

Agribusiness competitiveness for advancing inclusive growth in Bangladesh: In search of strategic imperatives

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Abstract

Inclusive growth requires an inclusive market ecosystem, which, according to these authors, promotes an increased, equitable, and responsible participation of all market actors, particularly of small and economically-challenged individual market players and MSMEs along the value chains that help reduce poverty and asymmetric distribution of created value. In a country where more than 40% people are related to agriculture, a sector that generates around 15% of the country's GDP, sustainable agribusiness competitiveness is a natural way to promote inclusive growth. Bangladesh, recently graduated from a least developed to a developing country, has an outstanding opportunity to work on agribusiness competitiveness and inclusive growth. However, despite reasonable success over the past couple of decades, Bangladesh's agriculture and agribusiness ecosystem is far from ideal. Study of its agricultural value chains reveals inefficiency and incompetency in different segments, indicating significant scope for upgrading. Based on the authors' decade-long experience in dozens of action research and interventions involving agribusiness competitiveness and market system development, this paper presents potentials for upgrading agricultural value chains and improving agribusiness ecosystem. In so doing, the paper relies on Triple Triangle Framework (TTF) and value chain approach, and uses a horticulture value chain as the reference case.

The paper identifies three major strategic imperatives: (i) responding to the priorities of agro-enterprises, particularly by developing human resources, promoting decent workplace, improving access to finance, information and market, and by igniting an entrepreneurial culture, (ii) impacting the market ecosystem in order to improve the behavior of market actors and incentivize desired market actions, and (iii) creating and sustaining an enabling business environment with supportive policies, institutions and infrastructure so as to facilitate innovation and technology transfer and promote agro-SMEs' participation in global value chains. Market system development strategists, policy makers and researchers are expected to benefit from this work.
