

Stakeholder Consultation Meeting Report
NTBs to India-Bangladesh Trade in Agricultural Products



(Participants at the inaugural session at Scope Complex, New Delhi on 19th December, 2017)

December, 2017
New Delhi, India

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Background

1. CUTS International has organized an initial stakeholder consultation meeting in support with USAID under the project ***“Non-Tariffs Barriers to India-Bangladesh Trade in Agricultural Products”*** on 19th December, 2017 at Scope Complex, New Delhi, India.
2. This meeting had the following objectives:
 - To take valuable inputs from the stakeholders on the specific issues that are hindering trade in agricultural products between India and Bangladesh. These issues come under the broad category of Non-Tariff Barriers (NTBs). However, the main focus was on understanding procedural hurdles, infrastructure barriers and capacity constraints;
 - To take the guidance of public and private sector representatives on the study's objectives and methodology to develop a comprehensive framework
 - To seek public and private sector representatives inputs on selection of specific agricultural and related products and land ports for this study
3. Representatives were from various government organizations [Land Port Authority of India (LPAI), Food Safety and Standards Authority of India (*FSSAI*), Agriculture and Processed Food Products Export Development Authority (APEDA), National Accreditation Board for Testing and Calibration Laboratories (NABL), National Accreditation Board for Certification Bodies (NABCB), Customs, among others] and private organizations [Federation of Chambers of Commerce & Industries, North Bengal (FOCIN), Federation of Indian Export Organizations (FIEO), United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP), Calcutta Customs House Agents' Association (CCHAA), among others].

Inaugural Session

4. Mr. Bipul Chatterjee, Executive Director of CUTS – International gave welcome remarks and highlighted the following points:
 - India-Bangladesh trade has a lot of potentiality due to complementarity in commodities baskets among them.

- Since trade liberalization (after 1990's), total trade volume between these countries has been increased which is further facilitated by unilateral and regional trade liberalisation initiatives
- Approximately 90 percent of products are being traded at zero tariffs between these countries.

Finally, he stated that the volume of trade between two countries can be further enhanced by eliminating Non-Tariff Barriers (NTBs) to trade between these two countries. This is particularly important in case of agricultural products which hold immense importance in the context national food security and inclusive development.

5. Md. Mustapha EL Hamzaoui, Director, Food Security Office, USAID has also provided his opening remarks and highlighted that procedural and infrastructural related barriers, prevailing in India's trade process, do not need to give too much weight while talking about trade in agricultural products. The study should look the trade from the point of view of food security and discovering the link of farmers with international trade should be the focused area, Md. Mustafa said.

Broad Outline & Methodology

i) Overview of the BTFA study in Bangladesh

6. Peter Gauthier, Private Enterprise Officer, USAID Bangladesh had presented the Bangladesh Trade Facilitation Activity (BTFA) study findings. He has pointed out that it is important for India and Bangladesh to address their procedural, infrastructural obstacles and capacity constraints which are hindering cross border trade of Bangladesh in agricultural products, particularly with India and with world in general.

ii) Outline & Methodology of the Proposed study in India

7. Mr. Prithviraj Nath, Associate Director, CUTS-International had presented the initial draft outline and methodology of the proposed study. The draft methodology has given the detail on the stakeholders' category to be selected with land port-wise sample size of each category. Presentation slide has also include the five major land ports to be considered (Petrapole, Gojadanga, Mohadipur, Hili and Agartala) as per

the contract, and also brief summary on proposed Framework analysis¹ (details has been retrieved from to be undertaken to validate study hypotheses.

Panel Discussion

8. Many important points have been highlighted in the discussion session on which the implementation of this project can be improved upon. These are summarized as follow:

8.1 Study's Objectives

- As per the stakeholders, in addition to focusing solely on the identification of trade related procedural, infrastructure and capacity constraints, the study should also focus on the impact of removing these trade barriers on the livelihood of farmers/producers and the welfare of consumers.
- In another point, stakeholders emphasized that the study should also look into the gender dimension of trade from socio-economic point of view.

8.2 Points on pursuing study's objectives

- Study should include the forward and backward linkages present in a trade process (starting from producer/farmers to the end consumer).
- It should include the supply chain of selected product which is important to understand how gains from trade are distributed.
- The study should be more evidence based (emphasized on ground level realities) and it should emphasize more on trade related low hanging fruits infrastructural bottlenecks.
- The study should have specific recommendations for targeted stakeholders; specify the sub-optimal area and suggestions to improve those.

8.3 About the Coverage of the Study

- The study should include Changrabandha Land Customs Station (LCS) in addition to already selected five LCSs. The reason of including the Changrabandha LCS is the significant agricultural trade happening through this port. This port is also ranked at four in terms of overall trade with Bangladesh. This port has a capacity for improvement due to its geographical location. In addition to these reasons, this LCS is one of the LCSs where Land

¹ http://research.apc.org/images/a/ad/Framework_analysis.pdf

Port Authority of India (LPAI) has undertaken infrastructure improvement project.

8.4 Product Selection

- In addition to product-specific analysis the study should include the product group/category-wise analysis to capture the macro aspect such as, regulatory, policy, infrastructure and capacity related issues. Furthermore, it should also look at micro aspects such as, livelihood, socio-economic and gender impacts, the product specific analysis will be the right approach.
- **Study should incorporate potential agricultural and related products/product groups.** The potential agricultural products can be selected on the basis of the either of the following two criterion:
 - a. The potential products are those products which India is exporting to the world but not to Bangladesh and Bangladesh is also importing the same from other countries of the world (not from India).
 - b. Those products as potential which India is exporting to Bangladesh but in very small volume.
- For more comprehensive study, non-food agricultural products should be taken. Study on Non-food agricultural product (for example, fertilizer, jute) can focus on indirect livelihood impact of trade on farmers with direct impact.
- Study should also take agriculture and allied products (for example tea, coffee etc.). India has huge trade in agriculture and allied products with Bangladesh and female farmers and laborers are engaged in cultivation and processed of these products.
- In terms of existing trade volume and future potentiality, marine products should include in this study.
- Products from staple foods category (for example rice, wheat, potato etc.) can also be selected from the angle of food security.

8.5 Other Issues

- Though the SPS and TBT related issues will not be the focused areas but the study could focus on product-specific conformity assessment mechanism and find out the infrastructural bottlenecks around them. Furthermore, it could also focus more on existing asymmetries in terms of access to information which affect farmers and Small and Medium Scale Entrepreneurs (SMSE) while exporting their goods to another country. Farmers are not able to get market price of their crops due to diseconomies of scale and also because of asymmetric information. Therefore, it is important to understand why

farmers are not able to get fair price of their crops. This aspect can also be looked in this. Other than this, area related capacity building of exporters; importers and farmers need to be identified.

Way Forward






Overall, the consultation was very productive and provides valuable inputs for the proposed study present study. In concluding remarks, Mr. Bipul Chatterjee has concluded the event by saying that we are thankful to stakeholder for their valuable inputs which would immensely help the study and we will consider them while finalizing the outline of the study. We look forward your support throughout the study and will keep you informed on future developments with regard to this work.

Annexure 1: Press Release for the event

The press release for the event can be accessed here: http://www.cuts-citee.org/press_release_Addressing_non-tariff_barriers_is_vital_to_boost_Indo-Bangla_agricultural_trade.htm

Annexure 2: List of Participants








For contact details of participants, please email: adb@cuts.org

Stakeholder Consultation Meeting on NTBs to India-Bangladesh Trade in Agricultural Products Tuesday, December 19, 2017 Bhabha Chamber, Scope Complex, New Delhi			
REGISTRATION			
S.NO.	NAME	ORGANISATION	SIGNATURE
1.	Biswajit Das	Federation of Chambers of Commerce & Industry, North Bengal (FCCIN)	
2.	Bipul Chatterjee	CUTS	
3.	MD K. MOZUMDAR	IBI INT. USAID TFA	✓
4.	Shobana Kumar	APEDA	
5.	Smayanta Neji	NABL QCI	
6.	Premkumar	CUTS	

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Tuesday, December 19, 2017
Bhabha Chamber, Scope Complex, New Delhi

S.NO.	NAME	ORGANISATION	SIGNATURE
7.	Sumantra Bhatia	CUTS	
8.	Rajesh Singh	Director, Eastern Region FSSAI	
9.	Col PK Mishra	Director, Proj LPAI	
10.	Harsh Aursahani	PLC Chambers	
11.	Pratik Narwal	FIEO	
12.	Akhilesh R. M.	FSSAI	
13.	Sashi Rekha	NABCB, QCI	

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S.NO.	NAME	ORGANISATION	SIGNATURE
14.	NILANJAN BANIK	BENNETT UNIVERSITY	
15.	Joseph George	UNESCAP	
16.	Sudip DEY	CCHAA -	
17.	Peter Gauthier	USAID	
18.	Sanjeet Singh	ICD, CBEC	
19.	RAM SARAN prog. associate	CUTS DELHI	
20.	VIJAY SINGH	CUTS DELHI	

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S.NO.	NAME	ORGANISATION	SIGNATURE
21.	Swagata Neogi	CUTS International	Swagata Neogi
22.	Sudip Kumar Paul	CUTS	Sudip Kumar Paul
23.	Suren Das Singh	CUTS	Sd.
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26.			
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