

# Creating opportunities for women entrepreneurs



**MD ABU TALHA SARKER**

The entrepreneurs of local small and medium enterprises (SMEs), especially those who are women, are facing different problems and challenges in keeping their businesses alive in the post-Covid situation.

They hoped that they would ply their trades through both online and physical means in full swing after the economy reopens. In this way, they would bounce back and overcome the brunt of the Covid-19 pandemic.

However, their high hopes did not pan out as expected because they are now enduring a situation that has created many obstacles and challenges for their businesses.

Due to the ongoing Russia-Ukraine war and spiralling inflation that resulted, the prices of everything from raw materials to daily essentials and gas and energy have shot up.

Meanwhile, some of the entrepreneurs have shut down their businesses under the huge pressure of losses while others

are adopting different means and techniques to sustain their business amid the new situation.

The government earmarked a stimulus package of Tk 300 crore for SME entrepreneurs to save and re-establish their businesses.

Lotifa Shawkat Rupa, an entrepreneur of Jashore who has experienced ups and downs over the past two years, said, "the government gave us a stimulus package but it would be better if they reduce the instalments."

Women entrepreneurs could once have gone abroad to take part in international trade fairs.

"By selling our goods we could have earned a lot of money but the initiative has been stopped since 2020," she added.

Tarana Tabassum, an entrepreneur of Khulna, said they have no platform of supply chain from which they can sell their products.

"There are more than 2,000 women entrepreneurs across the country but we have no supply chain platform to

showcase and sell our products. This time it is a big problem. We are producing goods but can't sell them for the dearth of a supply chain platform," she said.

Bangladesh hosts an international trade fair once a year that everyone looks forward to and fights to book a stall but it is not possible for small entrepreneurs to take a stall by competing with big companies.

"So, the government should organise more fairs to a large extent for us," Tabassum added.

Zuyema Fardous Mitul, an entrepreneur in Rangpur, said although all types of businesspeople are sufferers, those who made diversified products are facing different challenges at this time.

She said they sell products that are all luxury items and so, people will only buy them when they have the purchasing power.

But ever since the pandemic period, lower, lower-middle and middle-class people come under financial pressure while the current situation has aggravated it further.

"Most small entrepreneurs in the country earn within Tk 15,000 to Tk 20,000 per month. Then how is it possible for them to get stimulus loans by meeting the bank's stipulations?" she said.

Irin Parveen, an entrepreneur of Sherpur who deals in nakshi katha, bed sheet, saree and three-pieces through Ananna Boutique centre, said she kept the shutter open in fear of losing workers amid the pandemic.

"Banks are always in doubt about women's ability to repay loans. So, they are reluctant to give them.

This is a big challenge for women entrepreneurs but I think banks should give us more loans so that we can establish our own shops or factories," she said.

"If they would get financial support from the government or

banks or any other non-banking financial institutions, they could be big and famous entrepreneurs and contribute to the national economy," Parveen added.

Entrepreneur Uroshi Mahfila Fatema said she is trying to survive by reducing the volume of production.

"I didn't apply for loans from the stimulus package because I do not think the timeframe the banks give us to repay the loans is sufficient for entrepreneurs like me," she said.

"On the whole, we are in a devastated situation. We are worried about where to sell our products by spending added costs. In such a situation, this type of condition-based loan will create an extra burden on us instead of benefit."

"As an entrepreneur, I think time is most important now. If the government would give us a five-year repayment tenure, it would be better for all to survive," said Fatema, who runs the She's store at Sapura, Boyalia in Rajshahi.

Keeping shops or factories open, those who have been doing businesses in a constructive way, it is difficult for us to survive overnight, she added.

Fatema then questioned why she should even take a loan if she cannot benefit from it.

The SME Foundation distributed Tk 300 crore of the stimulus package among marginalised SME entrepreneurs with an interest of 4 per cent.

Of the beneficiaries, women entrepreneurs got 26 per cent. The funds were distributed among 3,801 entrepreneurs, of which 68 per cent received less than Tk 10 lakh.

The SME Foundation also started sending entrepreneurs to international trade fairs.

"We have sent 20 SME entrepreneurs to Nepal for an international SME fair and will send

another 14 entrepreneurs to New York in February next year," said Md Mofizur Rahman, managing director of the SME Foundation.

He went on to say that they organised a programme called "Suppliers' Platform For Women Entrepreneurs" in Dhaka recently with the collaboration of the World Bank to develop supply linkage and supply chain access for women entrepreneurs.

Banks also help entrepreneurs regardless of whether they are small, medium or big companies run by men or women. Currently, 22 banks are working in different districts across the country under the "Skills for Employment Investment Programme (SEIP)" to create more entrepreneurs.

Shaminoor Rahman, SME head of Bank Asia, said they recently rebranded a product called "Neelima" for the development of women entrepreneurs on the occasion of International Women's Day.

"Bank Asia is conducting a skill development training programme known as "SEIP" under the guidelines of Bangladesh Bank for the new entrepreneurs, where we are giving more opportunities to women"

"We are jointly working with the SME Foundation on refinancing programmes. We have a collaboration with "Joyeeta Foundation" and a women's platform called "We Connect", Rahman said.

Md Abdur Rahmin, senior vice president and head of SME and agri investments at Shahjalal Islami Bank, said they have recently signed a collaboration programme with the central bank under which they will run a month-long training programme with the participation of selected 30 new women entrepreneurs.

The programme will take place in August, he added.

## Invest in small business

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He urged the government to further ease the access to financing for MSME clients.

The Daily Star spoke to a number of MSME entrepreneurs and all of them said they are facing an uphill battle amid the price hike of raw materials.

Yesmin Akter, an SME entrepreneur from Cumilla's Kaptan Bazar who owns a food processing venture known as Ocean Food Products, said the prices of all required materials – peanut, oil and flour – have soared, but prices of finished products remain the same.

"The price of materials can increase all of a sudden but we cannot increase the price of our products as customers would react negatively."

Yesmin said she took loans from the government stimulus package.

"But the loan will not rescue me from the current trap of price rise," she added.

Shobol Paul, owner of KB Pottery Industry in Kushtia's Kumarkhali upazila, said the situation is worse now than what it was in the pandemic as the price of most raw materials shot up by almost 50 per cent.

Asked about the role of the SME Foundation in providing loans to the MSMEs, Md Mofizur Rahman, managing director of the foundation, said they are not financially strong enough to help entrepreneurs outside of their listed members.

"But what we have done for them is recently organise national and regional SME fairs. We even help them hold fairs when their respective association is organising it. I believe these things have helped them revive their businesses."

He said the SME Foundation has trained many entrepreneurs to increase their financial literacy so that they do not come back from the bank and non-banking financial

institutions empty handed.

"We drove mass campaigns at the divisional level and some important districts, where we brought officials and representatives of Bangladesh Bank, public and private banks together with small entrepreneurs from across the country to minimise the gap and misunderstandings

among them," Rahman added.

In the latest development, large industries, SMEs and the flood-hit agriculture sector will enjoy a flexible loan repayment facility up till December this year as Bangladesh Bank on June 22 revived the partial loan moratorium amid a deepening economic crisis.



### SME Banking for Women Entrepreneurs

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Women Entrepreneurs are provided investment up to a maximum of Taka 50 lakh in any project of SME sector.



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এক্সিম ব্যাংকের বিনিয়োগ সেবা

**এক্সিম  
অবলম্বন**

ক্ষুদ্র ও মাঝারী পর্যায়ের ব্যবসা এবং শিল্প প্রতিষ্ঠান পরিচালনা এবং সম্প্রসারণের জন্য শরীয়তাহ ভিত্তিক বিনিয়োগ স্কিম

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