
| C | DOWGS | Low. Students are the primary focus. Institutional networking helps go beyond boundary. | Low No dedicated resource or activities involving inclusive business. Of course, resource commitment in other areas is quite strong. | Low. Although mandated to undertake teaching, training and research activities involving gender, poverty, livelihood and entitlements, inclusive business is NOT in the mandate | Moderate. Although housed at the most influential and leading public university of the country, it is yet to make a signature in the public sphere . | Low. Shown little interest. Collaboration possible for seminar | 1+1+1+2+1=6 |

Annex 1: List of experts participated in EPDs

| List of EPD participants | |
|--------------------------|---|
| 1 | Prof. Dr. Rahim B. Talukdar, President, CDCS Knowledge Institute (former Director, IBA, DU) |
| 2 | Dr. Wais Kabir, Consultant, FAO (Former Executive Chairman, Bangladesh Agricultural Research Council (BARC) |
| 3 | Dr. Shaidul Islam, Advisor, Bangladesh Fertilizer Association & Grameen Shakti(Former Director General, BARI) |
| 4 | Prof. Dr. Abdur Rab, Vice-Chancellor, Eastern University (former Director, IBA, DU) |
| 5 | Prof. Dr. Adbur Rahim, Director, Germplasm Center, Bangladesh Agricultural University |
| 6 | Mr. Rezaul Karim Siddiqui, Director, CDCS Communication, Campaign and Advocacy Solutions |
| 7 | Dr. Anowara Begum, Senior Research Fellow, BIDS (former Research Director, CIRDAp) |
| 8 | Ms. Rouhsan Ara Mahmud, General Secretary, Bangladesh Women Entrepreneurs Federation |
| 9 | Agriculturist Md. Rafiquzzaman, GM, CDCS Hubs & Farms (Former Deputy Director, DAE) |



Annex 2: List of organizations and their representatives participated in the institutional dialogues

| Institutional Dialogues | Participants | Organisation |
|--|---|--|
| ID 1: University & Training Institutes | Prof. Dr. AbdurRab, Vice-Chancellor | Eastern University |
| | Prof. Dr. Adbur Rahim, Director | Bangladesh Agricultural University - Germplasm Center, |
| | Dr. Arabinda Roy, Assistant Director | CERDI |
| | Prof. Dr. Ehsan Ahmed, Associate Dean | AIUB |
| | Prof. Kamrul Arefin (Former Dean, Commerce Faculty) | Jahangirnagar University |
| | Md. Abdul Wadud, Principal | Small & Cottage Industry Training Institute (SCIT) |
| | Md. Hossain Ali, Executive Director | DCCI Business Institute |
| | Dr. Tareq Aziz, Assistant Professor | Brac Business School, |
| ID 2: Think Tank & Research Organisation | Dr. Khondaker Golam Moazzem, Additional Director, Research | Center for Policy Dialogue (CPD)- |
| | Dr. Mohammad Ashaduzzaman, Professorial fellow | Bangladesh Institute of Development Studies (BIDS) |
| | Dr. Anowara Begum, Senior Research Fellow | Bangladesh Institute of Development Studies (BIDS) |
| | Ashraful Alam, Deputy General Manager, SME & Special Programmes Department | Bangladesh Bank |
| | Dr. Wais Kabir, Former Executive Chairman | Bangladesh Agricultural Research Council (BARC)- |
| | Dr. A.S.M. Anwarul Haq, Chief Scientific Officer, Agricultural Economics and Rural Sociology Division | Bangladesh Agricultural Research Council (BARC)- |
| ID 3: Women Empowering Organisations | Munawar Reza Khan, Director, Micro Finance | Thengamara Mohila Sabuj Sangha (TMSS) |
| | Tareq Ahmed, AGM, Operations | MIDAS Financing Ltd. |
| | Rowshon ara Mahmud, General Secretary | Bangladesh Federation of Women Entrepreneurs (BFWE) |
| | Rubina H. Farouq, Vice President | Bangladesh Federation of Women |



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| | | Entrepreneurs (BFWE) |
| | Dr. Anowara Begum, Senior Research Fellow | BIDS |
| | Salma Masud, Vice President | Women Entrepreneur Association of Bangladesh (WEAB) |
| | Sanjida Rahman, Monitoring Officer | BachteShekha |
| ID 4: Public Sector Agencies | Anwar Faruque, Director General (Seed) | Ministry of Agriculture |
| | Maksood Alam Khan, Deputy Director | Rural Development Academy (RDA) |
| | Md. Qudrat-E-Ghani, Deputy Director | Department of Agriculture Extension (DAE) |
| | S.K. Mustafizur Rahman, Director(Planning) | Department of Fisheries (DoF) |
| ID 5: Development Community | Md. Abul Kashem, DGM | Palli Karma-Sahayak Foundation (PKSF) |
| | Kanij Fatema, Manager, Access to Input Service | CARE Bangladesh |
| | Md. Sohel Rana, Manager | Center for Action Research- Barind |
| | Akramul Haque Biswas, Executive Director | Atmabiswas |
| | Khondoker A. Mottaleb, Specialist | International Maize and Wheat Improvement Center (CIMMYT)- |
| | ASM Sofrul Islam, Fund Raising Specialist, Organization Development Unit | Practical Action |
| ID 6: Business Associations | Muhammed Abdus Salam, Founder and President | Bangladesh Organic Product Manufacturer Association (BOPMA), |
| | Md. Shoaib Choudhury, Director, Agribusiness Standing Committee | Dhaka Chamber of Commerce & Industry (DCCI) |
| | Asadul Amin Dadan, Ex Chairman | Bangladesh Seed Association (BSA) |
| | Major Jasim, Chairman | Bangladesh Cold Storage association (BCSA) |
| | Md. Monjurul Islam, Advisor | Bangladesh Fruits, Vegetables & Allied Products Exporters Association (BFVAPEA), |
| | Dr. M. Sanaullah, CEO | Feed Industry Association of Bangladesh |
| | Md. Mustafizur Rahman, DGM | Bangladesh Milk Producers' Cooperative Union Limited |
| | Mahbub Anam, MD Lalteer & Ex President Seed Association | Bangladesh Seed Association (BSA) |



Annex 3: List of organizations and their representatives participated in these in-depth interviews

| | Organisation | Name & Designation of the Person Interviewed |
|-----|---|--|
| 1. | PKSF | Md. Abdul Karim, Managing Director |
| 2. | TMSS | Munawar Reza Khan, Director |
| 3. | BIDS | Dr. Asaduzzaman, Professorial Fellow |
| 4. | WEAB | Nasreen Awal Mintoo, Adviser and Founder President |
| 5. | BanchteShekha | Angela Gomes, Founder & Executive Director |
| 6. | RDRS | Md. Mamunur Rashid, Agriculture & Environment Coordinator |
| 7. | Bangladesh Fruits, Vegetable Allied Product Exporters Association (BFVAPEA) | S.M. Jahangir Hossain, President |
| 8. | DCCI | Md. Shoaib Choudhury, Director, Standing Committee on Agribusiness |
| 9. | BARI | Rafiqul Islam Mondal, Director General |
| 10. | Bangladesh Bank | Masum Patwary, General Manager, SME & Special Programs Division |
| 11. | Sher- E-Bangla Agriculture University (SAU) | Md. Zulfikar Ahmed Reza, Ex-Dean, Dept. of Agribusiness Management |
| 12. | Ministry of Agriculture | Anowar Faruq, Director General (Seed Wing) |
| 13. | Hortex Foundation | S. M. Monowar Hossain, Managing Director |
| 14. | Bangladesh Public Administration Training Centre (BPATC) | Md. Touhidur Rahman, Director (Planning, Program and Recording) |
| 15. | Bangladesh Rural Development Board | Kazi Ali Hossain, Director Planning |
| 16. | Bangladesh Agriculture University | Prof. Dr. Abdur Rahim, Director, BAU Germplasm Centre |
| 17. | Krishi Gobeshona Foundation | M. Nurul Alam, Executive Director |
| 18. | Department of Women & Gender Studies, University of Dhaka | Tania Haque, Chairperson |