

# Innovative small businesses:

*striving to improve workforce nutrition*



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*Building on research into the roles and needs of small- and medium-sized enterprises (SMEs) in the food system, Bangladesh's Scaling Up Nutrition Business Network (SBN) is mobilising government agencies, the private sector, and development partners to support entrepreneurs in providing critical nutrition products and services. Through technical support, capacity building, and policy advocacy, SBN Bangladesh is harnessing the innovation of SMEs to bring nutritious, affordable, and safe food to workers in the ready-made garment industry.*

Healthier diets boost the immune system and overall wellbeing of individuals, but access to nutritious food is also [good for business](#), in raising morale, productivity, and efficiency. For the ready-made garment (RMG) industry, where [77% of workers suffer from anaemia](#) due to their poor diets, improving nutrition is a win-win solution to support workers and reduce sickness and absenteeism. SMEs can play a central role in increasing the production, distribution, and marketing of nutritious and affordable food items, but there is a lack of evidence on the most effective strategies to mobilise them.

By filling these knowledge gaps, SBN Bangladesh has been able to build a coordinated strategy on how it can work with a wide range of partners to scale up workforce nutrition in Bangladesh, including ways to leverage SMEs to improve access to safe and nutritious food for RMG workers. "Through a first-of-its-kind market systems study, we have carefully assessed the entry points for nutritious food in RMG factories, and tried to understand the behaviour, price point, and product characteristics to ensure that food solutions developed are convenient, affordable, and cater to the taste and preferences of RMG workers," explains SBN Bangladesh's Coordinator, Syed Muntasir Ridwan. "On the back of this data, we have co-designed products and services with SMEs to

**"Strong brands, low price positioning, convenience, and accessibility are key to integrating nutrition-sensitive product or service solutions for RMG workers."**

Syed Muntasir Ridwan,  
SBN Bangladesh Coordinator

ensure that there is product and choice fit. We have also catalysed innovation in the sector by providing infrastructure and technical support to SMEs to enable them to produce and market their products."

## Catalysing innovation

The market systems study revealed that most RMG workers purchase their food from small shops operating beside the factories – highlighting the importance of SMEs in promoting access to nutritious and affordable food for RMG workers and their families. Yet, for small businesses to contribute to these outcomes, they must have the capacity and resources to build sustainable and profitable business models. The study, therefore, assessed the challenges and business needs of SMEs, and recommended various kinds of technical support that SBN Bangladesh could provide to allow SMEs to scale up their nutrition-sensitive business ventures.

To identify SMEs with the potential to develop scalable and adaptable products and services for RMG workers, SBN Bangladesh partnered with 10 SMEs to overcome challenges RMG workers face in accessing nutritious, affordable, and safe food. For example, a lack of refrigeration, and its impact on the shelf-life of fresh and nutritious

*"Fish is one of the most abundant and nutritious foods in Bangladesh, but its lack of affordability and the inconvenience of processing it stopped most RMG workers from consuming it. Support from SBN, however, has helped us to set up an efficient process where we can offer low-cost fish fillets to RMG workers."*

Abu Darda, Founder, Parmeeda.com

food, is one serious constraint for RMG workers. So, to increase the supply of affordable nutritious items to RMG factories, SBN provided one SME – Parmeeda.com – with a refrigerated truck, a freezer, and a fish cutting machine.

Furthermore, most bakery items consumed by RMG workers have high levels of salt, sugar, and trans fats, so SBN Bangladesh supported Super Tasty Food in disrupting this market. With an automatic grinder, a freezer, and a packaging machine, Super Tasty Food has been able to introduce competitively-priced bakery items made out of vitamin A-rich orange-fleshed sweet potato.

In addition, most RMG workers use loose, unpackaged sunflower oil which poses a food safety threat to them as there is no traceability or testability to ensure this product is safe for consumers. However, foreign brands of healthy sunflower oils are extremely expensive and therefore inaccessible for the workers. To provide RMG workers with an affordable source of fortified locally-produced sunflower oil, SBN helped Coastal Agro Services increase the scale of its operations with an advanced oil



pressing machine. SBN Bangladesh has also been supporting the establishment of nutrition-sensitive 'fair price shops' in RMG factories to increase the visibility and accessibility of nutritious products.

## **Increasing awareness**

A lack of knowledge about basic food standards is one challenge holding back SMEs which operate near RMG factories. To overcome this, SBN Bangladesh, in partnership with the Bangladesh Food Safety Authority (BFSA) and the Global Alliance for Improved

Nutrition (GAIN), is developing food safety guidelines which have been specifically tailored to the needs of SMEs. SBN is also training BFSA food safety officers to enable them to provide better regulatory monitoring and technical support to SMEs.

Another key challenge is that the demand for nutritious and safe food is still at a nascent stage. "RMG workers are generally not aware of the benefits of consuming a healthy diet, and their hectic lifestyles and limited incomes reduce their choice of food," Syed explains. There is also stiff competition from large-scale manufacturers which produce cheap processed foods that are often high in trans-fat, sugar, and salt. "It is difficult for SMEs to design products that cater to the needs of resource-constrained RMG workers, but SBN has been working hard to help SMEs overcome these challenges and develop innovative products and services that are nutritious, attractive, and affordable," Syed adds.

To further support SMEs located near RMG factories, SBN Bangladesh and GAIN carried out policy advocacy events in partnership with key government ministries. One event, hosted in

collaboration with the Department of Inspection for Factories and Establishments, under the Ministry of Labour and Employment, was carried out to strengthen the capacity of their inspectors to build the abilities of factory management in integrating nutrition-sensitive knowledge and facilities for workers.

In partnership with the Institute of Public Health Nutrition, SBN Bangladesh and GAIN have developed a guideline for factory managers, canteen managers, catering service providers, and peer educators on ensuring best nutrition practices in the factories. SBN Bangladesh also has plans to work with the Bangladesh Garment Manufacturers and Exporters Association, and the Bangladesh Knitwear Manufacturers and Exporters Association, to create rewards and recognition for factories that adopt best practices on nutrition.

SBN is also aiming to work with the government and other partners, including GAIN, to establish fair price shops in all RMG factories, so that there is a large captive market for affordable, nutritious, and safe food. "These actions will catalyse the development of a viable market for nutritious and safe products," Syed enthuses.



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