

Contribution in sme development

Literature, Russian Literature



As Executive Director of Bangladesh, I was in charge of Agricultural Credit and Special Programmes Department (ACSPD). This department used to oversee the small enterprise Fund (SEF) of Bangladesh. I took various initiatives while in charge of ACSPD in enhancing the Bangladesh Bank Fund (BBF) which is the BB's own refinance window for SME in the Banking sector. Initially this Bangladesh Bank Fund (BBF) was started with only 100 crore taka which has now risen to 600 crore taka.

During my tenure as Executive Director in charge of ACSPD, Bangladesh Bank implemented two other refinance windows funded by IDA credit of World Bank under the EGBMP (Enterprise growth & Bank Management project) and ADB under SMESDP (SME sector Development project).

I also took initiative in the project formulation of the ADB 2nd project after the successful completion of the first ADB project of 202 crore taka. In this second ADB project, BB has opened another 660 crore taka refinance window.

During my tenure as Executive Director of ACSPD Japan International Cooperation Agency (JICA) took an initiative in formulating a two-step loan project for the development of Small and Medium-sized enterprises in Bangladesh with BB as implementing agency. I actively supported the initiative and Japan Government has taken up a project with BB. This initiative will provide loans to Bangladesh amounting 5000 million yen for on-lending to SMEs by selected PFIs (banks/FIs).

As executive director, I actively worked to materialize the governor's initiative of strengthening the SME financing and SME programmes of

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Bangladesh Bank in 2009. Under this initiative, a separate Department named SME & Special Programmes Department (SMESPD) to oversee the SME Financing and SME development programmes of BB was created in December 2009.

I also took charge of the newly created SMESPD and took initiative to launch a new SME Credit policy & Programmes 2010 under the guidance of Governor to bring a paradigm shift in the SME development and enhancing SME access to finance in the banking sector.

After the commissioning of SMESPD, I took various initiatives with IFC-SEDF, IFC-BICF, DFID, and SME Foundation for capacity building of the newly formed department and banks/FIs as well in SME financing and most importantly in developing M&E capacity.

SME development programmes taken by BB have induced new line of thinking in the minds of the bankers' community especially in the private sector banks and FIs towards SME lending. Because of operating, various refinance windows for the SMEs at bank rate a number of banks and FIs have started their SME lending activities.

I was always keen on developing Women Entrepreneurship through the refinance window of BB. Under the refinance window of BB, we introduced several incentive programs for Women Entrepreneurs (WE) such as;

- Lending at Bank Rate+5% interest
- Group based lending for WE
- Option for collateral free lending to WE up to 2.5 million taka by banks/FIs
- WE help desks in banks/FIs

BB's SME programs has helped in development of the SME sector there by contributed greatly in boosting production, enhancing economic activities, creating jobs directly in the manufacturing & services enterprise and indirectly by inducing self employment through enterprise development.