Records of Discussions

e-Commerce in Agriculture Sector for Rural Development & Transformation: Sharing Experiences of Thailand

7:00 pm
Tuesday, October 26, 2021

jointly organized by

France Bangladesh Chamber of Commerce and Industry (CCIFB)
and
Centre for Integrated Rural Development for Asia and Pacific (CIRDAP)

in collaboration with

e-Commerce Association of Bangladesh (e-CAB)
and
Business France
A webinar on “e-commerce in Agriculture Sector for Rural Development & Transformation Sharing Experiences of Thailand ” was held on Tuesday, October 26, 2021. The event was jointly organized by the France Bangladesh Chamber of Commerce and Industry (CCIFB) and the Centre on Integrated Rural Development for Asia and the Pacific (CIRDAP) in collaboration with e-Commerce Association of Bangladesh (e-CAB) and the Cooperative Promotion Department (CPD), Thailand’s Ministry of Agriculture and Cooperatives. The webinar started at 19:00 pm (Bangladesh Time) with an opening remark by the Chair, Mr. Syed Mahmudul Huq, President, CCIFB. The Chief Guest for the event was H.E. Dr. Mohammad Abdur Razzaque, Hon’ble Minister, Ministry of Agriculture, and Government of Bangladesh. And the Special Guests included Mr. Tapan Kanti Ghosh, Secretary, Ministry of Commerce and Mr. Md. Mashfique Rahman, Secretary, Rural Development Cooperative Division. The webinar was moderated by Dr. Cherdsak Virapat, Director General, CIRDAP.

In his introductory remarks, **Syed Mahmudul Huq**, President of France Bangladesh Chamber of Commerce & Industry said “CCIFB has on its membership most of the leading agri entrepreneurs of the country like ACI, ISPAHANI, SQUARE, PRAN and PARAGON. Our partners Business France has also rich experience in agri-business in India and other developing countries with their latest state-of-art technologies. Last year, CCIFB and Business France in collaboration with Bangladesh Investment Development Authority had organized a series of 3 webinars on Agro-industry, e-Commerce and 4IR and all these 3 topics, you may kindly appreciate, are interlinked with one another. During these webinars, we deliberated on how to realize the huge potentials of agriculture and agro-industry focusing on production, processing and marketing by adopting modern technologies and deploying different tools or elements of 4IR including IOT, AI, cloud technology, BIG DATA etc. with the objective to enhance productivity, efficiency and marketability which would impact positively the rural livelihoods and income including empowering the women. One of the major recommendations of these webinars was to learn about international best practices especially in our neighborhood and it is in this context that we join CIRDAP to organize today’s webinar to learn from Thai experience in the area of e-Commerce in Agriculture sector.

There has been a major thrust on developing e-Commerce in the country focusing on bringing the rural areas in its fold. Government of Bangladesh has taken initiatives to bring in rural areas under the TelCos’ 5G network, reduce internet prices, facilitate local manufacturing of smart phones at affordable prices and enhance access to finance for the start-ups at concessionary rates of interest.

A brief introduction and background on the webinar were presented by Dr. Virapat and Mr. Chai Kongkaew, Director, Agriculture Sector Cooperatives and Farmer Groups, Cooperative Promotion Department (CPD), Ministry of Agriculture and Cooperatives, Thailand. The objectives of the webinar were to share knowledge and experiences on e-commerce in agriculture sector for rural development in Thailand and to take stock of Thailand’s experiences, to assess e-commerce readiness and to formulate a plan on piloting e-commerce in agriculture sector for rural development & transformation in Bangladesh.
The keynote presenter from Thailand, Ms. Jaruwan Jan-in, Director of Farmer Groups Development Group, Agriculture Cooperatives and Farmer Groups Development Division, Cooperative Promotion Department (CPD), Ministry of Agriculture and Cooperatives, Thailand delivered her presentation on “E-commerce Promotion in Thai Agricultural Cooperatives”. It was followed by discussions by two panelists, Dr. Voraprapa Nakavachara, Assistant to the President, Global Engagement, Digital and Innovative Economy, Faculty of Economics, Chulalongkorn University, Bangkok, Thailand, and Dr. Sommarat Chantarat, Development Economist, Puey Ungpakorn Institute for Economic Research, Bangkok, Thailand. From Bangladesh side, the keynote speaker was Dr. F.H. Ansarey, Managing Director, ACI Limited, Bangladesh and a distinguished member of CCIFB and the panelists included Mr. Rezwanul Haque Jami, Head of e-Commerce A2i, Programme, ICT Division, Ministry of ICT, and Mr. Waseem Alim, Co-Founder and Chief Executive Officer, Chaldal.

Dr. Cherdskak Virapat, Director General of CIRDAP wrapped up the discussions in the webinar. He concluded that Thailand and Bangladesh are in the same tone on e-commerce in agriculture sector. For Thailand, Ms. Jaruwan Jan-in presented that the political will and support would accelerate effect on the relationship between technology perception and sales behaviour of the farmer cooperatives of e-commerce. E-commerce in agriculture sector in Thailand relates to cooperatives, farmer groups, community enterprises and small holders. Capacity building will be required to ensure that digital technology can be effectively used by the farmers. Inter-ministerial cooperation in case of Thailand shows significant outcome in terms of establishment of e-commerce platform. CPD promotes e-commerce in Thai agricultural cooperatives. There are many kinds of agricultural products such as rice, fruits & vegetable, meat & eggs, dairy product, fishery product, rubber product, coffee and processed food. CPD helps reduce value chain from cooperatives to consumers by cutting off retailers. CPD encourages cooperatives to engage in e-commerce (product development – food safety, GAP, GMP, certification, products & packaging; digital platform provision; online market education & training and cooperation with other agencies).

DG CIRDAP stated that the revolution of trade has happened, the vision for yesterday has become a reality for today. Dr. Voraprapa Nakavachara presented that market connectivity generates opportunity. From research to policy implications into implementation (common adoption, increase digital access, increase digital literacy and increase e-commerce effectiveness, increase adoption of digital payment, improve regulatory environment, and increase logistic efficiency) which outlined in seven relevant policy areas on multi-pillar e-commerce assessment and enabler framework. Whereas Dr. Sommarat Chantarat presented about opportunities to overcome constraints, viz.; community-based infrastructure, farmers’ empowerment and policy design. DG CIRDAP concluded that about 13 million farmers in Thailand are small-scale farmers. Therefore, the initiative made by CPD can demonstrate on how farmer cooperatives can utilize e-commerce to connect to customers through e-platform as well as being consumers for products from outside areas. This will generate local income and employment through online trade. Farmers and cooperatives will learn to assess market demand prior to producing their agricultural products, obtain higher prices by shortening
agriculture value chain, being source of learning to improve yields and productivity, being able to share best practices and standards, and being able to utilize innovative technologies to reduce costs and transportation.

For Bangladesh, Dr. F.H. Ansary has pointed out that transparency and reliability is required for Bangladesh. The private sector is dynamic and is ready to work with the government. There are current service providers of e-commerce in agriculture value chain in Bangladesh. Mr. R. H. Jami identified gaps in Bangladesh’s agro-e-commerce market. Food for Nations project is seen as a good starting project where 8,432 farmers using B2B platform. This is an insignificant figure when considering 20 million farmers in Bangladesh who already have a credible system (National identity card - NID). There are 200,000 cooperatives in Bangladesh in which 198 cooperatives are getting involved in e-commerce (30% include women). Mr. Waseem Alim mentioned that Thailand e-commerce is seen as a future model for Bangladesh. The challenges are logistic side due to processing, quality and traceability. The panel discussion was followed by comments from Mr. Vianney Meynier, Head of Department for South Asia, Agro-tech, Business France on French technology and start-up businesses created by the university students.

After that, Md. Mashiur Rahman, Secretary of RDCD mentioned that E-commerce had become an effective method of trade and commerce and is fast emerging as a new driving force for the economic growth of developing countries. Agricultural e-commerce facilitates cost reduction and demand creation for agri-based products. More and more countries are adopting e-commerce to sell agri products directly to consumers via online shops. Thus, it has become eminently clear that e-commerce has become an effective tool of gaining access to the market. During Covid-19 pandemic the e-commerce sector of Bangladesh earned considerable trust of the consumers and acted in collaboration with the government to support our farmers and producers to sell their produce through e-commerce. The Government of Bangladesh is also providing support to build infrastructure to enhance the capacity to involve in e-commerce. Governments is trying to provide policy support on development of local digital infrastructure, cooperate with private sector to promote e-platform in the rural areas, build up knowledge on e-business for producing local products both agriculture and non-agriculture activities including start up, upskill and reskill.

Commerce Secretary Tapan Kanti Ghosh said that the government is working to create strong online platform for buying and selling goods in Bangladesh. The Ministry of commerce is now working with the industry and relevant government ministries and agencies to develop a regulatory framework for e-commerce governance aimed at boosting consumer’s confidence without retarding the current growth of e-commerce.

The Chief Guest of the event H.E. Mohammad Abdur Razzaque, Hon’ble Minister of Agriculture, said “There are many opportunities for cooperative society-based work in agriculture. Many cooperative societies have been formed since independence. However due to lack of good governance and leadership, the cooperative societies are failing.” He also said ‘High production cost has been standing in the way of stabilizing prices of essential goods in
the market. French Technologies can be used in producing crops and digitalization of marketing systems to reduce production cost and stabilize the market.”

In his closing remarks, Syed Mahmudul Huq, President CCIFB also proposed to establish an e-commerce platform for agriculture products in collaboration with Department of Agriculture Marketing, Ministry of Agriculture under the banner of Business Promotion Council of Ministry of Commerce, Government of Bangladesh. The proposed platform may comprise the representatives from the four sector specific associations of Business Promotion Council, viz.; Fishery Products Business Promotion Council (FPBPC), Agro Products Business Promotion Council (APBPC), Medical Plants & Herbal Products Business Promotion Council (MPHBPC) and Leather Sector Business Promotion Council (LSBPC). He also proposed to identify areas of cooperation between Business to Business (B2B), Institutions to Institutions (I2I) and Government to Government (G2G) among Bangladesh, Thailand and France.

The event concluded with a closing remark from Syed Mahmudul Huq who thanked the speakers and the participants for the successful event and hoped that it would be effective to put together recommendations and strategies for realizing the potentials of e-Commerce in the agriculture sector for rural development.

The webinar was live-streamed on Facebook, ATN News, The Business Standard, Bhorer Kagoj and Bonik Barta throughout the event.

The chair also thanked Janata Bank, Paragon Group and Total Gas for supporting the holding of the event.

The meeting ended with vote of thanks to and from the chair.

Syed Mahmudul Huq
Chairman of the Webinar and
President, CCIFB