



Bangladesh: Market and Value Chain Infrastructure Development Project

Project Name	Market and Value Chain Infrastructure Development Project	
Project Number	47245-003	
Country	Bangladesh	
Project Status	Approved	
Project Type / Modality of Assistance	Loan	
Source of Funding / Amount	Loan: Market and Value Chain Infrastructure Development Project	
	concessional ordinary capital resources lending / Asian Development Fund	US\$ 70.00 million
Strategic Agendas	Inclusive economic growth Regional integration	
Drivers of Change	Governance and capacity development Knowledge solutions Private sector development	
Sector / Subsector	Agriculture, natural resources and rural development - Agro-industry, marketing, and trade Finance - Inclusive finance	
Gender Equity and Mainstreaming	Effective gender mainstreaming	
Description	<p>The proposed Market and Value Chain Infrastructure Development Project (MVCIDP) will establish a modern safe food value chain for high value perishable crops to service markets in Dhaka, Bangladesh. The value chain will link farmers to a handling and intermediary network, which in turn will link to end users that include food processors, retailers and exporters. There is a critical role for the private sector to invest in, manage and operate the value chain infrastructure and services. Private sector participation, including through public-private partnership, is key to future program sustainability. The rationale for public sector intervention is to address failure in the market to provide appropriate price premiums for safe food which thus deters private sector investment in the value chain.</p>	
Project Rationale and Linkage to Country/Regional Strategy	<p>Although Bangladesh has achieved food self-sufficiency there remain problems with food security and access to safe, diverse and nutritious diets. Bangladesh is also experiencing rapid urbanization and a growing middle class that demands a more diversified diet and safer and more nutritious foods. However, food safety is constrained by poor on-farm and post-harvest management practices, lack of food safety standards and testing procedures, and quality assurance along the value chain. Additional problems with the prevalent traditional marketing system include physical and quality losses from farm to consumer often exceeding 30%, and high price volatility from inability to store perishable products. To address these problems will require (i) investment in value chain infrastructure including collection and distribution centers, cold storages, refrigerated transport, and testing facilities; (ii) improve the capacity of actors in the value chain to produce, process, distribute and market safe food; and (iii) provide credit to facilitate adoption of new technologies and private infrastructure.</p>	
Impact	Dependable food security for all the people of the country at all times is ensured	

Project Outcome

Description of Outcome	Consumers and producers benefits from improved production, handling and processing of safe high value crops to Dhaka markets is improved
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Progress Toward Outcome

Implementation Progress

Description of Project Outputs	Farmer's capacity to produce and supply safe agricultural food is improved Value chain participants utilize credit for agribusiness infrastructure investment in the project area The value chain delivers safe food to consumers Centralized agribusiness center in Dhaka constructed and operating
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Status of Implementation Progress (Outputs, Activities, and Issues)

Geographical Location	Dhaka
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Safeguard Categories

Environment	B
Involuntary Resettlement	B
Indigenous Peoples	C

Summary of Environmental and Social Aspects

Environmental Aspects
Involuntary Resettlement
Indigenous Peoples

Stakeholder Communication, Participation, and Consultation

During Project Design
During Project Implementation

Business Opportunities

Consulting Services	The Guidelines on the Use of Consultants, March 2013, will be followed. Advance contracting activities will be considered.
Procurement	ADB's Procurement Guidelines will be followed

Responsible ADB Officer	Jones, Randall E.
Responsible ADB Department	South Asia Department
Responsible ADB Division	Environment, Natural Resources & Agriculture Division, SARD
Executing Agencies	<i>Ministry of Agriculture 714, West Nakhalpara Dhaka-1215, Bangladesh</i>

Timetable

Concept Clearance	15 Jul 2016
Fact Finding	15 Dec 2017 to 20 Dec 2017
MRM	31 May 2018
Approval	30 Nov 2018
Last Review Mission	-
Last PDS Update	16 Aug 2017

Project Page	https://www.adb.org/projects/47245-003/main
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