

1. Present Situation of Food Industry in Bangladesh

The food processing industry in Bangladesh represents one of the major potential sectors within the industrial segments in terms of contribution to value addition and employment. The sector accounts for over 22% of all manufacturing production and employs about 20% of labor forces. All food processing enterprises account for 2% of the national GDP. The food processing sector includes processing of cereals, pulses & oilseeds, bakery and confectionary, fruits and vegetables, dairy, carbonated beverages and non-carbonated fruit juices, drinks, other beverage and various other food items

(Source: Developing 08 countries D-8, 3rd D-8 Ministerial Meeting on Industry, 7th Meeting of the Working Group on Industrial Cooperation, 08-10 October 2012, Mol, GoB)

2. Status of Exports of Agro-processed Products

Bangladesh Agro-processors Association (BAPA) has now 370 members who are engaged in manufacturing, processing and exporting the products of this emerging sector. The export trend is shown in Table 01 of attached documents. Now about 90 items of agro-processed products are being exported to 70 countries throughout the world. Major export markets of agro-processed products are Asia, Middle East and Africa. Major exported items are pickle, drinks, juice, spices, rice, tea, party snacks (*chanachur*), nuts, mustard oil, chips, biscuits, rose water, candy, puffed rice, potato flakes etc.

3. GDP impact

There is a huge opportunity to expand our national GDP through export diversification of different agro-processed products like:

- i. Export maize/corn to Egypt and Nigeria as the soil of our country is suitable for large number of quality and tasty maize production.
- ii. Export of fresh horticultural food stuff in Iran, Indonesia, Turkey

The food processing sub-sectors such as vacuum fried fruit chips, real potato chips, spices powder, bakery products, soft drink bottling, confectionary manufacture, frozen vegetables, processed fish, grain products, meat, poultry and milk processing, tomato paste, canned jackfruit and pineapple, fast food, ready to eat breakfast cereals, food additives, flavors etc have huge potential in the domestic and export markets.

4. Forecasting about export earnings

The food processing industry is growing rapidly and opening up new opportunities in terms of investment, technology and export.

Proposed export target for FY2013-14

Commodities	Value in million US\$	Growth consider for export target on FY2013-14
Frozen food	629.77	28.68
Frozen fish	63.55	5.00
Tea	2.62	5.00
Vegetables	128.83	20.00
Cut flower and foliage	44.52	5.00
Fruits	93.56	20.00
Spices	25.12	20.00
Dry food	48.64	12.00
Others agro-commodities	238.83	30.00

Source: EPB, 2013