

National SME Fair-2018

Inaugural Ceremony

Speech by

Sheikh Hasina

Honorable Prime Minister

Bangabandhu International Conference Center, Dhaka, Wednesday, 21 Chaitra 1424, 4 April 2018

Bismillahir Rahmanir Rahim

The Chair,
Colleagues,
Entrepreneurs and
Ladies and Gentlemen.

Assalamu Alaikum and a very good morning to all.

I welcome you all at the inaugural ceremony of the 'National SME Fair-2018'. I welcome all the entrepreneurs taking part in this fair. At the same time, I also congratulate the recipients of the 'National SME Entrepreneur Award 2018' as recognition of their contribution to the national economy.

I pay deep homage to the Greatest Bangalee of all times, Father of the Nation Bangabandhu Sheikh Mujibur Rahman. I recall with gratitude the four national leaders, 3-million martyrs and 200 thousand women, who sacrificed their modesty for the cause of independence.

Ladies and Gentlemen,

As a driving force of global economy, SMEs are very important. In a developing country like Bangladesh, economic and overall development for industrialization, generation of employment, and poverty eradication can be achieved through strengthening of SMEs.

In our country, nearly 90% of the industries fall under the small and medium category. For this reason, SME sector is especially important to achieve the National Development Goals. The contribution of SMEs to the GDP is almost 25%.

To have the overall development of the country by safeguarding its economy, society and environment, we have considered small and medium enterprises as one of the key factors for industrial development in the Industrial Policy-2016.

The contribution of industrial sector to the national economy is increasing gradually. More women are starting their own business due to our entrepreneur-friendly policies. As a result, Bangladesh has raced ahead of its neighboring countries in terms of poverty alleviation, employment generation, women empowerment, and many other socio-economic indicators.

Ladies and Gentlemen,

When we assumed office in 2009, the world was gripped by economic recession. Many countries could not overcome the global stagnation but we were able to place our country on a firm footing facing various challenges.

Bangladesh is now the 44th biggest economy in the world. Bangladesh has gained the reputation of a prestigious country globally. At present, our per capita income is USD 1752. The amount of foreign exchange reserves has crossed USD 33 billion. GDP growth increased to 7.65 %.

Bangladesh is now exporting 750 products to 199 countries. The target has been set at 41 billion dollars for the current fiscal year.

Export of Bangladeshi products has been increased. As a result the trade deficit with different countries is decreasing.

At present, the income from export has increased to nearly 35 billion dollars, which will increase up to 60 billion dollars by 2021.

We have been establishing 100 Economic Zones across the country to attract local and foreign investment. These Economic Zones will play an important role in the socio-economic

development of the country through industrialization, employment generation, increasing local and foreign investment. For this, we have formed the 'Bangladesh Investment Development Authority'.

Ladies and Gentlemen,

Bangladesh has long glorious tradition of our cottage industry. Our traditional 'Jamdani Sharees', embroidered Quilt (nakshi katha) and 'Sheetal pati' of sylhet have achieved World cultural Heritage of UNESCO.

Entrepreneurs have to set up small and medium industries, regionally according to the geographical availability of raw materials. The government will provide the necessary incentive and policy support to the entrepreneurs.

We are facilitating collateral free and single digit interest rate loans for SME entrepreneurs, demand-based training programs, promotion and marketing of products, along with many other activities.

We have to scale up the skills of every person through the development of small and medium enterprises like Japan, Korea, Malaysia, and China.

Bangladesh has signed bilateral agreement with different countries. As a result, cooperation between the two signees in terms of investment and industry has increased.

SME Foundation of Bangladesh has signed two 'Memorandum of Understandings' with SME Promotion Agency of Bulgaria and SME Development Organization of Turkey respectively.

I hope, Economic and commercial cooperation between Bangladesh and these two countries will be strengthened through increased business opportunities and development of SMEs.

Ladies and Gentlemen,

SME Foundation will take necessary steps so that small and medium enterprises can contribute to alleviation of poverty and economic development of the country. SME advisory centers will be established at district and Upazilla level.

These advisory centers will act as one-stop service centers. Entrepreneurs will be able to avail supports for starting a new business, expansion of existing ones, management and technical training, consultancy services from these centers.

Display and sale centers need to be established in every divisional city for displaying and selling of the products from successful entrepreneurs.

Ladies and Gentlemen,

Employment will increase with more industrialization. The government is working to develop industries for creating more employment opportunities.

There are around 10 lac SMEs in the country. These SMEs can employ at least 10 lac unemployed people every year.

The policy of our government is that the government won't do business by itself, but work as a facilitator. For this approach, the private sectors have flourished in our country rapidly.

There are around 267 selected SMEs from across the country are taking part in this fair, of them 67% are owned by women entrepreneurs.

To thrive in an open market economy, improvement of product quality and adoption of new and modern technology is very important.

Markets have to be explored around the world, and products have to be in line with their demand. We need to reduce our export dependency on a few products, and diversify our export portfolio. The government is helping in branding the SME products, and will continue to do so in the future.

Ladies and Gentlemen,

Our government has been providing different supports for women empowerment and financial development. These are as follows:-

- SME Foundation started its operation with an endowment fund of 200 crore.

- Bangladesh Bank has been providing the low interest and priority-based credit facilities for the women to encourage them in businesses.
- Bangladesh Bank has disbursed over a total of Tk. 1 lac 46 thousand 193 crore loans to SMEs in 2017.
- Development of women entrepreneurship for economic empowerment (2nd phase) with BDT 88 crore.
- Based on demands, these facilities will be increased even more. To better serve women entrepreneurs, as per Bangladesh Bank's guidelines, women entrepreneur development unit has been formed in all scheduled banks and financial institutes.
- Women entrepreneurs can now avail collateral-free low interest SME loans.
- A total of 15% of the refinance fund at Bangladesh Bank has been allocated for women.
- The highest interest rate for this loan is 9%.
- At present, women entrepreneurs even from the most remote regions can avail this facility from any bank.
- SME Foundation, a2i program, and BWIT are currently implementing the 'Women ICT Freelancers and Entrepreneurs Development Program' to train 3,000 entrepreneurs, which is now in the last phase of implementation.
- All state-owned and private banks are currently disbursing SME loans to finance small and medium enterprises.
- Almost all banks and financial institutes are financing SME entrepreneurs, the rate of interest is being reduce gradually.
- SME Foundation's credit wholesaling program, SME entrepreneur groups, clusters, and sub-sectors related to manufacturing have been getting collateral-free loans at 9% interest rate.
- SME Foundation has identified 177 SME clusters scattered across the country for the development of small and medium enterprises.
- The flow of credits for SME entrepreneurs has increased substantially.
- Foundation is providing supports in policy advocacy, capacity building, use of proper technology, increasing productivity and quality of the products, credit wholesaling, assistance with marketing products, providing information about SME entrepreneurs through web portals.
- To build up our women as skilled manpower we established 6 training centers including martyr Sheikh Fazilatun Nesa Mujib.
- Formation of the 'Industrial Policy-2016'.
- SME Foundation has been allocated two floors measuring around 20,000 square feet for setting its office in National Productivity Organization's office building at Agargaon.

Ladies and Gentlemen,

I hope, the SME Fair will play an important role in product promotion, alongside attracting buyers and expanding market. As a result of this fair, a lot of potential talents in SMEs will be recognized.

We intend to celebrate our fiftieth anniversary of independence by emerging as middle income country by 2021 and a developed one by 2041. To achieve this target, the SMEs will play a vital role.

I declare the opening of the 'National SME Fair-2018'.

Thank you all.

Khoda Hafez.

Joy Bangla, Joy Bangabandhu

May Bangladesh live forever.

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