

Sample Survey on Status of Women Entrepreneurs In Bangladesh

1. Background of the Survey

1.1 Women in Bangladesh

Bangladesh is a resource-limited and overpopulated country where society is highly stratified, services and opportunities are determined by gender, class and location. However, women make nearly half of the population (Table -1), which means huge potential to be utilised for socio-economic development of the country.

**Table -1
Population Status of Bangladesh**

Census From 1999			Census From 1998		
Total	Male	Female	Total	Male	Female
106315000	54729000	51587000	126200000	64819000	61381000
Share at Total Population (%)			Share at Total Population (%)		
51.48%			49.52%		
51.48%			48.64%		

Source: Statistical Pocketbook, Bangladesh '99, Bangladesh Bureau of Statistics, Government of the People's Republic of Bangladesh, Dhaka 1999, Page 85.

Sex and Age-based Structure of the Population (Table-2) shows that like the male population of the country, the women represent a vast resource for the country. They must be provided equal opportunity in education, employment and economic activities, only then this resource could be utilised properly.

**Table -2
Sex and Age-based Structure of the Population 1996**

Age-base Group	Total Population (%)	Male Population (%)	Female Population (%)
10-14 Years	12.6	12.52	11.58
15-19 Years	8.52	8.41	8.65
20-24 Years	8.40	7.60	9.25
25-29 Years	6.10	7.92	9.11
30-34 Years	4.25	6.10	6.10
35-39 Years	3.25	5.87	5.14
40-44 Years	2.89	4.40	4.09

Source: Statistical Pocketbook, Bangladesh '99, Bangladesh Bureau of Statistics, Government of the People's Republic of Bangladesh, Dhaka 1999, Page 124.

The educational status of the women in Bangladesh shows that the women are being increasingly educated. Though the literacy rate of the women remains in average nearly 10 percent point behind their male citizen, as a least development country it must be rated as encouraging (Table – 3). The country should provide this growing educated women folk with job and other productive economic activities.

Then only in this way the vast potential of the country could be fully utilised for economic and other development of the country.

Table -3

Status of Literacy 1997

Total (%)			Male (%)			Female (%)		
National	Urban	Rural	National	Urban	Rural	National	Urban	Rural
47.3%	59.9%	41.0%	50.6%	63.0%	44.5%	41.5%	53.7%	35.3%

Source: Statistical Pocketbook, Bangladesh '99, Bangladesh Bureau of Statistics, Government of the People's Republic of Bangladesh, Dhaka 1999, Page 348.

The situation for university-educated women is not better than the illiterate women population of the country. The data of the university students and teachers from 1999 shows that though the girl students make more than 31.42% of the total students of the public universities, the share of the women teachers in these universities remained only 15.69% (Table – 4). The situation in private universities remained in this year worse¹. The share of the women at students and teachers of the universities shows that even educated women have to face serious hurdles to profile in the job market. This is certainly more harder to profile and be successful in the business sector of Bangladesh.

Table -4

Students and Teacher in Public Universities (1998)

Total	Student				Teacher				
	Male		Female		Total	Male		Female	
	Total	%	Total	%		Total	%	Total	%
105598	72415	68.58	331832	31.4	4334	3654	84.31	680	15.69

Source: Statistical Pocketbook, Bangladesh '99, Bangladesh Bureau of Statistics, Government of the People's Republic of Bangladesh, Dhaka 1999, Page 342.

The Constitution guarantees all citizens equal rights, which is also reflected in national policies and plan documents; in reality, there are significant disparities between men and women, rich and poor and rural and urban dwellers in access to the development process both as agents and beneficiaries.

Social perspectives and overall situation have been experiencing, however, a lot of changes now a days. In response to the demand of different internal and external pressure groups, women participation in all sectors, including economy, has increased over the last two decades.

1.2 Women Employment Status

¹ Statistical Pocketbook, Bangladesh 99, Bangladesh Bureau of Statistics, Government of the People's Republic of Bangladesh, Dhaka 1999, Page 343.

Women in the rural informal sector are either self-employed or employed in family based enterprises that includes both agricultural and non-agricultural sector. These activities which include homestead agriculture, livestock and poultry rearing, fish farming, nursery and tree plantation, tool making, kantha sewing, fish net making, food processing, tailoring, rice processings etc. have been regular and invisible sources to family income supplementation. A sector- wise distribution of employed persons in rural areas shows that agriculture is the pre-dominant source of female employment, followed by the manufacturing sector.

Table -5
Sex based Distribution of Employment

Occupation	National occupational employment (%)	Share of Male employment at total employment (%)	Share of Female employment at total employment (%)
Technical	3.3%	3.5	3.0
Administrative	0.4%	0.6	00
Clerical	2.2	3.2	0.6
Sales	11.3	16.8	2.2
Services	3.5	2.4	5.4
Agriculture ²	63.8	54.6	78.8
Production ³	15.5	18.9	10.0
Total	100	100	100

Source: Statistical Pocketbook, Bangladesh '99, Bangladesh Bureau of Statistics, Government of the People's Republic of Bangladesh, Dhaka 1999, Page 144.

Women in Bangladesh are employed in low category jobs. Most of them are employed in Agriculture, Forestry and Fishery sectors, where the share of the women employees is 78.8% (Table – 5). Even in clerical jobs women are poorly represented. In administrative function, there is little woman participation, which clearly shows the frustrating job situation for the women in Bangladesh. Due to the grace of the emergence and growth of the Ready Made Garments sector, the share of women in production has increased. The share of women in this sector is 10%. Only in services sector, the job share of women is more than their male colleagues; the share of women in this sector is 5.4.% whereas the male only comprises 2.4% of the jobs of this category (Table – 5).

The entrepreneurship status of the population shows that out of 46.8% self-employed citizens, women make up only 8.3%. The situation however, in urban Bangladesh is a little better; in urban area nearly 15.4% of the 36.7% self-employed people are women. In rural area, it is only 7.4% (Table– 6 & Graphic-1).

Most of the women are unpaid family helper, 83.2% in rural area and 42.9% in urban area. A part of the poor women works also as day labour. On national level it is

²This includes Forestry and Fishery

³This includes Transportation.

5.7%, in urban area 6.2% and in rural area 5.6% (Table – 6 & Graphic - 1). This shows that industrial development in Bangladesh is unable to absorb even the cheapest part of the labour force – the women labour.

Previously, women's enterprises were confined in sectors that were dominated by traditional gender role, such as food and beverage, beauty parlour, health, education, weaving, tailoring and wholesale and retail apparel trade. But the situation is changed; today women are also in occupations, which were solely controlled by the male before. Now, they possess top management post in private and public sector enterprises, sit in the most important policy making bodies of the country, are entrepreneurs and own enterprises. Women are now seen frequently as owners and managers of cold storage, shipping, advertising firms, travel agencies, interior decoration, engineering workshops and even garment industries, etc.

1.3 Policies and Programs Encouraging and Supporting Women Entrepreneurship

The importance of women entrepreneurs in the national development process has been acknowledged by successive governments and steps initiated to realise these objectives. Consequently, under successive Five-Year-Plans, women's development initiatives have been gradually integrated into the macro framework and multi-sectoral economy to bring women into the mainstream of economic development and encourage potential women entrepreneurs realizing their business plans.

In all Development Plans, from the First to the last i.e. the Fifth-Five-Year-Plan, development of women in all spheres of our national life has been given priority considerations. The **First Five Year Plan (1973-78)**, as for example, emphasised a welfare-oriented approach and focused on rehabilitation of war-affected women and children. The **Two-Year-Plan (1978-80)** was characterised by a shift from welfare to development efforts. The **Second Five Year Plan (1980-85)** emphasised creating a congenial atmosphere for women's increased participation in development through expanding opportunities for skill development, credit and entrepreneurship development program. The **Third-Five-Year-Plan (1985-1990)** had specific objectives to reduce disparity between development of men and women. The **Fourth-Five-Year-Plan (1990-95)** placed women within the context of macro framework with multi-sectoral thrust and focused more on the development of poor and disadvantaged women.

In the **Fifth-Five-Year-Plan (1997-2002)** as many as 24 goals and objectives are set for development of women and children in the country. These goals and objectives if implemented properly will definitely contribute with the participation of women in every sphere of our national life.

1. Justification of the Survey

Economic and socio-cultural situation of the women in the country discussed in the previous chapter, help conclude that in the interest of a sustainable economic, environmental, social, and political development the women entrepreneurs should be

supported. This will help the women entrepreneurs of the country growing, which means utilisation of an important potential of the country to ensure badly needed economic growth of the country.

Women are increasingly getting higher education, but their share in qualified job is not proportionate. The attitude of the society and the women towards job and self-employment has changed. Increasingly, women are motivated to take part in economic activities of the country. So government should create legal environment and support economic activities of the women in both rural and urban area. This will help reform the traditional society and ebb and accelerate the way to emancipate the women socially, culturally, economically and politically. Because the economically empowered, educated and organized women will be able to take part progressively in the policy making bodies of the country and turn the policy in favour of the women to change their fortune as a whole and will ensure further development to bring considerable change in the country. In this backdrop, it has been essential to make assessment of the women population – their strength and weakness and the opportunities and threats. The assessment through a sample survey will enable the planners both in the government and the private sector to formulate an action plan. That will support the socio-economic development.

1. Goal of the Survey

The goal of the survey is to search out how to bring the most unutilized potential of the women that make nearly 49% of the population in the main stream formal economic activity to foster the economic development and at the same time enable their social, political and economic empowerment and improve their overall situation, which is the basic precondition for building a sustainable modern society.

2. Objectives of the Survey

Following are the objectives of the survey to find out ways and means how to:

- Emancipate, reform and modernize the society through economic empowerment of women
- Integrate into macro framework of the multi-sectoral economic activities
- Create congenial atmosphere and ensure women's participation in economic development of the society
- Support women entrepreneurs to grow and develop from micro to small and from small to medium and so on
- Support potential women entrepreneurs to realize their business plan
- Train and promote skill of women entrepreneurs including potential women entrepreneurs
- Aware society and lobby with the government for creating enabling environment for women entrepreneurs and potential entrepreneurs

3. Purpose of the Survey

The study follows the purposes as under:

3.1 Prepare an Economic Policy Paper on women entrepreneurs for lobbying with the government;

3.2 Lay out program to support women entrepreneurs with regard to training in the following fields:

- Management
- Marketing (local and overseas)
- Financing and Financial management
- Productivity management
- Quality management
- Feasibility study
- Risk assessment and reducing, etc.

3.3 Consulting and Counselling for

- Management
- Marketing
- Financing
- Productivity management
- Quality management
- Feasibility Study
- Risk assessment and reducing, etc.

4. Study

- Broad-based survey on problems and prospects for women entrepreneurship development
- Impact of technical assistance services of the public and other supporting agencies and organizations.
- Experiences of women entrepreneurs.

1. Methodology Adopted

It is a sample survey; but before going to randomly sampled field survey, 7 workshops were organized in cooperation with the most important public and non-government supporting agencies (non-government and 1 public agency) engaged in the promotion of women entrepreneurs. The workshops with non-government agencies: DCCI, MIDAS, NASCIB, Women Entrepreneurs Association, Bangladesh, Chamber of Commerce and Industry, Manikganj and WEAB, Dhaka, were organized with participation of women entrepreneurs those get support of these agencies. A set of questionnaires (Annex 2) were distributed among the women entrepreneurs participating in the workshop for collecting data about development of enterprises and views about problems and prospect of women entrepreneurs. The participants were also asked to propose what should be done to support them. In the open discussion of the workshop the participating women entrepreneurs were given the opportunity to express what were their problems and what should be done to support women entrepreneurs. The idea was collect comprehensive views what could not be collected from the answers of the questionnaires distributed in the workshop among the women entrepreneurs. The workshop in cooperation with BSCIC has the objective to share experiences of the most important government agency supporting women entrepreneurs. Questionnaire (Annex 2) was distributed and open discussion

with BSCIC staff was organized to record their experiences and views in supporting women entrepreneurs.

Finally, relevant secondary materials from MIDAS, NASCIB, BSCIC, WEA, Bangladesh, WEAB and DCCI was collected that include, among others, project documents, evaluation reports, survey and study papers, training and workshop materials, statistics, etc. Besides, relevant World Bank and UNDP publications and Study Papers (if any) on Bangladesh and other similar countries (if any) was collected. In total, libraries and documentation of at least 20 organizations and agencies were searched and used in this regard.

At the end, the collected secondary materials were sorted, studied, analysed and evaluated. The data and information collected from the questionnaire distributed in the workshops was sorted and modelled for conclusion. Finally, on the basis of the analysis and findings of the secondary materials and primary data, suggestions for national policy reforms and technical (training, workshop, counselling, consulting, etc) and financial promotional program drawn.

The survey, in fact, follows the method of SWOT (Strengths, Weaknesses, Opportunities and Threats) analysis. It analyses first the economic status of the women in the country, then it studies the weakness and strength of the existing service providing public and private sector organisations, institutions and agencies. After that it finds out the economic and opportunities, which must be utilised for the sake of the development of the society as a whole.

2. Limitations

The study report includes all limitations of a sample survey. As for example, to be authentic and representative, it has to survey a minimum number of women entrepreneurs from each sector of the economy, which was time consuming and demands more time and resources. The survey was confined mostly within Dhaka City. Though a workshop was organized in a district town about 100 km away from Dhaka, it would not be sure that all women entrepreneurs from all regional towns have similar problems and require similar supports. However, the survey does not flow such objective, it aims to work out program for women entrepreneurs of the Dhaka City. However, a good number of women entrepreneurs receiving assistance under the department of Women Affairs of the government and of the Jatiya Mahila Sangstha were distributed questionnaire for their uses.

Being involved in women entrepreneurship development activities we recognize that there should be a nationwide all-covering broad-based survey in this regard to gain concrete idea for supporting and integrating women entrepreneurs in the main stream economy of the country following the objectives of the project mentioned. This survey, however, would provide valuable idea for developing conception further to plan and implement precise and fruitful activities for the development of women entrepreneurs.

1. Government Policy for Women Entrepreneurship Development

1.1 Women Entrepreneurship Development in the Constitution of the People's Republic of Bangladesh

The Articles 26, 27 & 28 of the Constitution of the People's Republic of Bangladesh has distinctly mentioned the issue of emancipation and development of the women folk of the country. The Articles 26 and 27 provide for cultural, social and political development of the women folk. The Articles 28, on the other hand, mentions the issue of equal economic right and opportunities and development of women entrepreneurs. It says "Nothing in this Articles shall prevent the State from making special provision in favour of women children or for the advancement of any backward of the population". The constitution also includes the issue of the development of the women entrepreneurs (Annex 1).

1.2 Government's strategies for women's advancement

For the overall well-being of the women folks of the country, the government of the People's Republic of Bangladesh has set the following strategies:

- Increase women's participation in the decision making process of all financial institutions and remove the existing differences between women and men;
- Ensure women's equal right in formulating and implementing economic policy (commercial policy, monetary policy and fiscal policy, etc.);
- Keep women's needs and interest in consideration while formulating the macro-economic policies and taking programs for empowerment of women;
- Build safety-net in favour of women to prevent adverse effects of application of macro-economic policies;
- Provide equal opportunities and partnership to women in matters of access to property, employment, market and business;
- Take effective measures in all organizations including Bureau of Statistics for projecting women's contribution in national economy.

Government has set distinct strategies in its National Action Plan (NAP) for the development of the women entrepreneurship, which are:

- Adoption of a comprehensive sustainable industrial policy that will promote equity for women and men;
- Increase the number of women entrepreneurs;
- Ensure women's easy access to markets;
- Develop entrepreneurial skills of the women;
- Provide infrastructure facilities for women entrepreneurs;
- Upgrade technical "know-how" of women and develop technology suitable for women;
- Enable MOI and other related ministries, agencies to address and implement WID issues in comprehensive and coordinated way for effective implementation of the Industrial Policy;
- Support research, evaluation and action-oriented programs of industry particularly for women engaged in the industrial sector.

The Fifth-Five-Year Plan of the country clearly reflects objectives of the development policies and National Action Plan (NAP), which commit:

- Ensure equal rights of women in all spheres of development, including access to information, skills, resources and opportunities;
- Enhance the participation of women in political, civil, economic, social and cultural life;
- Promote economic self-reliance for women, and generate economic policies that have positive impact on employment and income of women workers in both formal and informal sectors;
- Create appropriate institutional arrangements with necessary financial and human resources and authorities at all levels to mainstream women's concerns in all aspects and sectors of development
- Mainstream women's concern in agriculture and rural development, industry and commerce besides services;
- Ensure the visibility and recognition of women's work and contributions to the economy.

2. Credit Policy and Measures

Credit plays a central role in industrial development. So access to credit facilities in the modern economic world is a determining factor of the level of economic activity and growth. The experience of the developed world shows that not only economic endeavor but also social endeavor like education is ensured by adequate supply of credits. But there are various formalities and complicated procedures, which in most cases make credit a relatively inaccessible commodity to meet the growing need of the entrepreneurs of developing countries like Bangladesh.

Academicians and people from the practical field, also of women entrepreneurs, have emphasized the necessity of credit for the promotion in various ways. According to Dr. Muhammad Yunus of Grameen Bank, as for example, credit creates hope and ambition for change in the women business peoples and potentials entrepreneurs. Jennifer Riria-Ouko, Managing Director of Kenya Women's Finance Trust has the view that "Direct financial services are the key way to empower women and empowering women is the only way to achieve total development".

Bangladesh has a wide network of NGOs that sponsors schemes targeted towards lending to women on preferential basis. DCCI, MIDAS, NASCIB, Women Entrepreneurs Association, Bangladesh have been playing in this respect a leading role.

2.1 Micro-Credit for women entrepreneurs: Income Generating Activities

Most of the organizations, institutions and agencies, however, sponsor very small loans. Such loans may be sufficient for keeping the beneficiaries above the poverty line but not adequate to enter into business at a higher level, which could be designed as enterprise. These institutions follow, however, the policy for promotion of self-sustaining employment and income generation for the poor and vulnerable women especially in rural area. Certainly the programs of these institutions have

useful impact on poverty alleviation and self-employment. And it must be recognized that these programs are not designed to promote women entrepreneurship and meet the needs of women entrepreneurs.

2.2 Institutional Credit for women entrepreneurs

There are a limited number of banks in the public sector and in the private sector, which are sponsoring lending programs for women catering to their needs for capital. These loans do not, however, exceed Tk. 3 lakhs and are mostly not collateral-based and can cater to women entrepreneurs who are operating above self-employment levels but on a limited scale which is equivalent to cottage/micro-industries level. Those lending schemes are largely project-based and do not constitute an integral part of lending even in case of public and private sector banks. The institutions which do not insist on collateral for these loans do, however, insist on guarantees from husbands or relatives of the intending women borrowers. Thus male dependency in this sphere of lending even for a small amount is very prominent and that handicaps women entrepreneurs to obtain loans.

For small and medium size women entrepreneurs, there is no special credit program in the country. Credit is most valuable for the development of the small and medium size women entrepreneurs. Because, from small and medium size entrepreneurs grow the leading industries. Besides, small and medium size entrepreneurs play decisive role in the direction of the future development. On the other hand, medium and long term credit is entirely collateral-based, which is subjected to a multitude of cumbersome and complex formalities. Besides, the rate of interest is relatively high, which discourages women entrepreneurs to utilize the lending facility of this kind.

Lending to women entrepreneurs, who have need for relatively high amounts, makes only a miniscule portion of the total amount of loan. A study of World Bank shows women receiving loans in 1993 and 1994 constituted only 0.005 percent of the total number of borrowers. This situation has hardly changed till the end of 2001.

We have mentioned that self-employment credit, which constitutes bulk of the financial input, generates income and employment at a primary or rudimentary level. From this measure it is not realistic to expect that this could be identified as needs of women entrepreneurs. For the development and promotion of the medium size women entrepreneurs higher amount of credit inputs must be ensured. These enterprises tend to generate employment not only for the women owner operator but also for others. These are the women who are real women entrepreneurs in terms of qualities that should be promoted to be successful women entrepreneurs.

Apart from other things, the deficient credit availability does not allow women entrepreneur to expand their business. Majority of the women owners-operators are confined to a limited orbit of activities, particularly for the reason that they have no access to credit facilities of higher levels, both quantitatively and qualitatively. For the purpose of our discussions, it is the owners-operators that can meaningfully work as the economic force needed for accelerated industrial development who eventually can help those at the bottom. Real thrust should be put at top level to bring up a robust women entrepreneurial class. However, a thought of this sort is lacking for which it appears a long way off to address the challenge but scope exists for

interventions that would close the gaps quickly between present day reality and the envisioned future. Most important of all, it should be realized that the base level may graduate into small and medium size and the small and medium size into higher level.

2.3 Credit policy for Women Entrepreneurs

There is truly no credit policy in the country, which could be devoted for women entrepreneurship development. Certainly it could be questioned: Is specific credit policy necessary for the promotion of the women entrepreneurs? Is it not tenable since the government is issuing or has issued policies concerning almost all the sectors, which have preponderance of private sector involvement including women entrepreneurs. Is not it sufficient to have a well designed credit policy of the country within the framework of a more comprehensive financial policy, which certainly include the necessity of the women entrepreneurs?

In place of a credit policy, what is available on the ground, is a set of credit arrangements guided by Bangladesh Bank (BB). This is arranged by the central bank and executed by the individual commercial banks, specialized leasing and other types of banks, which operate in the public and private sectors. Under the financial sector reform a lot of flexibility has been ensured for running the credit system. Now an interest band-based client relationship is allowed rather than a fixed rate of interest as used to be prescribed by BB earlier. But in absence of any mandate laid down by BB, it is seen that private banks are more prone to financing export-import sectors than go into long term lending for industrial units, because it is more profitable and predictable for the banks.

From examination of the credit arrangements that exist for women entrepreneurship development in the country, it can be said with emphasis that these arrangements are nothing but gender blind, in a very few cases they suffer from near blindness. The following features with regard to the credit arrangements and processes will support this contention:

There is no policy prescription in the Industrial Policy 1999 that suggests that banks or other financial institutions should have special arrangements for financing women's enterprises. The Industrial Policy does identify women and their financial or other needs what is done in India where Industry Policy incorporates special arrangements for women enterprises. Industrial Policy '99 states that long term credit will be made available to assist production of innovative industrial goods and for this purpose venture capital fund will be created. Further it has again suggested that special financial arrangement may, from time to time, be designed by the government in support of these sectors. It is worthwhile to note again that in the context of stressing the importance of capital no special financial arrangements for either existing or potential women entrepreneurs have been made. Thus, it is expected that overcoming the shortcomings of the Industry Policy '99 in respect of special financing arrangements for women enterprises like permission for using share market for capital mobilization may be considered.

As pointed out earlier, the financial arrangements applicable for lending for industrial sector are governed by the Bangladesh Bank circulars as well as commercial banks'

internal circulars. One of these major circulars is related to Credit Guarantee Scheme for small industrial investors issued in March '95. This is a decisive step for facilitating credit without collateral, which is made available by Bangladesh Bank in co-operation with the scheduled financial institutions for small industrial units through specific fund arrangement. Though the fund is planned to be available for small investors, no special consideration has been made for women enterprises. Since the availability of this special fund is administered through usual procedure of the banks, the women entrepreneurs do not have access to such a credit. In other respective circulars issued by Bangladesh Bank in respect to facilitating credit no attention to women's special need have been made. The women entrepreneurs have to face dozens of odds to gain an access to credit.

Also within the usual banking framework the debt-equity ratio fails to attract the women entrepreneurs who have meager savings and suffer from the law of inheritance that limits her rights to property. The usual hassle and hostility involved in obtaining loan from the lending institutions discourages women to go to banks for credit. And this phenomenon is bound to continue unless special administrative and structural measures are ensured in the usual banking practices.

The custom to hunt deposits for bank credit deeply embedded in the usual banking practices takes very often the proportions of cut throat competition. A lot of kickback sometimes is given in exchange for giving fat deposits which may even be government fund and the kickback is viewed by some banks non-ally as promotional expenditure.

On the contrary, it is very rarely the case that financial institutions go on a hunt for investors, which is very common in the developed countries. The banking institutions have considerable potential to identify potential entrepreneurs but fail to realize it. In this context, their unwillingness to pay due attention to the needs of the women entrepreneurs is obvious. The financial institutions have to incorporate in their lending system the special practice of financing women entrepreneurs and monitoring lending operations on the basis of gender-based data.

At present, it requires considerable hard work to find out information relating loans given to women enterprises. Unfortunately, even the DFIs have no women-based lending practices. What it does within the framework of poverty alleviation programs is targeted for self-employment especially of the destitute and vulnerable women and not as entrepreneurs that has been recently extenuated also for other women.

Besides, the financial institutions function as lenders and not as counsellors. But counselling is very common in the banks of the developed countries for the existing as well as potential entrepreneurs. Banks in Bangladesh like in many other developing countries operate on "criteria fulfilling" basis. And documents, which are not acceptable, are simply rejected. Women entrepreneurs generally suffer from a lack of guidance. They have lack of information and need counselling to overcome their difficulties as prospective borrowers. They generally come against a blank wall and get guidance from the lending Institutions. The banks have no time, no patience and lastly no orientation to deal with women entrepreneurs on case-to-case and one-to-one basis. This needs for opening information and counselling desk in every lending Institution for women entrepreneurs.

The view that is use for selection of a borrower by financial institutions is its creditability to have loan, which is expressed in terms of hypothecation. In this process little attention is paid to the prospect of the borrowers for success, their integrity and character. There is no mechanisms for assessing character and integrity of clients. Had there been such an approach, the women would have got a definitely advantageous position. As experience of the NGO-based lending program like that of "Grameen Bank" verify that the women are better re-payers. But industrial loans are hardly available to them since the client's capacity is measured almost entirely on the terms of financial capability, i.e. hypothecation and debt service capacity.

Since there is no gender sensibility in the banking regime, it is not unexpected that the banking system lacks the motivation to address the particular needs of women entrepreneurs.⁴ However, banks defend that there is no discrimination between men and women clients and they do not recognize that women are particularly disadvantaged to be equal partners in obtaining loans for their enterprises. This shows that lack of gender orientation in lending process persists, which must be overcome.

Lending policy and operations of the banks are not in harmony with the policies and measures prescribed and followed in other Institutions that work for the promotion of women entrepreneur. There is hardly any awareness in the banks about National Action Plan for Women's Advancement and the need for women's mainstreaming into industrial sector, as is stressed by MOWCA.

It is a matter of commonsense that, though the world is enthusiastic for women's entry into the business world and the government laid emphasis on mainstreaming of women, the lending activities of banks do not incorporate the commitment of the government in this regard. However, there are also no detectable attempts amongst the relevant ministries and government agencies to harmonise the banking system with respective policy that is mandated to promote women's increased participation in economic activities.

With reform and liberalisation of the banking system of the country, the private banks enjoy great flexibility. This has improved the services of the banks. But it has brought hardly any good for promoting the cause of entrepreneurial activities of women. The private banks are more inclined towards financing trade. Their exceptional agility to finance consumer items is also evident. But most of them stay away from long term or even medium term lending for industrial purposes and speaking of women entrepreneurs. So the reform of the banking sector and emergence of the private banks have brought nearly no improvement for women entrepreneur development in the country.

Micro financing activities of NGO are promoting self-employment of women. In total 533 big and small NGO have lent 1999, TK 2436 core. No data is, however, available about the number of women beneficiaries. As mentioned before, usually

⁴ This explains Bangladesh Bank's lack of instructions and guidance to pay attention to special needs of women entrepreneurs.

none of these loans cater to the needs of higher level entrepreneurial activities that generate multiple employment rather than self-employment. It should be stated here that many of these NGOs are the lending institutions specially established for the purpose of lending to this group. Some commercial banks have also poverty alleviation programs financed through the collaboration of NGOs.

In Bangladesh, a special bank named BASIC, is established with the mandate to finance small and cottage industries sector. Since its direct lending program could not be so successful, so it is now operating through NGOs in this respect. But unfortunately, its mandate is not adequately served by the lending of NGOs. The NGOs do not finance small industries or even cottage industries of higher levels. The statistics from 1998 in respect of this function of BASIC show that out of 237 projects directly funded by the bank only two were women entrepreneurship related. BASIC's involvement in funding women's enterprises can, therefore, be termed very insignificant, in that respect, the function of BASIC is not worth mentioning.

Gender basis of structure of the Board of Directors of the banks, private and public, manifests a complete lack of gender consideration. Women directors of the Boards of Director are a very few. The involvement of the women in bank management is supportive for gender-based perception about banking functions. Representation of women in Bangladesh Bank is also extremely poor. There is little doubt that examples should be set to signify and begin with more distinct gender sensitive approach in the banking sector. Women entrepreneurs certainly have better chance with banking administration with a greater gender focus.

3. Tax Policy

Tax policy and taxation can have profound influence on the women entrepreneurship development. In Bangladesh tax policy and measures are too complex to be understood by an average income earner. Tax policy and taxation are subject to many anomalies and contradictions. These fluctuate even on yearly basis, all of which exert an adverse influence, direct and indirect, on the investors including women investors of the country.

The following discussion reveals how taxation anomalies affect the opportunities of the women entrepreneurs:

3.1 The Tax Ordinance, 1984

The Tax Ordinance, 1984, has specified "deemed income" as income. The term "deemed income", however, has not been defined, which means that the tax collector can identify income as chargeable to tax. Clause (e) of section 33 of the income Tax Ordinance has given unbridled power to the tax collector to call "any other income of any kind or from any source which is not classifiable under any of the other heads specified in section 20 of the law. Once the tax collector calls any thing as income nowhere except in appeals or court there will be final decision as to whether or not that element is income. It is because of that cancellation of indebtedness Section 19 (11), unpaid bank interest after 3 years (Section 19 (15)(a), trading liability after 3 years Section 19 (15) (c) are income though these are not income in real sense. Similarly loan amounting to more than Tk. 50,000 if not taken

from a bank or through a crossed cheque issued on a bank is treated as income. Surprising though it may seem, loan money is also taxable as income if the borrower is unable to repay the same within 3 years. Another notable feature is that if anybody sells property and earns more than its cost price, income tax is payable on the excess realization. In many countries of the world, such as U.K., this is not treated as income.

Thus, it is seen that there is absence of clarity in definitions of income in the context of income tax law. And this is bound to cause confusion to many women entrepreneurs unless they take recourse to legal advice, which is always expensive and adds extra burden to their limited resources.

3.2 Requirement of TIN Certificate

As per section 183 A of Income Tax Ordinance, 1983 it has been made compulsory for any person to furnish a certificate from the Deputy Commissioner of Taxes containing Tax Identification Number (TIN) for submitting an application for obtaining import registration certificate, tender documents for supply of goods, execution of contract, opening letter of credit for import, purchase of house, obtaining a trade license, etc. This is the standing law on the matter as reflected in the language of the law.

Under the law Deputy Commissioner may not issue any TIN in favour of any person who does not pay or has not paid tax. In this circumstances, a new applicant for TIN has to pay income tax to qualify for obtaining the number. Thus a person has to be identified as a taxpayer even before the person concerned earns money. Such an anomaly in the law discourages women to undertake activities requiring a TIN. Moreover, the issuance of TIN has been highly centralized. TIN is given at the central level by National Board of Revenue (NBR).

Suppose a woman entrepreneur applies for TIN in Tangail, she has to submit an application to Deputy Commissioner stationed in Tangail who then forwards the application to the commissioner stationed in Dhaka after due scrutiny. The Commissioner on being satisfied with the merit of the proposal will forward the case to NBR for issuing TIN. If they are also satisfied the TIN is issued. All these just for a TIN. It can now easily be imagined how much time this will cost to have taxation clearance. There are examples that extra money or influence has to be used to speed up the process. Besides, the hassle involved in this process no-doubt make the women entrepreneurs all the more vulnerable to bureaucratic processes.

3.3 Tax credit for tax deducted at sources

At present the income tax law of the country provides 27 types of taxation of the income. Out of these methods in 12 types the income is treated as final discharge of tax liability. In 5 types of income taxation the authority issues two cheques simultaneously: one for the Deputy Commissioner of Taxes for payment of deducted tax and the other for the payee for payment of the balance amount after such deduction. The mentioned methods are complicated but function to some extent well. Problem, however, arises in the remaining ten types of income tax clearance. In these cases, the income office does not want to issue "income tax clearance

certificate” without being sure that the deducted tax has been transferred to government account. But the responsibility of transferring tax to the government account lies with the deducting authority and it is beyond the control of the payers. The most acute problem arises in the case import as the tax is deducted at sea ports, land ports or airports which are in most cases far away from the tax payer's place of assessment and understandably can be influenced only with special treatment of the tax officers. It is obvious that for women entrepreneurs, it could be a threatening hurdle.

Import tax is deducted under section 53 of the Ordinance. Articles 14 of the income tax rules for payment of import tax in the government treasury or Bangladesh Bank or selected branches of Sonali Bank. In import customs authority assess tax at the prescribed rate and writes down figures in import documents (bills of entry) with other dues and requires the importer to make payment in Sonali Bank, which receives money and makes entries on the face of the bill with signature and seal. After payment of the import tax, the importer gets the imported goods released from the customs and the port authority. But often the custom officer refuses on the ground of lack of proof that tax has been paid to the account of the government, because the responsible financial institutions fail to send it to the government treasury timely. When tax is received by the responsible financial institutions from importers, it is their responsibility to transfer the money to the government treasury, issuing certificate of collection of tax.

As per section 62 of the “Income Tax Ordinance”, at the assessment stage of production of the certificate of collection tax credit is to be allowed. But the income tax authority insists on proof of deposit of money into the treasury. This causes anomaly, which delays in furnishing proof of depositing the money in government account. The cause behind is that the tax department suspects assessment of the customs authority, which results that the importer suffers. And it is no secret that both the custom and tax office of the country are worldwide known for their open corruption. If the importer is accidentally a woman, it could be easily guessed within the context of the existing culture of the country what suffering, hassle, time killing and financial involvement could take place.

3.4 Transfer of fund declared as initial capital in the self-assessment

As per rule 38 of the Income Tax Rules, any tax payer can file a self-assessment return declaring up to Taka twenty lakh as initial capital if 25 percent of the said amount is disclosed as income and tax is paid thereon. But the rule has added that the initial capital or any fraction thereof cannot be transferred in any manner or lent out within five years from the year of assessment. Section 83A has given NBR the authority to make rules or pass orders only about making the self assessment acceptable for the year and not about what the tax payer will do with his or her capital in the next five years. Imposing any embargo on the transfer of capital or any fraction of it in any manner or lending the same is an infringement of the power conferred by the law. It also hampers a natural right of an assessee to make use of his/her money at his/her will. This embargo on transfer has a negative implication for an existing or potential entrepreneur. An existing entrepreneur suffering from shortage of capital or a new entrepreneur virtually having no access to capital will be deprived of the facility of the borrowing or receiving gifts from their relatives who

declare capital in the self-assessment. Women entrepreneurs are particularly at a disadvantage on account of this because many of them, being shy of accessing credit from formal lending institutions due to enormous amount of hassle, resort to loan or gift from relatives but opportunities for doing so are largely curtailed because of the aforementioned embargo.

3.5 Taxing unpaid loans

If any person takes cash loan above Tk. 50,000 (fifty thousand) and fails to repay the same within three years, the same would be taxed as income in the hands of the recipient of the loan in the fourth year. But the anomaly is that if the amount is taken as loan through crossed cheque on a bank it will not be so taxed.

Mobilization of fund for investment is a problem for women entrepreneurs. They can mobilize such fund borrowing from their near relatives who have not developed the habit of keeping money with banks. But borrowing from such persons will be discouraged for fear of being taxed. This provision of the income tax law, therefore, provides discouragement towards borrowing fund from relatives by the women entrepreneurs.

3.6 Tax holiday

Tax holiday means exemption from payment of tax on profits and gains from business or industry for a specific period of time. It is termed as incentive for investment and is being practiced in the country since independence. In fact, this incentive for the encouragement of investment was introduced during Pakistan time. An expert committee, however, recommended that tax holiday had to be discontinued with effect from 1 July 2000, which was supported by the World Bank. But due to demand from the private sector the government has extended this facility up to the year 2005.

Section 46 A of the Income Tax Ordinance provisions on tax holiday; this provides for tax holiday to an industrial undertaking, a tourist industry or a physical infrastructure facility set up in Bangladesh at any time between 1-7-95 to 30-6-2005. This facility of tax holiday is allowable for 5 years for undertakings set up in Dhaka, Chittagong and Sylhet divisions and for 7 years for undertakings set up in Rajshahi, Barisal and Khulna divisions and hill districts of Chittagong division. The period of tax holiday of any undertaking will be counted from the month of commencement of commercial production or operation of the undertaking. For entitlement to this facility the undertaking shall have to fulfil the following conditions:

- It has to be owned and managed by a body corporate or by a company formed under the Companies Act, 1993 or the company laws 1994.
- The undertaking has to be engaged in the manufacture of goods or materials or subjection of goods or materials to any process or exploration or extraction of mineral resources or the processing of agricultural products, in providing physical facility and in the tourist industry.
- At least 30% of the tax holiday profit shall to be reinvested in the said undertaking or in any new industry, stocks and shares of public companies or in government bonds and securities.

- If out of the re-investible 30% of the profits any dividend is declared, reinvestment of the balance will serve the purpose.

The physical infrastructure facility means the generation, transformation, conversion, transmissions and distribution or supply of electric energy hydraulic power, roads, highways, bridges, airports, system of railway or telecommunication system or other public facilities of similar nature as may be specified by the Board.

As already noted, scheduled time for tax holiday has been extended up to 30-6-2005. Any undertaking set up during the period up to 30 June, 2005 will be entitled to this facility subject to fulfilment of other conditions as already discussed. During this short period up to 30-6-2005 (less than 5 years from now) rarely any woman entrepreneur is able enough to set up undertaking and fulfil the conditions of tax holiday. So, women will hardly be able to reap the benefit of the holiday.

Enabling the women to reap the benefit of tax holiday, this system should be allowed to continue for women entrepreneurs for a minimum of another 25 to 30 years. And the law should include not only selective types of industries like designing, printing, cane products, bamboo products, wooden crafts, food processing, fruit preservation, beauty parlour, perfumery, cosmetics, garments (ladies), nakshi kantha, sewing, leather crafts, etc but for all types women entrepreneurial undertakings.

3.7 Gift Tax

Access to credit for women entrepreneur poses a problem and this assumes critical proportions in the whole process of setting up an industrial unit as well as running it on a economically viable basis. Generally women entrepreneurs try to tap several sources to mobilize fund. Of different sources, gift is considered a good source of capital. According to income tax rules, gifts made by parents to their children or by children to their parents or gift made between spouses, brothers, sisters and are tax free. But gifts made by others above Tk.20, 000 (twenty thousand) are taxable. It is important to note that though father-in-law cannot gift to daughter-in-law without tax, he can gift to his son and the son can easily gift to his wife. This law poses illogical hindrance for a woman entrepreneur and potential woman entrepreneur to use gift as a source of fund without going into extra cost, which discourage specially the gift giver or helper.

3.8 Trade license fees

Certainly, trade license fee is not a tax in specific sense but it has an impact on setting up a business. Trade license is essential for business or manufacturing project in the areas of City Corporations or Municipalities. Since trade license is a means to a profitable undertaking, it has been subjected to a lot of hassles involving corruption. Getting a trade license demands frequent visits to concerned offices and payment of fees including bribe depending upon the size and nature of the business or industrial undertaking.

A potential women entrepreneur seeking a trade license, which means the first step of the project, has to overcome first hurdle that means not only the beginning of

bribing an extra cost and but also torture. Another problem is that a trade license cannot be easily obtained without a specific business address.

But to arrange a business address is indeed a tough proposition for women, because women tenants in the existing culture of the country is examined with considerable suspicion. A potential woman entrepreneur has to remove first this disregarding suspicion. After that she has to gain the confidence of the renter that she is enable to pay the rent for the premise. Besides, if any woman proposes to operate manufacturing undertaking in the premise, because of inferiority complex the owners seldom agree to let their premises out. In such a situation, women entrepreneurs have to move from pillar to post to find a place where they can hitch their tents to run a business. The problem becomes visible when the entrepreneurs seek places individually. This explains the need to arrange special plots or premises to women entrepreneurs.

4. Trade and Tariff Policy

As after the fall of the wall, the globalisation has swept the world, the developing country like Bangladesh have adjusted themselves to the change accordingly. Over the past decade Bangladesh has reformed its imports and exports regime making them international business harmonious with the rest of the world. The trade and tariff policies that have emerged from the reform process, though have done well to overcome many past pitfalls, contains quite a few anomalies, contradictions and inadequacies. Some liberalization steps have disastrous impact on many industrial undertakings in the country because these steps have been taken too hastily without much study and feed back. As this has complicated and made the industrial environment of the country more competitive, the way of the potential women entrepreneurs has become more hard. Key features of the anomalies and inadequacies of the trade and tariff policies are as follows:

4.1 Registration regarding imports and exports

An importer whether commercial importer or industrial consumer has to be registered under the Importers, Exporters and Indents (Registration) Order, 1981 with the import control authority who issues the registration certificate under the order on submission of certain documents and required fees. Following the regulation, an importer has to apply first for registration along with necessary papers like original copy of the treasury chalan, certificate of the payment of prescribed registration fees, etc. Import licensing system has been abolished. A registered importer can process and open L/C for the purpose of import. Previously, separate passbooks were issued by the import and export control authority both for commercial and industrial importers where items and types of import (raw materials) and their respective shares were mentioned. Passbooks had to be maintained and renewed by the import control authority. At present passbooks are kept in the custody of respective importers' banks.

According to present regulation there is an opportunity to import freely, obtaining registration certificate is nothing but source of unnecessary hassle for the importers. This is more problematic and discouraging specially for women importers cum entrepreneurs. There is no justification for the Import and Export Department to cling

to an obsolete system at the time when the passbooks are maintained by the banks. If monitoring of import volume is a purpose behind this procedure, this is also a job that can be done by Bangladesh Bank on the basis of reports submitted by the banks which have records of L/Cs opened. In case of registration, it is seen that the procedure involved in issuance of the passbooks takes considerable time since the registration authority is not yet located in all the districts. So applicants from remote areas have to involve themselves in a lot of legwork and also 'hand greasing' to obtain the certificates, which is obviously discouraging for women.

The situation is more complicated and contradictory in case of renewal. For example, registration can be provided by the lower authority, the renewal, however, has to be handled at the level of Chief Controller of Imports and Exports if the renewal fees have not been paid for a period exceeding three years.

Obviously, the registration requirement is consistent with the concept and practice of free economy. This is just an unwelcome lingering source for harassment for the entrepreneurs especially the women entrepreneurs whose mobility and exposure is very limited. Abolition of this requirement will remove extra barrier in their path. When Board of Investment has recognized that registration for industrial units is not mandatory there is definitely no reason for import authority to cling to their system anymore. Revenue earning through registration is not an adequate justification. It keeps simply the malpractice open.

4.2 Representation in the Import Trade Control (ITC) Committee

In import policy there is a provision that in case of any dispute between an importer and the customs authority on classification or description of goods imported, the local ITC Committee may be asked for adjudication set up for Dhaka, Chittagong, Khulna, Benapole and Sylhet. The local ITC Committees consist of the representatives of the Chief Controller, local Chamber of Commerce and Industry and the customs authority. There is no provision of representation of the FBCCI or a national level association like NASCIB. The requirement is that if the committee is required to discuss any special type of item, a representative from the concerned trade association, which represents that particular item, will be invited to attend.

There is no provision for inclusion of any representation of women's interest. Thus there is no recognition by the ITC Committee of women importers/entrepreneurs' needs, a situation which may be redressed.

4.3 Provision for import on joint basis

In import policy, at present there is a provision for import on group basis. The importers all over Bangladesh may form one or more groups for import on joint basis. It is expected that the industrial consumers will form group or groups with other industrial consumers only and the commercial importers may form group or groups with other commercial importers, which has no viable justification and economical logic. This is unnecessary and has no sound ground. Importers must have free hand in their matter. Women importers shall benefit from such reforms.

4.4 Structure of Department of Imports and Exports

With growing globalisation Bangladesh is trying to adjust itself to WTO regime. But the role of Department of Imports and Exports retains the characteristics and function that suited only a controlled economy. Its regulatory functions are still predominant though much of the authority has been taken away. Its role and structure is inconsistent with the demands of the liberalised business environment. In respect to the liberalisation, this Department could pay greater attention to the needs of the women entrepreneurs. For example, this can serve as an information house for apprising the intending parties of various formalities and prospects of exports, which could be very valuable for women entrepreneurs.

4.5 Requirement of Pre-Shipment Inspection (PSI)

Among the developing and least developed countries, the first international PSI contract was signed by the Government of Zaire in 1963. At present PSI system is mandatory and used by governments of 40 countries mostly in Asia, Africa, Europe and South America. Since February 2000 PSI system has been introduced in Bangladesh for all importation of goods other than those under bonded warehouse system. All importers will have to arrange inspection with the help of three assigned inspection companies.

The operation of the three PSI companies means as good as an good functioning oligopoly; they tend to pay no heed to the importers' complaints. In respect to their service following complaints have been voiced by the: delay in scheduling inspection, delay in delivering Clean Report Finding (CRFs) and its copies to the importers, communication bottlenecks, inconsistent policies, etc. Earlier letter of credit could be opened for any amount without PSI and the inspection was not required up to \$ 5000.0 worth of imported goods.

The mandatory PSI impedes business in several ways particularly for the women entrepreneurs because they have limited resources. Besides, with the introduction of PSI the small investors and importers, most of the women entrepreneurs are small, are in a state of discouragement considering the complexity and expenses involved in fulfilling the PSI related formalities. Furthermore importers are often harassed in the name of spot checking in consignment value after the import takes place. The women importers /entrepreneurs are particularly vulnerable to the whole process.

4.6 Problems related to customs clearance

Problems of clearance of goods through custom offices still present. Trade associations often complain that some custom officials will invent excuse to withhold or delay release of the consignment, which is especially discouraging for women.

4.7 Import sector vis-à-vis liberalisation

When we consider the import sector we are confronted with a scenario where large influx of textiles is flooding the domestic market and consequently women's cottage industry products tied up with handloom are losing ground. In order for the local industries to survive what is needed is a whole package of services ranging from stable governance of infrastructure facilities, loan, etc. In absence of such facilities the local industries have hardly any capability to compete with the imported products.

Women entrepreneurs in food processing industries have, as for example, complained that jam, jelly and sauce now imported freely from neighbouring countries are putting their similar local products at great jeopardy. As mentioned earlier, this shows that from liberalisation and globalisation may suffer the small and under developed traditional sector of the economy, where the women entrepreneurs are involved. So, to promote the competitiveness and protect the local industries appropriate steps have to be ensured.

4.8 Export sector vis-à-vis globalisation

Looking at the export sector, a similar example of mismatch is witnessed. Globalisation offers profound scope for increasing exports but the opportunities that exist cannot be fully exploited by the local industries. It is true that the sector, such as, garments is getting great benefits from the developed world especially in the form of GSP facilities. But knowledge of GSP formalities is not fully accessible to women entrepreneurs. An example has been cited by Kumudini Trust. A certificate is needed to qualify for GSP, which is issued by EPB. But in the case of handloom-based product, they have to approach Handloom Board for clearance and this clearance is given only after an extensive inspection is carried out, which demands time and brine. In this process the validity of order expires. There is a good ground for short-circuiting the process helping especially women entrepreneurs.

Thus looking at the export sector we find that it is constrained in various ways to develop as a vibrant sector to reap the good effects of liberalisation. When the GSP facility is going to be withdrawn the garments sector is bound to face a great debacle and no adequate preparations exist yet to save off the impending disaster unless something extraordinary happens.

In the background of the above example, we have considered our trade relationship with India. They have so far followed a cautious approach in removing the tariff barriers. Besides, their aggressive 'export man ship' has earned them all the good sides of globalisation. Bangladesh perhaps could have followed the example of her neighbour. What is needed is a careful balanced course of action. No liberalisation in a manner which is inconsistent with our objective to earn benefits from liberalisation, i.e. without feedback and check. Women entrepreneurs badly constrained by the existing laws and customs could be drowned with careless ripple in the pool of trade and tariff that is taugth with inconsistencies.

4.9 Rationalisation of tariff structure

To derive fullest possible benefits from liberalisation of the economy the government has assigned priority to the rationalisation of tariff. In this respect, two things are important for women:

- The duty structure is in a state of flux, which makes for an intending entrepreneur difficult to forecast business prospects with any degree of accuracy;
- The duty structure is gender blind. It does not contain any elements to meet special treatment to the sectors that are women specific.

There is a great scope for overcoming the gender neutrality in this respect so that women specific needs get special attention. There are still instances as quoted by some entrepreneurs where rate of duty on finished products is lower than the rate of duty on the raw materials which go into the manufacture of finished products in the home economy.

4.10 Value Added Tax (VAT)

The issue of VAT is also relevant in respect of women entrepreneurship development. For women entrepreneurs, there is no special consideration in administering VAT. In the spirit of supporting women enterprises, a way may be found out to rationalise VAT.

4.11 Dumping in the wake of globalisation

Dumping is now a method used by foreign producers and exporters, which affect local producers. Anti-dumping measures against these measures are not strong. Chief task here is to maintain a strong vigilance, which, if not available, is sure to add another reason for ruining the home industries. Again, women entrepreneurs will bear the greatest brunt of dumping even if it takes place at a small scale.

4.12 South Asian Association for Regional Co-operation (SAARC) cumulation

Recently, the European Union has provided SAARC the right to cumulative rules of origin for GSP on a joint plea of the members countries of the SAARC. It appears, however, that Bangladesh will not benefit from SAARC regional cumulation. Rather this threatens our textile industry, which is facing already many odds. Textile entrepreneurs, particularly the small entrepreneurs will be hard hit. So careful consideration of the lost and profit is needed, where the interest of the small entrepreneurs' including the women entrepreneurs' should be seriously reviewed.

4.13 Destabilisation of import structure through monetary measures

Import structure are destabilised through interventions by Bangladesh Bank Recently one step is taken by Bangladesh Bank imposing restrictions on opening of L/C for industrial and commercial goods. As huge quantity of industrial raw materials is imported commercially, many industries, particularly small to medium ones have to face serious problem unless these items are exempted. Also women enterprises may have a setback as a result of this restriction.

1. Services of Financial and Credit Institutions

Generally, financial institutions and banks extend credit for women under micro-credit program for poverty reduction. Based on the cost of the fund, the interest rates of these credit vary. For this purpose, mainly donor supported project funds are used, though some funds are also provided by Bangladesh Bank. The Bangladesh Bank directs the commercial banks to lend at least 1% of their lending capital for industrial sector. 5% is expected to be spent for SCI sector. These loans are often operated through NGOs or development agencies. Men mainly access the investment in the industrial sector. However, other than for poverty reduction project loan, there is no special regulation for credit for women entrepreneurs.

Since the banks do not preserve sex-based financial data, it is not possible to provide information in this regard. Some banks have ladies' branches. But the objective of the activities is to mobilise savings and not encourage investments. Besides, the number of ladies' branches are very limited compared to the needs (Table - 7). Most of these branches, however, incur loss, because they function as deposit collectors rather than lending institutions. Though not legally consistent, the banks and some support programs openly insist on the consent and guarantee of husbands' or other male relatives' sanctioning loan to women. The number of women borrowers from banks are limited and is extremely lower than that of men.

Table –7
Bank-wise Number of Ladies Branches

Sl. No.	Name of Banks	No. of Ladies Branch
1.	Sonali Bank	22
2.	Janata Bank	5
3.	Agrani Bank	-
4.	Rupali Bank Ltd.	9
5.	Uttara Bank Ltd.	1
6.	Pubali Bank Ltd.	-
7.	Total	37

Source: Accessibility of Women in bonding services, Bank Panorama, Vol. X,YI, Nos. 1 & 2 A, March & June, 1996, Page 122.

For industrial credit the number of women borrowers is very limited. Table - 8 shows that only a small number of women entrepreneurs got bank loan in 1993/1994. The total loan disbursement of the women entrepreneurs also was very small. In 1993 only Janata Bank and Agrai Bank disbursed in total respectively Tk 416, 773 and Tk 452,123 loans. In 1994 the situation was nearly the same, only Agrani bank increased its loan for the women entrepreneurs. In this year it was only TK 840,519, which is very small. In respect to loan for women entrepreneurs, the role of the other

banks remained very poor, though the functions of Agrani Bank and Janata Bank were also very unsatisfactory (Table– 8 & Graphic - 2).

2. Bangladesh Bank

Bangladesh Bank, the central bank of Bangladesh Government, established in 1972, is responsible for foreign exchange control, note issue, credit control, clearing house, etc. It is the banker of the Government as well as of other banks. Bangladesh Bank assists government formulating monetary policies. It supervises the function of other banks and from time to time issues lending related guidelines to ensure market stability and credit volume.

Demand for credit in the country is high. So, public banks like Bangladesh Krishi Bank, Bangladesh Shilpa Bank, Bangladesh Co-operative Bank and private commercial banks try to increase their lending amount. According to Bangladesh Bank, 15 percent of the total lending of any bank should be for industrial sector, out of which only 5 percent should go for SCI sector. Bangladesh Bank also has issued circular for micro-credit and other lending schemes. But Bangladesh Bank has issued so far no circular for lending to women entrepreneurs. To support information technology and agro-based industries as thrust sectors, recently it has ensured collateral free Equity Development Fund. For women, however, there is no provision in this regard.

Table – 8

Bank Financing to Women Borrowers by Year

Same of the bank	No of Loanees				Amount Disbursed			
	1993		1994		1993		1994	
	Total*	Female**	Total*	Female**	Total*	Female**	Total*	Female**
SB***	292	-	1,925	1	12,353	-	27,521	-
JB	347,312	4	416,773	6	480,765	57	840,519	217
AB	410,741	23	451,123	46	262,368	1,117	305,536	386
BSB	634	1	629	1	6,620	7	3,060	-
ABBL	1,625	8	1,725	8	75,214	333	72,664	152
NBL	6,376	1	6,751	2	80,100	1	87,700	300

Sources: Shoab Ahmed, Role of Women Entrepreneurs in the Economy, JOBS, FBCCI

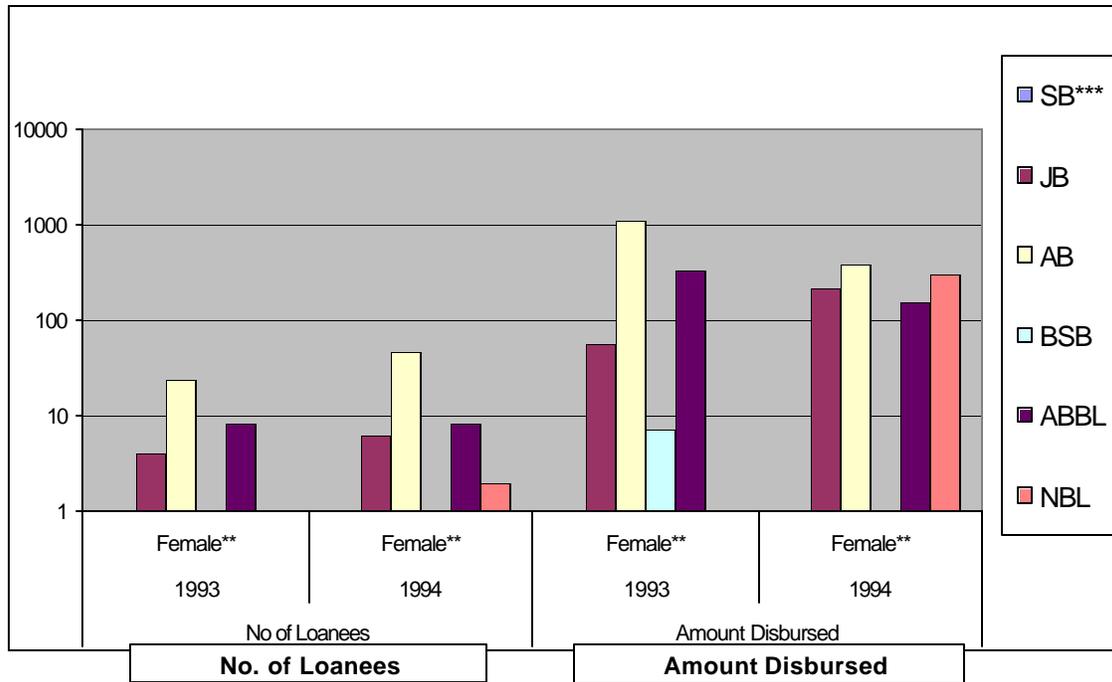
Note:

- * Total includes all types of loanees, loans and advances
- ** Female includes only industrial and trading loans advanced to women
- *** Sonali Bank Figures only include industrial sector

SB= Sonali Bank, JB= Janata Bank, AB= Agrani Bank, BSB= Bangladesh Shilpa Bank

ABBL= Arab Bangladesh Bank Ltd., NBL= National Bank Ltd.

Graphic – 2: Bank Financing to Women Borrowers by Year



3. Bangladesh Shilpa Bank

Bangladesh Shilpa Bank (BSB), established in 1972, assists in establishment of new industries and balancing modernisation, expansion and replacement of existing industries through lending in local and foreign currencies. For rehabilitating industries, it also assists through lending. Further, it provides financial, technical and consulting support to the interested entrepreneurs. For repayment of loan in respect of investment made by foreign investors in domestic industries, Bangladesh Shilpa Bank provides guarantee. It also assists in providing capital for the benefit of limited companies. By March 2000, the total amount of loans and advances extended by the bank was Tk 1019 crore. No data is, however, available on women's share in these loans. It can be undoubtedly guessed that the amount is very negligible.

4. Bank of Small Industries and Commerce

The Bank of Small Industries and Commerce was established in 1988 as a private banking institution. The objective of this bank was to cater to the credit needs of the small and cottage industries sector. Though the Bank of Small and Cottage Industries mainly supports SCI sectors, it supports micro-finance through NGOs. It operates through NGOs (17 selected), who invest amongst poor people, mostly women.

Its activities are essential among others for employment generation helping poverty alleviation. However it cannot be termed as promoter of women entrepreneurship development by June 2000, the bank has extended industrial loans to 237 projects, but the number of women among the clients is very insignificant. Besides, it is reported that the women borrowers are very often inactive partners of their husbands. It focuses, however, its activities on micro-credit through NGOs, which is targeted to poverty reduction and employment generation for women.

5. Bangladesh Krishi Bank

Bangladesh Krishi Bank is the largest development financing institution of the country that has extended its activities mainly for rural development. It supports agriculture development and agro-processing activities. Bangladesh Krishi Bank performs its functions through various NGOs and public and autonomous agencies mainly for poverty alleviation projects. For poverty alleviation it has implemented till 2000 17 projects supported by donors agencies. The activities of the projects, however, are not gender-based. Besides, though the poverty alleviation activities of the bank are contributing also to self-employment and income generation opportunities for women, these have no impact on entrepreneurship development of women. Bangladesh Krishi Bank has in fact no project for entrepreneurship development for women.

6. Sonali Bank

Sonali Bank, the largest national commercial bank of the country functions for both commercial and industrial banking. It is the pioneer bank, which has opened ladies braches to encourage and promote savings culture of women folk of the country.

Showing borrowing by women in the industrial sector, the bank does not maintain any statistics. Sonali Bank has provided loans to a few women clients under the industrial credit programme, but only a few of them are directly involved in industrial activities.

It has initiated a new project in its Dhanmondi ladies branch and offers loan between TK 50 thousand to Tk 200 000 without collateral. To obtain loan, the viability of the planned undertaking, a personal guarantee is required. So far only 17 projects have been supported. The women consider first that the amount of loan is too small to establish even micro enterprise. Besides, it is difficult for women to fulfil conditions for guarantee.

The general industrial-credit programme of Sonali bank has no special effort to encourage women entrepreneurs and potential entrepreneurs. Consequently, industrial investment by the women is very low. Though it is not possible to find out how many women were supported as gender desegregated data and how many industrial enterprises are owned by women, it can be very easily guessed that it is very insignificant. Access of the women to institutional credit is negligible compared to total volume and number of loans disbursed by banks. This depicts a gloomy picture of women's access to the most vital factors of productive resources i.e. bank finance.

7. Agrani Bank

Like the other above mentioned banks, Agrani Bank does not have any special credit programme for women. In collaboration with Norwegian Government, it had a project named Small Enterprise Development. The objective of the project was to support Small Enterprise through micro credit, which has been completed. The amount of loan disbursed per entrepreneur was very small to satisfy the need of the entrepreneur. For 2001 Agrani Bank does not have any such programme. According to the information received 2000, only 33 women have received industrial credit from Agrani Bank.

1. The UN Convention – Beijing Declaration

The Fourth World Conference of United Nations on Women Development in Beijing, 1995, adopted the Beijing Declaration: Platform for Action Plan (PFA). The PFA provided an agreed upon strategy for global community to move forward and entrust the governments for the development of women in all areas.

In Articles 11 & 12, the Beijing Declaration distinctly mentions the issue for the development and emancipation of the women. Articles 11 of the PFA provisions for general development of the women. Articles 12, on the other hand, mentions the issue of the equal economic right and opportunities and development of women. It includes the right of the women for credit, which is a basic pre-condition for the development of the women entrepreneurs. The two Articles are:

Articles 11

State parties take all appropriate measures to eliminate discrimination against women in the field of employment in order to ensure, on the basis of equality of men and women, the same right in particular: The right to free choice of profession and employment, the right to promotion, and security and all benefits and conditions of service and the right to receive vocational training, including apprenticeships, advanced vocational training and recurrent training

Articles 13

State parties shall take all appropriate measures to eliminate discrimination against women in other areas of economic and social life in order to ensure, on a basis of equality of men and women, the same right, in particular to: The right to bank loans, mortgages and other forms of financial credit

The government of the Peoples Republic of Bangladesh has adopted the Beijing Declaration and the Platform for Action. The government commits to implement the resolution of the Declaration in its relevant polices. The Ministry of Women and Children Affairs has set up an inter-ministerial Task Force to follow up the implementation of the resolution of the Platform for Action Plan culminating the National Policy and National Development Plan and for development and empowerment of women and protection of women's rights.

1. Women Entrepreneurship Development Activities of Bangladesh Small and Cottage Industries Corporation (BSCIC)

During 1982-83, the ILO program for Rural Women, which was a part of the Rural Policies Branch (EMP/UR) of the World Employment Division, carried out 12 programs for Rural Women in Bangladesh. All these programs aimed at promoting income-generating activities among women from the poorest section of the nation.

In pursuance of the recommendations of the said evaluation, a program on Self-employment scheme for female headed households had been taken up by ILO within the framework of an ILO/Finland multi-bi-lateral regional project in three Asian countries (India, Nepal and Bangladesh) beginning from primary objective of this project was to improve income, employment opportunities and working conditions of the poor rural women who are the sole or major economic contributors to their families. Upon completion of the projects, it was expected that the government, women organisation and NGOs would be able to replicate the schemes in other parts of their country. In the planning it was expected that governments of the respective countries would take into account the special problems of home-based piece-rate workers and the female heads of households and vulnerable group of women.

The Project on "Self-Employment for Rural Women in Bangladesh through Cottage Industries (BAS/81/10)" was a part of the ILO regional project. Bangladesh Small and Cottage Industries Corporation took up the Project Phase-I in collaboration with the Directorate of Relief and Rehabilitation (DRR) and World Food Program (WFP) in August 1986 in 2 Upazilas of the Rangpur District, initially for a period of one year. At the end of Phase-I (extended upto December 1987) an Evaluation was conducted. Based on the recommendations of the evaluation report, the Government

of Bangladesh (GOB) and the International Labour Organisation (ILO) agreed to undertake the project Phase-II in 4 Upazilas under 2 districts for a period of 2 years which ended in June, 1990.

In early 1989 an evaluation study was conducted by the ILO Headquarters, Geneva. The evaluation team highly appreciated the achievements of the project Phase-I and the on-going activities of Phase-II and recommended replication of the project activities in other parts of the country on a larger scale, and in a co-ordinated way based on the model evolved by the project. As such, the project was extended for further period of 5 years covering 16,500 target beneficiaries in 5 Districts.

1.1. Development Objectives

Plan area-specific, seasonally and socially appropriate integrated employment promotion programs for the rural distressed women, particularly those who bear the primary responsibility of family survival. Strengthen and expand the organisational base for rural distressed women. Support assetless rural women (particularly female household heads) attaining sustainable year round self-employment at minimum wage rates in at least four villages in one district.

Organise groups of rural women workers in selected villages and provide collective access to development resources, market information and appropriate technologies. Develop methodology and approach through project implementation and demonstrate the possibility of replicability of the Programs. Establishment of linkages with the Local Government Institutions and other Government Departments who are working for the disadvantaged women group and utilised their available resources in a co-ordinated way. Development of savings habit and working capital among the target beneficiaries. Exchange of ideas and views with the similar projects supported by the ILO within South East Asian Region.

1.2 Impact of the Activities

It was targeted to identify 2768 women from 8 selected Unions of the Project areas. Up to end of the project period a total of 2963 (107%) women were identified. As per the schedule, 70-75% of the total beneficiaries had to select from among the listed women of the VGD program of DRR. In fact, out of the total 2963 target women about 2340 (79%) were identified among the VGD-Card-Holders (who received wheat ration either for a period of 2 years or for a period of 3 months as emergency relief). They were organised into 106 village level Beneficiary Groups, each consisted of 25-30 women.

As per the Activity Schedule, it was planned to organise 6 Introduction and Planning Workshop and 10 Assessment and Planning Workshops. During the implementation period 7 (117%) Introductory and Planning Workshop and a total of 18 (180%) Assessment and Planning Workshop and Review meetings were held during the extended period of the project.

As per the target, 6 Orientation/Study Tours were organised for a total of 325 group leaders, selected beneficiaries and Union Parishad members within the country in

order to give practical oriented income generating activities and their access to the development programmers.

It was planned to provide approximately Tk.25.00 lakh (US\$ 76,095) among the target beneficiaries of the project as credit support to undertake various income generating activities and establish different production units. A total amount of Tk. 34.82 lakh (US\$ 105,984) was disbursed among 2725 target women.

In accordance of the Project, BSCIC provided following Skill Up-gradation Training:

Table -9
Skill Up-gradation Training

S.N.	Activities	Number of Course (s)	Number of Participants	Duration of the Course Months)
1	Tailoring	8	90	3-6 Months
2	Bamboo/Cane Works	2	32	3-4 Months
3	Weaving	1	15	8 Months
4	Bag Sheet/Muffler Making	3	52	2-3 Months
5	Bee Keeping	1	20	2 Months

Source: Terminal Report on Self-Employment For Rural Destitute Women in Bangladesh Through Cottage Industries Project, Phase II, Mrs. Farida E. Arif, Dkaka 1991, page 14.

During implementation of the project, linkages were established with the local government insitutions and other government departments.

The project was scheduled to create direct employment opportunities for 2768 target women and additional part-time employment for approximately 6,920 members of their families. Till the end of the project period, the direct employment opportunities have been created for 2,725 women i.e., 98% of the target women. Besides, additional /part- time employment opportunities were created for 6, 815 (98%) family members of the target women.

According to the Baseline Survey of the project, the average monthly income per target family was Tk 386 (US\$ 12.25). It was mentioned in the project document, that the monthly income per family should be doubled. The project was able to increase on an average per family monthly income of TK 850 (US\$ 26.97), which is more than double.

The BSCIC supports enable some of its beneficiaries to emerge as small entrepreneurs. But the women beneficiaries seem to be completely neglected by the BSCIC in its respective activities. The women who were able to emerge as entrepreneurs due to supports of the BSCIC, make only 3.8% of the total beneficiaries of the kind (Table – 10). And only 2.0% women beneficiaries of BSCIC manage their business self.

The Table – 11 shows that most of the women entrepreneurs supported by the BSCIC to grow are involved in “Food and Allied” and “Textile” sectors. Only 4 women entrepreneurs are involved in Engineering and 1 in “Chemical and Pharmaceuticals” sector. In other sectors, no women entrepreneur is present. This shows that even the biggest and most important public agency in this respect remained till 2000 in supporting the women entrepreneurs unsuccessful.

1.3 Lesson Learned

The implementation of the project helps gather following valuable experiences:

It is easier to organise a large number of distressed women through groups at grass-root level and possible to improve their socio-economic condition by involving them in the cottage industry. Due to their involvement in the groups, they get moral support and strength to overcome the social barriers to participate in out-of-home economic activities, which help them develop group cohesion and become good entrepreneur and also help them to be self-reliant in future. Involving the local government institutions ensures better implementation of such programs.

2. Micro Industries Development Assistance and Services (MIDAS)

Micro Industries Development Assistance and Services (MIDAS), a private sector organisation, promotes development of small enterprises with a view to generating employment opportunities. It was formed with the financial support of USAID in 1982 and assisted till 1993. Now it is a self-sustained counselling organisation for the promotion of micro industries, which has the following functions:

- Collation and dissemination of information on small and micro enterprises,
- Carrying out socio-economic studies and research,
- Identifying industrial projects of innovative nature,
- Promoting women entrepreneurship, providing technical, and
- Managerial assistance in the of counselling, and training to existing and potential entrepreneurs.

MIDAS Financing Ltd., the sister concern of MIDAS, a non-bank financial institution licensed by Bangladesh Bank from October 1999 under the Financial Institutions Act. 1993 has taken over the enterprise financing of MIDAS. It is also implementing the Women Entrepreneurship Development (WED) program of MIDAS, which aims at mainstreaming women entrepreneurs.

The activities of the WED Cell includes but is not limited to, the followings:

- Attending walk-in-clients
- Networking
- Holding monthly meetings with women entrepreneurs and sharing thoughts, ideas and problems on business issues.
- Potential entrepreneurs are encouraged to attend the monthly meetings where they can seek, advice and expertise from established businesswomen. Anyone can attend these meetings.
- Organizing workshops and inviting guest speakers to share their views
- Organizing training programs

- Providing marketing facilities by establishing and supervising sales outlets (MIDAS MINI MART) for women entrepreneurs; so far 4 such units have been established
- Financing suitable projects of women entrepreneurs and monitoring these projects. More than 400 micro and small enterprises owned and run by women entrepreneurs have been financed by MIDAS till October, 2000
- Representing MIDAS in various women entrepreneurship related forums.

2.1 Activities of MIDAS

Major activities of MIDAS are centred in Training, Trade Fair, Financial Assistance and MIDAS Mini Mart (an opening of women entrepreneurs products)

2.1.1 Women Entrepreneurship Development (WED) Cell.

To help promote women entrepreneurs MIDAS has one special program, which MIDAS started from its very inception- the Women Entrepreneurship Development or WED Cell. WED Cell is one of the best ways of empowering women and mainstreaming them in the economic activities of the country, with the primary objective to create entrepreneurship among the women folk of the country.

2.1.2 Women to Women Support Program

Women to Women Support program is a new program introduced by the WED cell. MIDAS analysing the practical requirement of the women entrepreneurs – mostly prospective ones, has undertaken it.

Objectives of Women to Women Support program are:

- Through matchmaking process help new entrepreneurs establish a commercially viable enterprise;
- Upgrade and improve the quality of existing products and diversify the product range of existing small and micro enterprises run by women;
- Expand the existing market share and marketing network of women entrepreneurs;
- Creating a network among the existing and potential women entrepreneur groups, and
- Maintaining an up-to-date data bank of potential and existing women entrepreneurs of various sub-sectors.

The function of MIDAS, mediator between the two groups is to closely supervise and monitor the two groups and provide them with necessary technical support, guidance, etc.

3. The Dhaka Chamber of Commerce and Industry

DCCI is a limited company incorporated under the Companies Act 1913. It was established in the year 1958. It is the largest Chamber of this country at least in

terms of membership strength.⁵ DCCI has its training cell. Besides, a training institute in the name of DCCI Business Institute (DBI) has been initiated.

The Dhaka Chamber of Commerce and Industry (DCCI) acknowledged that in Bangladesh women live within the constraints of a conservative society where men are the customary bread earners. Apart from the domestic duties, women have to shoulder a major part of the economic burden of the society to share family expenses. The DCCI assumed that most of the constraints deterring economic Empowerment of the women are lack of access to economic resources, including credit, absence to support services, better training and skills, limited access to power and lack of access to larger quantum of resources. So, DCCI initiated two projects – one is TIPS and the other the DCCI-CIPE, ERRA Project supported by the US Chamber of Commerce, Washington, D.C., USA.

3.1 Standing Committee of the DCCI

DCCI activities run through a number of important standing committees. Women Entrepreneurship Development standing committee is one of such very important committees which acts as the nucleus to activate the women entrepreneurship development activities in the chamber. The committee works for finding out ways and means for the growth and development of the Women Entrepreneurs engaged in business and industry and to educate and encourage them for participation in nation building activities. The committee arranges meetings, seminars, symposiums to create adequate awareness in this regard. It also works for creating favourable environment and circumstances for inducting/engaging women entrepreneurs in the field of trade and industry and to help them in setting up business houses in all possible ways. The committee also formulate suggestions and recommendations for improvement of services to this class of entrepreneurs by the government/public institutions and organization. The problems of the women entrepreneurs are raised and mitigated through the standing committee.

3.2 The TIPS Project

DCCI postulates that most serious constraints, which deter the economic Empowerment of the women, are lack of access to finance i.e. credit, failing adequate supporting services and appropriate skill training. So, it initiated two projects – one is TIPS and the other is the DCCI-CIPE, ERRA Project supported by the US Chamber of Commerce, Washington, D.C., USA.

Though the TIPS has started its journey to specially line up the Women Entrepreneurs from 16th January, 2001, within this short time large number of members joined. These groups are swimming against the tide in the quest of economic independence and through the services of TIPS they are now entering into the network of 43 countries for expanding their business worldwide.

TIPS particularly encourages efforts directed towards small scale and micro scale women entrepreneurs in both the formal and informal sectors including self-help group those have yet to benefit from technological progress and that are too small to be worthwhile customers for the major laboratories.

⁵: Respective Chambers: January 2001

TIPS Bureau provided them training on e-mails, internet searching, to submit offers and demands in the internet etc. Activities expanded and 7 of the entrepreneurs participated in an international fair and exhibition at Delhi during April-2001. This was a SPANDANA program supported by UNIFEM. In this event the entrepreneurs participated in advance training courses of designing, e-commerce, marketing, block printing, etc along with selling and displaying their goods in Bangladesh booth in the Exhibition.

It is very encouraging that most of TIPS women members now have a computer of their own and they know how to send and receive e-mails, search internet to find required information, submit offers and demands, etc. More and more women are coming to TIPS office everyday to be its member and get services. TIPS, Bangladesh Bureau is also trying its best to seek opportunity to help the clients reach their goal.

3.3 The DCCI-CIPE, ERRA Project

To create private sector-friendly environment in Bangladesh through Economic Reform and Research Advocacy (ERRA), DCCI has undertaken a joint project with the Center for International Private Enterprise (CIPE), an affiliate of the US Chamber of Commerce, Washington, D.C. The objectives of the project are:

- To strengthen business advocacy efforts in Bangladesh and create a positive and productive dialogue between government and business on economic policy;
- To help legislators and government officials formulate policies, laws and regulations that promote a more open economic environment in Bangladesh conducive to private-sector-led economic growth by producing technical information on key reforms;
- To promote greater awareness of and participation in economic policy making in Bangladesh by communicating policy recommendations to the public through opinion leaders, think tanks and mass media, thereby encouraging greater accountability in governance.

DCCI has a well organized Research & Publication Department where continuously in-depth analysis is made of the contemporary economic development issues and policy position paper are prepared on pressing national problems in the economic arena. A rich Library operates being equipped with extensive collection of relevant publications and reproduction & dissemination facilities. The other important sections of the DCCI are: Membership, Administration. Public Relation has been delivering excellent services for the benefit and promotion of the private sector.

3.4 Women Entrepreneurship Development Activities of the DCCI

Bangladesh a resource limited, overpopulated country where society is highly stratified, services and opportunities are determined by gender, class and location. The constitution guarantees all citizens equal rights, which is also reflected in national policies and plan documents. However, in reality, there are some disparities

between men and women, rich and poor and rural dwellers in access to the development process both as agents and beneficiaries.

Social perspectives and overall situation has been facing a lot of changes nowadays. Women participation in all sectors has increased over the last two decades. In response to the demand of different pressure groups and by disruption of the socio-economic scene resulting from macro processes, women's economic role has expanded considerably. Some important women related activities are as follows:

3.5 WED activities under New Phase of DCCI-CIPE/ERRA Project

Upon successful completion of the activities planned during July, 1999 to December, 2000 on 14 Economic Policy Papers (EPPs) under the first Economic Reform and Research Advocacy (ERRA) Project and its dissemination to the concerned government organizations, members of parliament, news media, business leaders and think tanks, the DCCI has signed another agreement with the Center for International Private Enterprise (CIPE) an affiliate of the US Chamber of Commerce, Washington D.C, USA. Mr. Willard A. Workman, Vice-President, CIPE and Mr. Mahbub-uz-Zaman, Acting President of DCCI signed the agreement on behalf of their respective Organizations on May 17, 2001. The second project, which is virtually the continuation of the first one, has the same objectives similar to that of the first one.

The activities to be implemented under the new project include:

- Policy Reform Issues
- Women Entrepreneurship Development (WED)
- Group meeting for lobbying

3.6 Women Entrepreneurship Development Program (WED)

This component of the DCCI-CIPE, ERRA Project will research and produce a sample survey on the status of women entrepreneurship in Bangladesh, develop a database on small and micro-enterprises, prepare fact sheets on potential projects, and produce brochures on support services and other potential forms of assistance to women entrepreneurs.

In addition, the project will organize six workshops for women interested in entering the business sphere on how to become an entrepreneur and how to finance enterprises, and other workshops for women who already own businesses.

On the basis of data and lesson from the survey an additional EPP will be prepared with reform suggestions and measures for the promotion of the women entrepreneurs. On the EPP a national seminar with the participation of the Industry/Commerce, Members of Parliament, government high officials, including EPB, BOI, Ministry of Women Affairs, business leaders, media representatives, academicians, technocrat, think tanks, etc representatives of the NGOs, etc will be organised. In the deliberation of the seminar the suggestions will be modified and the issue of the women entrepreneurship development will be brought in the centre of the national development debate. Incorporating the suggestions made in the deliberation of the seminar, the EPP will be modified, published sent, including others, to the relevant ministries for consideration of the suggestions, which means the beginning of a continuous advocacy and lobbying for the issue on the behalf of Dhaka Chamber.

4. National Association for Small and Cottage Industries, Bangladesh (NASCIB)

As a private sector association for entrepreneurs involved in small and cottage industries sector, the “National Association for Small and Cottage Industries of Bangladesh” (NASCIB) was established in 1984. It is an apex organization, which has district level committees.

Its main objective is to safeguard the interest of the small and cottage industries and promote their development. It offers its members various services, which include assistance for facilitating infrastructure, technological know-how, counselling, training, business information and marketing support, etc. NASCIB is an affiliate of the FBCCI and it is represented in various government committees. The Vice President of NASCIB is a woman.

NACIB has a committee for women development named Women's Development Cell, which consists of 11 members. Also the district Committees of NASCIB has Women's Development Cells. NASCIB organises training on entrepreneurship development and arranges fairs for marketing of small and cottage industry products. However, there is no gender specified data how much of the trainings and other supports have been offered to women. As there is no systematic follow up

procedure, no information is available on how many enterprises are set up or supported by the training organised by NASCIB. It has implemented several development projects with the support of donor organisations; however, no step has been taken by them for lobbying with the government for reform in favour of the women entrepreneurs.

5. Jatiyo Mohila Sangstha (JMS)

To further social, economic, educational and cultural uplift of women, Jatiyo Mohila Sangstha (The National Women Organisation), was established in 1976. Its objective was to protect the rights of women and children and empowerment of women. However, it has undertaken various skill development training and micro-credit operations, which support entrepreneurship development of the women population of the country. The programs are conducted using government grant funds. As a part of its activities, Jatiyo Mohila Sangstha has initiated a project with the assistance of UNDP to assist potential women entrepreneurs, which covers 64 districts. It is named "Entrepreneurship Development of Women". Main objective of the project, however, remains alleviation of poverty amongst women through training, credit, information and marketing support.

The project was initiated in July 1998 initially for five years with a target to support 7000 rural women. The project supports those who are beneficiaries of micro-credit programmes of the Department of Women Affairs, Jatiyo Mohila Sangstha, Department of Youth Development and other public agencies. The project also aims to link the beneficiaries with institutional credit. The credit limit is Tk 30,000 to Tk 1 50, 000. The highest limit of credit support so far was, however, only Tk. 70,000.

Before extending credit, Jatiyo Mohila Sangstha arranges management training through contracting other mentioned agencies. The project is new and the effectiveness cannot be judged now but it can be easily understood that the project cannot provide comprehensive support to the entrepreneurs in the real sense of the term and the credit amount is not enough to establish a reasonable size of enterprise. This has also its limitation to manage and operate such a credit program because of not having its own credit staff at the field level.

6. Other Public Agencies for Women Entrepreneurship Development

Besides, Jatiyo Mohila Sangstha, Bangladesh Rural Development Board, Department of Social Welfare, Department of Women Affairs, Department of Youth Development, Bureau of Manpower, Employment and Training offer various skills and management support program. A substantial portion of the beneficiaries of these programs is woman. Some of these beneficiaries receive vocational training for enhancing skills. Most of these activities, however, are targeted to generate self-employment and to reduce poverty. It has nothing to do with entrepreneurship development. Further study of the activities of these institutions is not relevant for this study and has been, therefore, abandoned.

7. Job Opportunities for Business Support (JOBS)

JOBS is a project, financed by USAID, creating employment for the poor section of the population in Bangladesh. Its target is to create 250,000 jobs in five years. Mainly JOBS is involved in small and micro enterprises and supports policy advocacy. Through training and assisting participation in trade fairs, it tries to improve management and marketing skills. JOBS focuses on handloom, handicaps, handicraft, footwear and bakery industries in terms of skill development, market support, etc.

In general more than 80% of the beneficiaries of JOBS are women. In the micro enterprise sector nearly 90% of the beneficiaries are women. The beneficiaries are supported through NGOs for developing their business skills. The NGOs arrange training on business management, skill development, entrepreneurship development, project development and technology transfer with the support of JOBS. Annually, JOBS also arranges 2-3 trade fairs to provide marketing support to the entrepreneurs. Among these fairs 1-2 fairs are exclusively reserved for women entrepreneurs. Annually, t also arranges a few seminars, meetings etc for policy advocacy and reform. JOBS has linkages with MIDAS, Federation of Bangladesh Chambers of Commerce and Industry (FBCCI) and other chambers.

It also provides support for women micro enterprises. This program assists women who were supported by micro-credit program for poverty alleviation. It is undoubtedly a well thought initiative to assist women to become real entrepreneurs. The sectors selected for this support are important for the economy, but any non-traditional areas have not been identified for women's access. JOBS has, however, no linkages with institutional credit program to facilitate institutional loan for women.

8. Women Entrepreneurs' Association (WEA)

This is a newly formed (2000) organization of the women entrepreneurs, named "Women Entrepreneurs Association" (WEA). It is established at the initiative of FBCCI and registered under the Ministry of Commerce as a trade organization. It has sixty members from different business. WEA has the objectives to assist women entrepreneurs. It intends to function as lobbying organization for the women businesspersons and wish to enable reform in favour of the women entrepreneurs. It is planning to establish a computer-reaming centre for women. It arranges trade fair for women entrepreneurs, as for example, it arranged stalls for women entrepreneurs in the trade fairs organised by JOBS to display the products of its member entrepreneurs.

1. Government Policy, Rule and Regulations

The review of the constitution of the country shows that it has provisions for the emancipation of the women folk of the country, which includes the women entrepreneurship development. In light of the motion of the constitution, the government has set up concrete strategy in “National Action Plan” of the country in this regard (Chapter V).

The credit policy of the government till 2000, however, shows that no viable steps have been undertaken to incorporate the investment and financial demand of the women entrepreneurs, which is a vital question for the development of the women entrepreneurship. This indicates serious mal-co-ordination of the working out policy and its implementation. This shows also that there should be strong and well planned lobbying on the part of the women entrepreneurs that the policy and plan of the government are implemented.

The complicated and illogical tax policy and procedure of the country encourages and enable not only corruption but also hinders in general the economic development of the country. This is especially discouraging for women entrepreneurs. For the sake of the transparency, freeing women entrepreneurs from time and nerve costing hassles and harassment and increasing government revenue it must reform and make more entrepreneurs’ investment friendly.

The provision of “Gift Tax”, as for example, is highly discriminating and illogical. This says that if father-in-law gifts his daughter-in-law he has to pay tax, but his son, i.e. the husband can gift tax-free. It discourages donors to gift for women for business undertaking. This contradicts also the main spirit of the constitution, which ensure equal right for all citizen of the country from all caste, creeds, religions and ethnical minorities. The provision for “Tax Holiday” which has been renewed and has to continue till 2005 should be further extended for women entrepreneurs. Besides, the regulation that at least 30% of the “Tax Holiday” profit must be reinvested should be relaxed or removed for women entrepreneurs (Chapter V/3). Similarly, the provision of Value Added Tax must be relaxed for the support of women entrepreneurs at this stage of development of the women entrepreneurs (Chapter V/3).

The “Trade and Tariff Policies of the country contain rules and regulations, which discourage and hinder women entrepreneurs. The registration regarding import and export business and rules and regulation for “Letter of Credit” are not encouraging for women entrepreneurs. So the regulations regarding Representation in the Import Committee, Provision for import on joint basis, Restructuring of Import and Export Administration, Procedure for Custom Clearance, Tariff Structure, etc must be reviewed and reformed so that women entrepreneurs do not face discriminating or discouraging barriers. In respect of growing globalisation of the economy of the country, policy may be worked out and implemented to support and integrate women entrepreneurs in the mainstream economy so that all potentials and resources of the country are utilised. In this regard, policy should be worked out to utilise all

international treaties and co-operation in favour of the development of the women entrepreneurs of the country (Chapter V/4).

The credit and financing policies of Bangladesh Bank and financing and refinancing activities of Commercial Banks show that for women entrepreneurship development in this sector radical political reorientation and institutional reforms are necessary. Then for the development of women entrepreneurs in the first place financial support must be ensured.

Bangladesh has signed the Beijing Declaration of UN Convention on Women Development 1995, which proves that Bangladesh agrees to remove all discrimination against women and is willing to ensure all kinds of support for their freedom and equal development. It is expected that the government shall take appropriate measures to incorporate the UN convention on women development.

2. Activities of the Supporting Organisations and Agencies

The Bangladesh Small and Cottage Industries Corporation is one of the most important public agencies, which implements the government policy and supports the development of small and cottage industries of the country. It has capacity to support effectively the potential and existing women entrepreneurs all over the country. It is functioning principally as promoter of small and cottage industries to create self-employment and support income generation for poor people including women. But due to failing understanding, importance and conception, it has no corresponding program for the promotion of woman entrepreneurs. This could be, however, a very important function for this agency as its activities cover important part of the county. It has the logistics, infrastructure and manpower (limited to certain growth points) for this function. Besides, what is very important is that it has contact with small scale women entrepreneurs, know their needs and can evaluate individually their entrepreneurial capability (Chapter VI/1).

Nearly the same is to say about Micro Industry Development Assistance and Service (MIDAS), an apparently renowned non-government development agency supported by USAID. It has the objective to promote women entrepreneurship, but its activities could bring only limited impact. Recently, it has been converted into a bank, which has, including other, also the objective to support and promote women entrepreneurship. It is to hope that this time it will be successful (Chapter VI/1.2)⁶.

As the most important private organisation promoting business and industry of the country, the Dhaka Chamber of Commerce and Industry follows policy for supporting the development of women entrepreneurs. In guidance of its "Women Entrepreneurship Development Standing Committee" it has been implementing several program with support of the donor agencies. One of these projects offers the women entrepreneurs of Dhaka City the marketing support at home and abroad. The DCCI-CIPE, ERRA Project, another project, under which, including others, this study is being done, has an important element to find out policies and measures required

⁶ In respect of experience exchange, the employees of the MIDAS were very cooperative with the representatives of the DCCI-CIPE, ERRA Project, which must be appreciated.

for the development of the women entrepreneurs of the country. It intends to work out suggestions for the development of the women entrepreneurs, held national seminar on the issue, popularise it and lobbying with the government for reform and the implementation of the recommendations. We think that this could be a real starting for promotion of the women entrepreneurs of the country.

Two Organisations of the women entrepreneurs, named women entrepreneurs Associations, have been established. They are in a stabilising process and have begun their activities in a limited way. They will represent the business interest of the women entrepreneurs, support them in every respect, lobby with the government for necessary reform.

Jatiya Mohila Sangstha, the women forum of the country, supported by the government has the objectives to promote over all situation, i.e. political, social, cultural and economic of the women of the country. It runs traditional projects for the employment creation and income generation mostly for poor and destitute women. Its project activities have very little to do with entrepreneurship development of women and their real empowerment, i.e. economic empowerment, which form the ground for the removal of all kinds of inequalities and discrimination of women.

Also the activities of National Association of Small and Cottage Industries, Bangladesh and Job Opportunities for Business Support have only very limited and indirect relation in this respect. Their activities are confined to the traditional conception of self-employment creation and income generation for mostly poor women, and they are involved in this respect in micro credit activities. It is obvious that this has nearly nothing to do with entrepreneurship development for women.

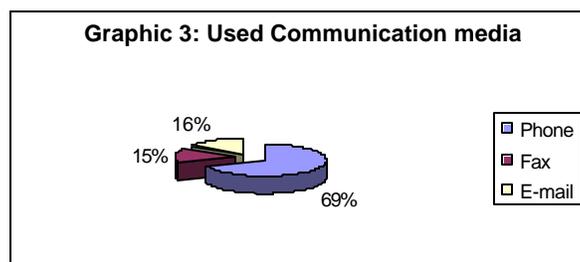
Similarly, the activities of other very big and famous national NGOs and other numerous small NGOs remain confined in micro credit, skill development training, self-employment creation and income generation. Certainly, these activities have impact on poverty alleviation and they have possible considerable social, cultural and political function. Ignoring the national economic cost benefit analysis, they may have anyhow also some economic impact, as they create income and expand buying power and market for the economy. But the study shows that their activities are very insignificant.

1. Analysing the data collected from the women entrepreneurs through Questionnaire

In 8 workshops organised in different business supporting organisations and agencies in and out of Dhaka totally 252 women entrepreneurs answered the questionnaire distributed (Annex 2)⁷. The number of the entrepreneurs, 252, is not impressive but it is enough to have a general view about the situation of the women entrepreneurs in the country. The data collected from members of different organisations give valuable information and development tendency of the women entrepreneurs the country, which help for selecting supportive services and legal and policies reform.

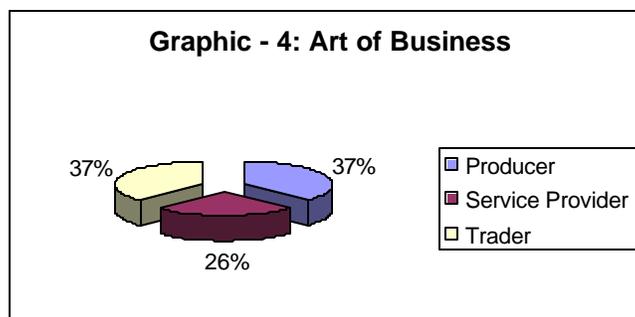
⁷ The DCCI-CIPE, ERRA Project has carried out 2001 a sample survey on status of Women Entrepreneurs in Bangladesh. The empirical data refer that survey available in DCCI-CIPE, ERRA Project.

The complied answer to the question 1 (Annex 3 & Graphic - 3) shows that only 75% of the questioned women entrepreneurs have phone connection, only 16% uses fax and 17% have email connection. The women entrepreneurs from Dhaka City and members of the DCCI, WEA, TIPS, WEAB and MIDAS have comparatively better infrastructure facilities and use more modern communication instrument, while only a small part of the entrepreneurs from small town out of Dhaka City uses this vital information instrument. This shows that though the women entrepreneurs of the country is in total underdeveloped, the women from other part of the country has to face more harder obstruction than those from Dhaka City. So, government, women organisations and chambers should emphasise on the right of the women entrepreneurs and their development also from remote area.



Source: Annex - 3

The complied answer to the question 2 (Annex 3 & Graphic - 4) shows that in total 75% of the questioned women entrepreneurs are producers. Only in Manikganj is the part of the women involved in production 52%, in other questioned area it more than 76%, which is very encouraging. Then, it shows the women are oriented toward production business and service comes to the last position. This helps concluding that the supporting organisations and agencies should emphasis more on such issues, which are directly related to production and business.

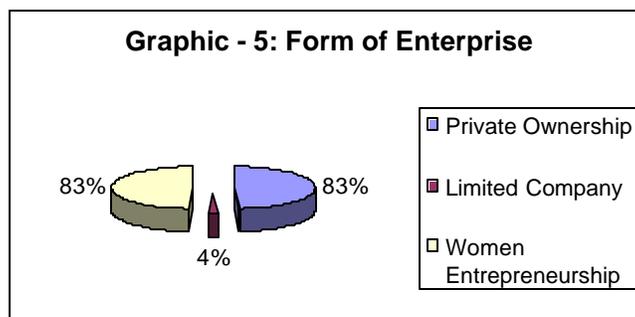


Source: Annex - 3

The answer to the question 3 (Annex 3) shows that most of the questioned women and participants of the workshops are well experienced. 71% of the questioned women entrepreneurs have more than three years experience with business and industrial activities, which shows that it is not a new phenomena and on these women entrepreneurs could be depended.

The answer to the question 4 and 6 (Annex 3 & Graphic - 5) indicates that more than 83% of the questioned women entrepreneurs have own business and manage the

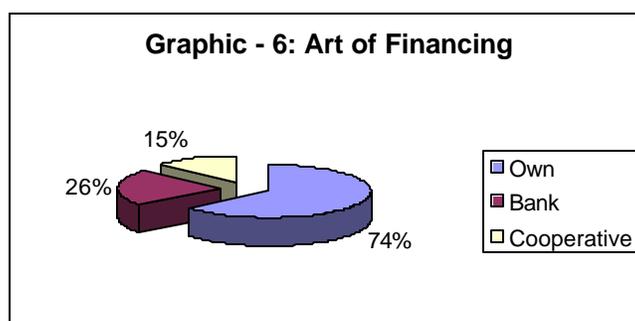
business self. It is significant that the women have no joint efforts, which practically means ultimately the dominance and the ownership of the male partners. It indicates that if the women entrepreneurs supported a women entrepreneurs' class can develop and change power position of the women of the country in favour of the women.



Source: Annex - 3

The answer to the question 5 (Annex 3) signifies that most of questioned women entrepreneurs are growing, then more than 60% questioned women entrepreneurs have more than 10 employees. This indicates that if proper support is provided these entrepreneurs can grow and become small and medium size enterprises which could be very significant development. The small and medium size industries build the foundation of the economy and are more sustainable in economic and other crisis.

The answer to the question 6 (Annex 3 & Graphic - 6) shows that most of the women enterprises are financed by women selves, i.e. in total nearly 74%. In average only 26% are supported by bank credit and 15% are from co-operative. So, this signifies that government and finance institutions should come forward to support the women entrepreneurs financially in the form of supplying credit to them.



Source: Annex - 3

The answer to the question 7 complied in (Annex 3) shows, though most the women entrepreneurs present in the workshops are depended on home market, a considerable part, i.e. nearly 63% export at least a part of their products, which very encouraging; more than 46%, however, faces marketing constraints that should be removed to ensure their further growth and development. The women entrepreneurs outside Dhaka, however, are less export-oriented.

In respect of availability of information (question 8/Annex 3) only 13% of the women entrepreneurs have sufficient information for their business, 61% are lacking information. The women from the remote areas have more problems with the availability of information, so, necessary steps by the government and respective agencies should be undertaken in this regard.

In question of **Training and Counselling** (Annex-3/question-9), nearly 86% of the women entrepreneurs have the views that they require training and counselling. The demand of the women entrepreneurs from the remote areas in this regard understandably more, because in compare to the women entrepreneurs from Dhaka they have very little opportunity for such services. Though there are apparently training institutions in Dhaka, on unexplained ground it is not available for women entrepreneurs. So, both for the women entrepreneurs from Dhaka and remote area arrangement must be made that the women entrepreneurs get vital training and counselling.

Most of the questioned women entrepreneurs are motivated to expand their enterprises, which signifies that the women entrepreneurs are doing well and there is real potential for further development of the women entrepreneurs. So, it appears that all pre-conditions for the development of the women entrepreneurs are prevailing; only necessary technical and financial services are needed.

About the necessary services, the women entrepreneurs view that the deficiency in financial support is their main problem. After that comes constraint in marketing, then in the third and in the last position come the question of political reform and infrastructure support. Logically, the women entrepreneurs have identified their business in correct sequence. The questions of financing and marketing have, therefore, come at first and second position. Then the policies of the government, though not the best, with the existing infrastructure they can do business anyhow.

2. Interaction of the Women Entrepreneurs in the Workshops

In every workshop a keynote paper on Policy Induced Constraints for Women Entrepreneurship Development was presented. On the issue a general discussion and also an answer-question session was organised (Annex 4), which were documented. In this section of the study report, the views and comments of the women entrepreneurs are analysed and documented.

2.1 Self Confidence and Motivation

Women are confident about their entrepreneurial potential and success and expressed that as women are good managers at home, so are capable to organise and operate any enterprise. Most of the women entrepreneurs have to fulfil family requirements at home first and thereafter they utilise their surplus time for income generating activities. They think that motivation is most essential to bring the huge women population of the country for income generating activities, which they can do efficiently.

2.2 Necessity for Nationwide Survey

They have the view that nationwide survey has to be carried out assessing the problems and potential and existing women entrepreneurs face and proposing, promoting financial, institutional and technical services and legal reforms necessary to boost women entrepreneurs and income generating activities.

2.3 Problems of the Women Entrepreneurs

The problems and bottlenecks, which the women entrepreneurs, cited in the workshop could be grouped into following categories:

2.3.1 Marketing Problem

Women entrepreneurs face marketing problem of their goods and services, which should be resolved through appropriate strategy. Women entrepreneurs of remote region like Manikganj do not get right price for their products. As the wholesalers from Dhaka and other big cities have in fact monopoly, so wholesalers buy their goods at dumping price, which are sold in Dhaka at a very high price. The situation is worse for exportable goods produced by women entrepreneurs in small towns and rural areas. So direct market access could be very helpful support for women entrepreneurs.

Some of the goods produced by women have exportable quality but there is no opportunity for access to export market. So, marketing opportunities not only for local but also for international market have to be created. They think that if there were marketing spots for buying goods from the women entrepreneurs locally, it could be very helpful for women entrepreneurs.

Organizing trade fair for the product of the women entrepreneurs could boost their marketing. In this respect, show room facility for the products of the women entrepreneurs could also be very helpful. Quota for participation of the women entrepreneurs in the international trade fairs could be practical step supporting their international marketing. Besides, women entrepreneurs from remote and rural areas should be given chance to participate in the national and international trade fairs with government support.

2.3.2 Financial Constraints

All women entrepreneurs acknowledge that financing is a crucial problem for them, as they get very seldom support in this regard from their husbands. Because of lack of finance most robust idea of women entrepreneurs could not be realised. They mentioned that bank credit is related with collateral, which only a very few women can manage. Besides, interest rate is very high and constrained with many hassles and bribes. NGOs provide loan at 15 percent interest, which is very high. The loan is very small and the recovery starts from the next week, which does not give them the least time to produce goods. As a result the client has to pay from the loan amount without producing and selling. So, in respect of credit, they propose:

- Women Entrepreneurs should be provided collateral free loan as they have no assets
- Interest free loan should be provided to encourage women entrepreneurs
- Long term loan should be available
- Interest rate should be very low and long term interest free loan should be available
- An Investment Bank for Women should be established
- Access to finance should be easier
- Women entrepreneurs should be freed from VAT at least in mid-term basis
- Women entrepreneurs should have direct access to finance and other infrastructure and institutional facilities
- **One stop service** should be created in the commerce ministry exclusively for the women entrepreneurs for facilitating investment and business.
- A special window with the Bangladesh Bank could resolve this problem

2.3.3 Appropriate economic weighing of the potential of the women entrepreneurs for economic development of the country

The services of the women at home are not properly evaluated by their male partners. Not only that their potential and capability for entrepreneurship is doubted and discouraged. Government should take legal steps to remove all discrimination in respect of women entrepreneurship.

2.3.4 Technical Support Needed

Women entrepreneurs require up-to-date training for upgrading their skill for productivity enhancement, better management of the undertaking and improving the quality of their products and services. Women entrepreneurs have little designing skill, they need good and marketable designing training, which should be organised.

2.3.5 Institutional Services Needed

Trade Licence requirement and TIN procedure should be simplified. Export Promotion Bureau should be so activated that it becomes helpful for women entrepreneurs. Further, it was mentioned that an Information Centre with initiative of the government should be established for women entrepreneurs. In this way information problems, which hinder development and marketing, could be resolved. Besides, the women entrepreneurs viewed that establishing separate Ministry for Women Entrepreneurs could exclusively deal with all problems of women entrepreneurs.

2.3.6 Policy Reform

Women have the views that government should act as facilitator for women entrepreneurs. In this regard, an investment and business friendly, policy framework needs to be formulated. Though government committed, government has not implemented Beijing declaration. Women's empowerment is directly related to economic development, so engagement of women in national political activities for national economic development should be legally ensured.

Empowerment for women entrepreneurs will help reform the traditional society and emancipate the women society culturally, economically and politically. The women participants of the workshops propose government to formulate policies suitable for women entrepreneurs, who are less advantageous group.

2.3.7 Abolishing Discrimination

A parent gives mortgage for their son and not for the daughter – so discrimination starts from home. Besides, inheritance law of the country should be reformed so that women have access to resources and collateral for credit.

Analysis of the government national policy regarding women entrepreneurship development, critical analysis of the supporting activities of the public, private and non-government organisations and agencies and analysis of the data and information of our own survey we may propose some suggestions for the development of the women entrepreneurship.

1. Development Policies and Strategies

In respect of the government development policy, strategy and direction following suggestion may be made:

- National Action Plan for the development of women entrepreneurship should make provision for undertaking necessary steps to feed women entrepreneurs with resources.
- Ensuring timely implementation of the Policies of National Action Plan.
- Ensuring Implementation are regular monitoring of the Beijing UN Convention on Women Development

2. Financial Policies and Strategies

In respect of the policy, strategy and function of Bangladesh Bank and Commercial Banks following suggestions may be made:

- Identification of genuine women entrepreneurs
- Establishing credit guarantee scheme for women entrepreneurs
- Sinking interest rate for loans for women entrepreneurs
- Setting up special window for financing women entrepreneurs
- Pre- and post investment counselling for women entrepreneurs for credit
- Allocation of women share in equity development and fund
- Preferential treatment of the women entrepreneurs by credit in thrust sectors
- Monitoring of credit disbursement for women entrepreneurs
- Maintaining gender-based data on credit disbursement and dissemination information on credit opportunities
- Establishing a exclusive bank for women
- Enabling credit for the women without collateral

3. Institutional and Technical Support

3.1 Institutional Measures

- Establishing strong relation among different institutions and agencies involved in the development of the women in general and sharing their experiences
- Establishing strong relation among different chambers and business organisations to ensure support for development of the women entrepreneurs

3.2 Study and Lobbying

- Studying prospect of joint venture and providing support in this respect to the willing women entrepreneurs
- Undertaking sector-based study to identify potential sectors and ensure women participation
- Preparing sector-based study paper to collect reliable information and lobby with government for necessary reform

3.3 Management Support

- Arranging management training for women entrepreneurs
- Providing personnel support in this respect, if necessary

3.4 Marketing Support

- Supporting and ensuring the participation of the women entrepreneurs in national and international trade fairs
- Arranging display centre at national and international level for displaying the products of the women entrepreneurs
- Counselling and supplying of national and international trade information regularly

4. Other Suggestions

- For new women enterprise tax may considerably reduced or exempted
- The procedure for Tax Identification Certificate should be simplified
- Procedure for Income Tax should be simplified and made investment friendly
- Tax holiday for women entrepreneurs should be extended further and made more supportive for them
- Gift Tax should be dismantled in the case of women beneficiaries
- Issuing of trade license should be made simple and free for women entrepreneurs
- The registration procedure for import and export business should be simplified and made women friendly or completely dismantled
- Women representation in Import Trade Control Committee should be ensured
- Pre-shipment Inspection should be more simplified and made speedy
- All anomalies in custom procedure must be removed and made women friendly
- Tariff for women entrepreneurs should be abolished
- Value Added Tax (VAT) for women entrepreneurs should be abolished

1. Conclusion

Though it is a sample survey, it has been tried to include a considerable part of the organised women entrepreneurs from Dhaka City, Manikganj and also Tangail District in the study. In this respect, the idea of organising workshops in co-operation with the mentioned organisations (Annex 3 and 4) provides a unique and surprisingly successful concept. In this way valuable data and information could be collected, which help understand real problems of the women entrepreneurs of the country. Besides, time, work and resources could be rationally used, which were very scarce for such a study like this.

It was the experience that none of the studied institutions, organisations or agencies has actually any serious activity to promote women entrepreneurship. Besides, the documentation of activities is very unorganised and poor. So, no serious discussion about their activities in this respect could be presented.

There are some donor supported high budget studies in this line. But probably because of failing data and sufficient field survey and planning, the results of these studies remain unsatisfactory. That means, the data available from secondary sources remain behind the expectation.