2.6 Bangladesh Storage Assessment

Bangladesh Storage Assessment

For information on Bangladesh Storage Assessment contacts, please see the following link:

4.6 Bangladesh Storage and Milling Company Contact List

Bangladesh has adequate storage facilities all across the country for storing cereals and other types of food grains. There are a total of 5 Silos, 13 Central Storage Depots (CSD) and 600 Local Supply Depots (LSD) situated at strategic locations all across the country.

The storage capacities of Silos vary:
Chittagong Silo having a storage capacity of 100,000 MT
Narayanganj and Ashuganj – 50,000 MT, Santahar – 25,000 MT
Khulna Silo having a storage capacity of 800 MT.
CSD’s on an average have a storage capacity of 10,000 MT.
LSD’s between 2000 – 5000 MT.

These warehouses are owned by the Government of Bangladesh and are under the direct control of the Directorate of Food. These warehouses have huge storage spaces which are often underutilized during any given month or season of the year. These warehouses have good facilities in terms of mechanized handling equipment, skilled labour, stacking facilities, fumigation facilities, ventilation facilities, augmented storage facilities, parking facilities, security.

It’s possible for relief and Emergency purpose to have free or rented access of these storage facilities.

Government policies

The public food operation of Bangladesh is based on a set of policies and an organisational structure designed to carry out these policies. The Director General of Food (DGF) as head of the Food Department manages the system; the primary organization consists of a number of branches entrusted with the task of distribution, procurement, storage and movement.

As a price stabiliser PFDS acts as a buffer stock agency, buying paddy, rice and wheat when prices are low and later supplying that food grain to the market when prices are high.

The GDB uses their PFDS network to transport the grain from the central storage locations to the local storage sites (LSDs). This is the system that is used for the WFP programs. In this case, WFP helps to pay for the distribution cost.

The lack of storage capacity in areas prone to natural disasters may result in delayed response to relief needs. Improved processing system can produce higher output and reduce the storage, transit and handling losses as well as reduce post-harvest losses. Storage plays the key role in the entire process of procurement. Under given situations of price and supplies, the level of procurement is functionally related to that of the storage facilities. Disparities between capacity utilisation at CSD and LSDs stem from the high demand for local transport. Capacity utilization and stock turnover vary considerably from season to season as warehouses are more fully and often over utilized during the height of the domestic procurement drive but remain relatively underutilized the rest of the year, taking them available to relief agencies.

The following types of storage system are now prevailing in the country:
1. Homestead storage.
2. Trade level storage.
3. Mill cum trade level storage.
4. Automatic milling storage.
5. Government storage for buffer stock.

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5. Government storage for buffer stock.
6. Model storage system.

While storage facilities and functions assume great importance, particularly in the case of subsistence crop, little is known about the various aspects of the initial storage of rice and paddy. The big rice-millers have large storage godowns in their compounds. They perform a considerable part of this function in the area they are located. The traders at the primary market do not have any storage facilities.

For information on Bangladesh Storage Assessment additional details, please see the following documents: Model storage system.

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For information on Bangladesh Storage Assessment additional details, please see the following documents:

Bangladesh Storage Assessment Additional Information
Bangladesh Storage Assessment additional info
Bangladesh Storage Map

Note: The information provided in the attached documents, which has been taken from the old DLCA, does not match the structure of the new LCA and is therefore provided separately.

Commercial Storage

On the one hand, Bangladesh, as significant exporter of (i) garments finished products and (ii) fresh fish and shrimps products – both being - for different reasons - time-bound, has developed a strong and efficient right-on-time logistics chain, including cold-chain.

Hundreds of Shipping Agents, CC & FF companies, ICD management companies, are operational in the country and most of them – being affiliate to international logistics companies – will provide high quality services fitting with the international standards (tracking, storage, transport, deliveries).

All those companies are able to provide warehousing services. This being said, as part of a right on time logistics chain, they are more used to short term storage (the time necessary to complete the clearance and shipping procedures), than for a longer period, usually used by INGOs for their contingency stock for example.

The usual storage price, in 2011, will vary between 20 and 35 Takas / Square feet / month (+ 10% VAT and usually 10% inflation / year) for a storage capacity of 5,000 Square feet = between 1.340 and 2.345 US$ / month.

On the other hand, if the import – export logistics chain is efficient and modern, the distribution sector is far behind. Local distributor / suppliers will thus, in most of the case, not being fully reliable for providing a warehousing / buffer stock service.

<table>
<thead>
<tr>
<th>Location</th>
<th>Owner</th>
<th>Available for rent</th>
<th>Capacity</th>
<th>Type</th>
<th>Access</th>
<th>Condition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dhaka</td>
<td>Progressive Packers &amp; Shippers (pvt.) Ltd</td>
<td>Yes</td>
<td>Owned (16,000 Sft) Hired (4,500 Sft)</td>
<td>Warehouse</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Chittagong</td>
<td>Chittagong Ancient Steamship Company Ltd</td>
<td>Yes</td>
<td>Owned: 3100 SFT; Hired: 648</td>
<td>Warehouse</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Dhaka</td>
<td>Homebound Packers &amp; Shippers</td>
<td>Yes</td>
<td>Owned: 18,000 Sft</td>
<td>Warehouse</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Chittagong</td>
<td>Standard Freight Ltd</td>
<td>Yes</td>
<td>Hired: 5000 SFT</td>
<td>Warehouse</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Location</td>
<td>Company</td>
<td>Available Space</td>
<td>Rental Cost</td>
<td>Warehouese</td>
<td>Condition</td>
<td></td>
</tr>
<tr>
<td>---------</td>
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<td></td>
</tr>
<tr>
<td>Dhaka</td>
<td>A P M Global Logistics Bangladesh Ltd. Trading as DAMCO</td>
<td>Yes</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Chittagong</td>
<td>Touhid Enterprise</td>
<td>Yes</td>
<td>Rental : 44,000 SFt</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
</tbody>
</table>

[1] Warehouse Type: Open storage, container, rub-hall, silo, concrete, other, unspecified

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Public Sector Storage

The CSDs and LSDs

Bangladesh has adequate storage facilities all across the country for storing cereals and other types of food grains. These warehouses have huge storage spaces which are often underutilized during any given month or season of the year. In case of grain storage facility, the government has 649 storage facilities with a total capacity of 1,700,000 MT for rice and wheat. Out of these, 632 local storage depots (LSD) have the capacity to store 1,100,000 MT while rest of the storage facilities are in central storage depot (CSD) and silos. About 28% of the total storage capacity of LSD is in 8 districts (Dinajpur, Bogra, Mymensingh, Naogaon, Patuakhali, Chittagong, Comilla and Sylhet).

These warehouses have good facilities in terms of equipment, skilled labour, stacking facilities, fumigation capacities at affordable prices, ventilation, augmented storage facilities, parking, security.

It’s possible for relief and Emergency purpose to have free or rented access of these storage facilities.

Cold Chain

At the medical level, the government is supervising the Central Medical Stores Depots (CMSD), which are responsible for procuring medical supplies and equipment. The Medical stores exist in all Divisions and include a Cold Chain. Nevertheless, the quality of the services provided require improvements.

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