

Promoting the Usage of Organic Produce Through Decentralization

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Abstract : *Organic produce and alternative food business has become one of the biggest boom in the last decade. In recent past the phenomenon has seen the booster speed as global food security has come to question as countries are shifting toward service industry for development and globalization is claiming country sovereignty. Bangladesh is still known for an agricultural land surrounded by India and rich in rivers and greens. However, in reality, Bangladesh is a confused country where value for livelihood is been trampled by the overload of intruding investments, middlemen massacre, in-equal distribution of resources, centralized development pattern and way too many people trying their luck out in the capital. Political chaos and corruption are just the dusting on this dish of mayhem. There are many theories of development that looks good on the shelf yet very little practice and extremely rare success. To leave the food worry would therefore build a better environment for development, give the people a superior lifestyle and in way will keep them driven for country growth. Decentralized distribution of certain organic products when made available area wise, Dhaka might be a healthier place to live.*

Keywords: *Bangladesh, Decentralization Distribution, Marketing Organic, Sustainable agriculture.*

I. INTRODUCTION

Bangladesh is a country of around 150,000 square kilometers. The population has reached a staggering 160 million and amongst that more than 80% are living in the rural areas. The rural people just make enough to meet their ends and often live under extreme poverty. Seasonal drought, monsoon pouring and winter waves make it a cruel reality of life that is built on poor infrastructure and centralized communication system. The agricultural sector is the main livelihood strategy for the vast majority of the people and it contributes around 25% of the country's GDP and provides more than 50% of its employment. (Bangladesh Economic Report 2012/13). High population growth offsets the increased agricultural production, thereby exacerbating the food deficit and poverty that has resulted in massive loss of willingness to strive among the majority. Recent downfall of the Garments Industry due to US quota and GSP cancellation, it is high time that the agriculture industries be made more profitable. Bangladesh has been on an on and off relationship with hunger index and is now theoretically on 10th position (the Daily Prothom Alo, 12th October issue).

Organic foods are made in a way that complies with organic standards set by national governments and international organizations. For the vast majority of human history, agriculture can be described as organic; only during the 20th century was a large supply of new synthetic chemicals introduced to the food production process. Cow dung, oilcake and ash are the most common natural fertilizers used in organic farming.

Use of insecticide, pesticide, fungicides and herbicides has been known as conventional farming. Extensive cultivation increases crop age in the short term, but there is a cost to the natural environment and a decrease in yield in the long run as this practice is degrading the soil quality. According to BIRRI 2012 report, high yielding varieties covered more than 80% of cultivable land in Bangladesh. This means, there is an increased amount of fertilizer being used to cultivate such variety and that results in the higher demand for fertilizer usage. In recent past, it has been observed that there has been significant decline in land productivity caused by intensive cropping, indiscriminate use of fertilizers, and continuous use of irrigation and removal of bio-mass from agricultural fields. Growth hormones, pesticides and fertilizers are used 'on the eye' measurement with minimal or no controls and education. These results in pollution of the waterways, air and soil, and poison the environment and reduce genetic diversity of the plant population. Alienated harvesting technique, hence, is causing an intervention to the food chains and is affecting wildlife and human lives.

NGO-backed ventures, 'Shashya Prabartona', 'Foshol', 'Proshika', and some commercially sole ventures, 'Meena' and Kazi and Kazi farm has started making organic produce as their market niche. With the recent phenomenon of catching different fruits and vegetables contaminated with artificial flavors that have harmful doses, excessive use of preservatives and formalin pose a grave danger to human lives and demand for imported fruits have reduced drastically. A very small group of people started realizing the benefit of safe food and that became a reference group for today's Dhaka city's Organic Culture. It has also become easier to find organic vendors in the city.

Vegetables are the cheapest source of vitamins and minerals and are considered as protective food. In Bangladesh, more than 70 varieties of vegetable are grown round the year in varied seasons. Doctors have been known to promote the consumption of vegetables to alleviate malnutrition and vitamin deficiencies. Production of vegetables is mainly done through synthetic farming technique and post harvesting is mainly consisting of high doses of dangerous chemical because of adulterated management. In recent time, it has been made visible through television journalism to make people aware of the practice hence threatening the sale of vegetable and in turn reducing the use of such chemicals. In Bangladesh, chemical fertilizers were introduced in vegetable farming from the success rates of rice. Bangladesh governments 'Youth Development Agency has a pivotal role in promoting the vegetable farming. They provide training and free fertilizers and hybrid seeds to the trainees to start vegetable cultivation commercially to improve their livelihood. The local market has a demand that stimulates the farmers to adopt chemical use to increase production and the result is low price for producers. The loop of poverty remains the same as cost of production and selling price has very little gap. So the farmers opt for cheaper production process and high yielding crops that will sell in greater proportions. Homestead farming is by default organic as they are grown in households mostly for personal consumption.

II. LITERATURE REVIEW

Organic farming in Bangladesh has steadily increased especially in recent years. Reasons for the increase in organic food production are: market premiums of 2 to 2.5 times the conventional market price; an expansion in the consumer sector willing to pay the higher prices demanded by organic food; an expansion of markets in the developed world. and lower input prices due to organic production. The emerging global prospects for organic farm produce and the realization of long-lasting damages caused to soils by chemical fertilizers and pesticides have propelled a shift to organic farming method both in developed and developing countries. Worldwide, about 130 countries produce certified organic product on a commercial scale. The emerging global prospects for organic farm produce and the realization of long-lasting damages caused to soils by chemical fertilizers and pesticides have propelled a shift to organic farming method both in developed and developing countries. Worldwide, about 130 countries produce certified organic product on a commercial scale. The objective behind setting up an organic food producing farm is to attract and invited more farmers towards this form of farming. It is clear from current scientific researches and through environmentalists that use of chemical pesticides have been one of the major cause behind the deteriorating level of crop production, and let the farmers know that organic farming will not only enhance their crop production but also help in maintain the land fertility as it uses the sustainable agricultural techniques.

Bangladesh has some of the most fertile agricultural land in the world. However, the move from subsistence to commercial farming has increased the use of chemical fertilizers and pesticides. Many Non-governmental organizations have been supporting framers in organic farming methods. Many trained farmers realize the importance of ecological agriculture and have adopted this approach on their homestead (garden) land. A report from the International Institute for Environment and Development in the UK examines 14 non-governmental organization (NGOs) promoting ecological agriculture in Bangladesh. Commonly, Organic products are grown under a system of agriculture without the use of chemical fertilizers and pesticides with an environmentally and socially responsible approach. This is a method of farming that works at grass root level preserving the reproductive and regenerative capacity of the soil, good plant nutrition, and sound soil management, produces nutritious food rich in vitality which has resistance to diseases. Bangladesh is bestowed with lot of potential to produce all varieties of organic products due to its various agro climatic regions. In several parts of the country, the inherited tradition of organic farming is an added advantage. This holds promise for the organic producers to tap the market which is growing steadily in the domestic market related to the export market.

2.1 Organic Market

The main organic markets are in the US and the European Union; the Japanese market is much smaller. Emerging economies like India and China are big exporters, but as yet are small consumers of organic products. Brazil and South Africa have better developed local markets for organic products, especially in their cities. However, these countries import very little; the consumption is mainly based on local production. Whereas the US and European Union are big producers, they are also big importers of organic products. Some of these products need to come from tropical countries, like coffee, tea and tropical fruits. But most organic imports are due to the fact that increase in national production is not sufficient to match market growth. In most European countries and in the US, the number of organic farms is presently not growing very much. Especially European farmers find it difficult to compete with imports. This is a chance for developing country producers.

In Bangladesh the food demand is increasing at a rapid rate. This creates opportunities for farmers and large companies to exploit the market. Although the food demand for vegetables and fruits which are produced by non-organic make up the majority of the total food demand but the trend is changing in the urban areas such

as Dhaka. Consumers are more concerned about environment factors and consuming chemical free fruits and vegetables. Increasing rates of cancer, environmental sustainability and in order to avoid long term diseases consumer now prefer organic food. Although Organic food producers can charge premium prices of their offerings but the majority of the consumers still prefer usual or non-organic fruits and vegetables due to more availability, lower prices and less awareness of organic foods in the country.

The available organic farms offer fruits and vegetables - banana, papaya, mango, jackfruit, litchi, etc. The vegetables include cucumber, cauliflower, potato, cabbage, radish, carrot etc. Companies like Bdfoods, Square consumer goods ltd, Pran Foods ltd, Ahmed food products private ltd, Aftab food ltd promote agro products. They also satisfy the consumers in a similar way that is they also offer healthy food products, at least they claim. The consumers perceive the products of these companies as healthy because they have positioned their offerings to be chemical free. Although these companies do not follow the organic approach of production but the production process and packaging is portrayed in such a way in the advertisements so that the consumers perceive their offerings as healthy. These companies have more power in the retail store as most of them have their point of sale counters in the major retail stores such as Meena Bazaar, Agora, Shwapna etc.

Increasing consumer awareness of health and environmental issues has been an important driving force for the recent growth in sales of organic food: 17 to 22% annually, compared with 2 to 3% for conventional foods. "The worldwide organic market was worth an estimated US\$ 25 billion in 2003" (IFOAM 2006); and it is anticipated to generate sales of US\$ 32.3 billion by 2009 (International Trade Centre 2000, 2007). In 2005, sales of organic foods and beverages increased by 10.1% over the previous year. A global market review of the whole, natural, organic and ethical food markets stated that "the overall organic market is now growing at a stable rate of around 10 percent per year, and forecasts that by the year 2012, the global organic market is expected to reach US\$133.7 billion" (Bharat Book Bureau 2006).

Throughout the world, over 100 countries are producing certified organic products on a commercial basis, including 30 countries in Africa, 30 in Asia, 20 in Central America and the Caribbean, 10 in South America, 5 in Australasia and the Pacific, most countries in Europe, as well as the United States and Canada (IFOAM 2006). These figures include at least 90 developing countries, of which about 15 are regarded as Least Developing Countries (LDCs) (IFOAM 2006). For example, Kenya is a developing country that currently produces organic vegetables, pulses, tea and cotton; and its exports include certified organic macadamia nuts. Uganda produces a similar range of organic products, and exports certified cocoa, sesame, sweet banana, pineapple, ginger and coffee; and Zambia produces a considerable organic fresh produce, most of which is exported to the United Kingdom and sold through some of the major food outlets.

III. RESEARCH OBJECTIVES

- Setting up the key performance indicators for organic food source
- To find out local level adaptation techniques of organic vegetable production in Bangladesh perspective
- Identify customer preferences on organic produce over regular ones
- Key motivating factor behind Organic lifestyle
- Improvising a more approachable model for promoting the use of organic produce in major parts of Dhaka city
- How price takes up the role of buying influence and social status
- To predict the narrower market for economic harvest of organic products

IV. Methodology

The illustrations of the objectives of the project above give an idea of the study. This is an exploratory study, which is qualitative in nature. The main purpose of the study is to investigate the quality ensured by the suppliers, manufacturers, wholesalers of agribusiness within the Consumer Protection Laws framework and its practice in Bangladesh agro- market. Among the various factors the study will attempt to find out the critical success -factors for this industry through the secondary data analysis. The study will try to find out the strengths and weaknesses of the industry. It will be done through collection and analysis of secondary data and primary sample survey data.

Most available respondents were the faculty members of AIUB whose office rooms are in Campus 1 and 5 and AQAC Building. Around 120 teachers sit there. Faculties were notified of the questionnaire fill contribution during the semester meeting informally. 100 questionnaire were distributed through floor peon to avoid biasness and ensure superior confidence in answering by the respondent. This was also time efficient and effective. 70 completed questionnaires came back.

Primary source of information:

- Discussion with officials of many supper store.
- Face to face conversations with customers.

- Data from the other company's document.

Secondary source of data:

- Previous reports.
- Published documents of website.
- Relevant papers and published documents in daily newspapers .

V. Interpretation Of Data

A few highlights of the data accumulated are shown in a table below.

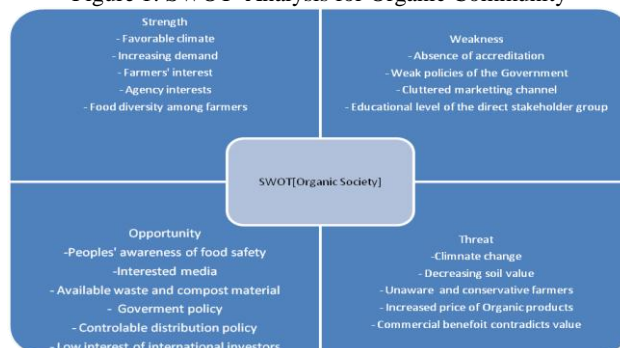
Criteria	Responds	Comments
Gender	70% Male, 30% Female	Overall gender distribution is male dominant.
Age	80% fall between 33-44 range	Such age range depicts that the majority of respondents are matured enough to make logical decision on their expenditure and lifestyle.
Marital Status	75% are married	Married people with dependents are more interested to provide safer food for their family members.
Educational Qualification	100% have Masters degree.	Educated people have better ability to make logical decisions
Income	65% earn \$85000 and below	Higher income level people will have higher disposable income that can be used for buying healthier food items.
Weekly Expenditure on Vegetables	60% spends 25 cents	Majority of the respondents prefer buying frequently to keep the freshness of the vegetables.
Living Area	45% in Banani, Gulshan, Niketon, Bashundhara, 35% in Mohammadpur, Dhanmondi, Elephant Road	Banani, Gulshan and Baridhara are considered to be the posh areas in Dhaka city.
Health Conscious	60% Yes	Health conscious people are more inclined to be convinced of the advantages of organic produce.
Willingness to join Organic Community	70% Yes	A very positive sign for coordinating area based organic food society.
Vegetable purchase frequency	70% twice a week	This indicates people prefers fresher supply of vegetables
Most common vegetables bought	Potato, Tomato, Lentil, green Papaya, green Chili	Starch based crop is a staple. All these vegetables are condiments of rice.
Purchased from	65% Kitchen market	Family heritage and trend is still on.
Direct Checking before buying	50% sometimes	Family tradition and handed down by parents[father]
Interested to buy vegetables from	60% conventional market	Family tradition, area preference, family influence
Understands Organic	90% gave accurate definition	Acceptable as their educational qualification is high.
Top 5 Organic products	Rice, Puffed Rice (muri). Flattened Rice(chira), Dried Chili, Tea	Purely rice based.
Willingness to consume Organic Produce	90% Yes	As they are health conscious
Willingness to pay more for organic produce	60% Yes	Price sensitivity will always be a challenge to establish a specific type of lifestyle
Agrees that Organic produce are chemical free	70%	High marketing and promotion activities required to maintain and improve the perception
Agrees that Organic produce are more nutritious	65%	Positive Perception
Agrees that Bangladeshi organic produce are genuine	45%	Country corruption, frustrated people always blame bureaucracy and distrusts something that is too good to be true.
Agrees that Organic farming is not fit for mid to low end customers	82%	Price sensitivity
Idea of a local organic store in major area	90% Agrees	Health conscious, sustainable, future driven

Table 1: Data Analysis.

VI. Findings

The interest of consumers in wanting to buy organic produce may be linked with their awareness of the harmful effect of pesticides used in the production process. Social status has a significant influence on the purchase of organic produce. So is the packaging color that is often matt and pale, a feeling of grounded in a good way.

Figure 1: SWOT Analysis for Organic Community



- Organic Products are seen as a high end premium products, hence consumer expectations rise with the serving of organic produce
- Due to the nature of dull and pale packaging, the exterior of the product is less attractive to certain consumers
- Consumers' motivation in wanting to shift from inorganic produce to organic ones are either safety or social status which theoretically contradicts to basic marketing strategies as to build an effective marketing plan.
- Ongoing debate prevails- as a single brand sells both organic and inorganic product and claiming to be the best. This dilutes the brand value and in term behaves like a market cannibal.
- The future of Organic produce in Bangladesh will largely depend on the economic growth rate of the people and a better constructed distribution system. Producers and retailers must find a niche in the communication strategy that suits to the high-end customers that live in a third-world country.
- Government surveillance needs to address the monopoly pricing and cornered production and also the certification of organic produce from Bangladesh.

VII. CONCLUSION

Business booms from value creation. It is of utmost importance that the community buildup will look for an win-win game for the produce market. When 'Organic Community' will be established, the potential customer will gain food security from the assurance that they are buying safe produce. Again, the producers will cut through the middlemen and trade block and be able to sell directly to the community sellers. A conclusion section must be included and should indicate clearly the advantages, limitations, and possible applications of the paper. Although a conclusion may review the main points of the paper, do not replicate the abstract as the conclusion. A conclusion might elaborate on the importance of the work or suggest applications and extensions.

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