

Speech of Mr. Md. Sabur Khan, President, DCCI as Chief Guest at discussion meeting on “The Problem of Women Entrepreneurs Solution” organized by South Asian Grassroots Development Forum (SAGDF) and hosted by Trinamul Nari Uddyakta Society (Grassroots) Date: 24th June, 2013, Time: 11:00 a.m., Venue: District Sports Association Auditorium, Dhaka.

Bismillahir Rahmanir Rahim

Mrs. Jesmin Khan, President, Trinamul Nari Uddyakta Society

Distinguished Women Entrepreneurs;

Distinguished Business Leaders;

Distinguished Guests and Participants;

Assalamua’laikum and a very good morning,

On behalf of Dhaka Chamber of Commerce and Industry (DCCI) and on my own behalf it is a great honor and privilege for me to say few words regarding women entrepreneurship in our country. This very important seminar is jointly organized by South Asian Grassroots Development Forum (SAGDF) and Trinamul Nari Uddyakta Society. I express my sincere thanks to the organizers for inviting me in this august gatherings.

Distinguished Guests;

Entrepreneurship has been regarded as one of the important determinants of industrial growth both in the developed and in the under-developed countries. Despite its importance for the economy, the emergence of women entrepreneurship is a new phenomenon all over the world.

Bangladesh is passing in a transitional period to be Middle Income Country (MIC) and the country is rich in human resource. Women constitute almost half of the population for potential working women. Women in business or women entrepreneurship have not developed yet.

Employment of female previously was largely concentrated in some specific sectors and also at some levels - particularly the lower ones. Most of the women workforce was employed in agriculture, forestry and fishery sector in the rural areas. In the urban areas, the female participation was more at the lower levels of the organizations and in the readymade garments (RMG) and handicraft sectors.

Now the this scenario is changing and more and more women are now joining technical and mid-level managerial jobs. The gender-equity scenario is positive, at least, with regard to employment opportunities in some sectors like readymade garments (RMG) that earns the largest amount of foreign currency in the form of the country's exports. And also at the higher-end fashion designing, telecommunications and banking, the gender ratio is almost equal.

But in terms of entrepreneurship, the situation is different. In spite of fewer opportunities, many women have succeeded in business, but they are still very small in number. In Bangladesh women entrepreneurs constitute less than 10 percent of the total business entrepreneurs, whereas women in advanced economies own more than 25 percent of all businesses. Among the total economically active population of 53.5 million in the country, 40 million are male and 13.5 million are female workforces.

Ladies and Gentlemen,

The situation is improving slowly; today, women are also in occupations which were solely controlled earlier by the male. Women are now seen also as owners and managers of cold storages, shipping lines, advertising firms, travel agencies, interior decoration enterprises, engineering workshops and even garment industries. The banks are also changing with time; now there are dedicated desks for women entrepreneurs at most banks in Bangladesh. Bangladesh Bank (BB) has opened a special Small and Medium Enterprise (SME) department to add an impetus to the SME sector's onward march by ensuring availability of necessary funds from the banks and Non-banking financial institutions.

The SME department is also operating the woman entrepreneurship scheme, through which women's empowerment and their participation in business are being ensured. Under the Bangladesh Bank scheme, every commercial bank has been directed to open a desk for women entrepreneurs, so that they can

get proper support and much-needed counseling. Moreover, expansion of credit facilities gave women access to funds. Initially, women had access to less than one percent of the credit in the formal banking sector in Bangladesh.

Government policy is not always favorable for protecting the interests of women entrepreneurs. They are facing problems with lack of capital, problem in running their business, lack of marketing opportunities, lack of raw materials, lack of skilled workers, lack of experience, absence of training, problems of accounts keeping, business registration process etc.

Inadequate starting capital is one of the main problems for the women entrepreneurs in Bangladesh. Generally, women start their business with limited capital accumulated from family savings and the relatives and other sources. For bank loans women need to put collateral. Unfortunately, they do not have enough fixed capital to put as collateral or a guarantor to get a small loan from the bank. Lack of market information is also one of the major problems of women entrepreneurs. They lack of information on where, what price and when the product should be sold. They do not know how to get domestic, as well as export market access.

Distinguished Gathering,

Now I would like to focus the problems that women have to face in their business:

- Loan procedures are not that easy for women entrepreneurs to comply with
- Lack of proper training facilities for women entrepreneurs in the country
- Lack of business knowledge and information about a particular sector or subject
- There is no specific business policy for women entrepreneurs which hinder women entrepreneurs' progress.
- Lack of management experience and production skill
- Role of middlemen
- Complex bureaucratic procedures

- Due to lack of market facilities, they do not get the proper prices for their products
- The capacity of assessing risk is a major factor in entrepreneurship development in any country which is absent among women entrepreneurs in the country.
- Lack of modern technologies
- Lack of healthy workplace environment
- In getting a land
- Women entrepreneurs often do not have any trade license or TIN
- Market competition

It is heartening to note that a section of women entrepreneurs are coming up despite all these barriers to take up the challenge to work in a competitive and complex economic and business environment. Not only their entrepreneurship has improved their living condition and earned them more respect both in the families and in the society, they are also contributing to business and export growth, employment generation, productivity and skill development of the country.

What we need to do:

- We need to be vocal in and outside the national territories to achieve the target of establishing women's rights and gender equity in the country.
- Commonwealth member states may form a united and coordinated strategies in this regard
- Government needs to ensure more economic, political and social empowerment of women
- A strong policy support from the government regarding woman entrepreneurship is much needed
- Women need more support from the financial institutions in expanding their businesses. The banks and financial institutions need to think of creative ways to attract women entrepreneurs to enhance and diversify their product line and stay competitive in the market
- The social mindset about women should be changed to encourage them to pursue their careers

- More training institutions should be set up and the laws be relaxed to make women feel confident and take up any challenges.
- The government can help expand credit guarantee programs with lower lending rates for women entrepreneurs

Distinguished Gatherings,

Here I would like to inform you about some very special initiatives of Dhaka Chamber of Commerce & Industry to facilitate the business entrepreneurs including women entrepreneurs.

DCCI Help Desk: In order to support the business community at home and abroad, Dhaka Chamber of Commerce and Industry (DCCI) has established DCCI Help Desk at its own premises. The business community, especially the SME entrepreneurs will get services regarding business registration, licensing procedure, market information, policy support etc. Women entrepreneurs can also take their required information from DCCI Help Desk.

Creation of 2000 new young entrepreneurs: In order to create 2000 new young entrepreneurs in 2013, DCCI is going to organize a mega event on “Creation of New Young Entrepreneurs” in October, 2013 where a significant number of educated young generation who are just graduated from Universities and Colleges will be encouraged to attend to share their views on how they need to be engaged in challenging jobs. Women are especially encouraged to take this opportunity to establish them as entrepreneurs.

I will not prolong my speech furthermore. Thank you very much once again.

Md. Sabur Khan

President, DCCI

24th June, 2013