

# **SME Policy 2019**



**Ministry of Industries**

**Government of the People's Republic of Bangladesh**

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## ABBREVIATIONS

<b>BAPA</b>	Bangladesh Agro Processors Association
<b>BBS</b>	Bangladesh Bureau of Statistics
<b>BCI</b>	Bangladesh Chamber of Industries
<b>BCCI</b>	Bangladesh Chamber of Commerce and Industries
<b>BCSIR</b>	Bangladesh Council of Scientific and Industrial Research
<b>BEPZA</b>	Bangladesh Export Processing Zones Authority
<b>BEZA</b>	Bangladesh Economic Zones Authority
<b>BGMEA</b>	Bangladesh Garment Manufacturers and Exporters Association
<b>BIDA</b>	Bangladesh Investment Development Authority
<b>BIM</b>	Bangladesh Institute of Management
<b>BITAC</b>	Bangladesh Industrial and Technical Assistance
<b>BJMA</b>	Bangladesh Jute Mills Association
<b>BKMEA</b>	Bangladesh Knitwear Manufacturers and Exporters Association
<b>BSCIC</b>	Bangladesh Small and Cottage industries Corporation
<b>BSTI</b>	Bangladesh Standard and Testing Institution
<b>BTMA</b>	Bangladesh Textile Mills Association
<b>BUET</b>	Bangladesh University of Engineering and Technology
<b>BUILD</b>	Business Initiative Leading Development
<b>BWCCI</b>	Bangladesh Women Chamber of Commerce and Industry
<b>CCCI</b>	Chittagong Chamber of Commerce and Industry
<b>CDM</b>	Clean Development Mechanism
<b>CWS</b>	Credit Wholesaling
<b>CETP</b>	Central Effluent Treatment Plant
<b>DCCI</b>	Dhaka Chamber of Commerce and Industry
<b>DPDT</b>	Department of Patent, Design and Trademarks
<b>ESF</b>	Entrepreneurship Support Fund
<b>EPB</b>	Export Promotion Bureau
<b>FBCCI</b>	Federation of Bangladesh Chamber of Commerce
<b>ICB</b>	Investment Corporation of Bangladesh
<b>ICT</b>	Information and Communication Technology
<b>ISO</b>	International Standards Organization
<b>MCCI</b>	Metropolitan Chamber of Commerce and Industries
<b>NASCIB</b>	National Association of Small and Cottage Industries of Bangladesh
<b>NBR</b>	National Board of Revenue
<b>NPO</b>	National Productivity Organization
<b>NSDA</b>	National Skill Development Agency
<b>PPP</b>	Public Private Partnership
<b>R &amp; D</b>	Research and Development
<b>SCITI</b>	Small and Cottage Industries Training Institute
<b>SME</b>	Small and Medium Enterprise
<b>SMEF</b>	Small and Medium Enterprise Foundation
<b>WEAB</b>	Women Entrepreneurs Association of Bangladesh
<b>VAT</b>	Value Added Tax

# Chapter 1

## Introduction

Small and medium industries (SMEs) are making significant contributions to achieve our economic growth. The SME sector works as an impetus to boost up national income as well as to generate employment opportunities since this sector is labour-intensive and less time-consuming for production with less capital expenditure or lower establishment cost. Like other developing countries, Bangladesh has a great potential for development of SME sector. In fact, the SME sector works as a catalyst and plays a pivotal role to transform Bangladesh into an industrially developed country.

At present, small, micro and medium (MSME) enterprises comprise about 7.8 million and they contribute about 25% (ADB 2015) to our GDP. The SME Policy 2019 will play a unique role toward fulfilling the election commitments of the present government such as; providing city-dweller benefits to each village, transforming the youth into skilled manpower and ensuring their employment simultaneously, contributing positively to the further advancement of Bangladesh.

In order to make balanced development through economic, social and environmental protection of the country, the government announced SME sector as the main pillar of industrial development in National Industrial policy 2016. The development of SME sector will play a significant role in achieving the targets enunciated in the policy and planning documents both national and international like National Industrial Policy 2016, Seventh Five-Year Plan, Vision 2021 and LDC graduation by 2024, SDG 2030 and Vision 2041. As Bangladesh has skilled human resources and intellectual capacities, SME sector ushers ample opportunities to develop. Hence, there is a need for relevant policies to ensure a supportive environment to make this sector vibrant.

For the first time, in the year 2005, SME Strategy Framework was endorsed by the government to create a favourable environment for the development of SME sector of the country. There is a commitment in the National Industrial Policy 2016 to prepare a specific and time-bound SME development plan with a view to proper implementation of SME Policy. Under these circumstances, the government has taken initiatives to formulate an SME Policy with appropriate action plan.

It is necessary to adopt right strategies and steps to expedite the development of the SME sector. Effective SME strategies will be built upon the following six factors, respectively:

1. Access to Finance;
2. Access to Technology and Innovation;
3. Access to Market;
4. Access to education and training;
5. Access to Business Support Services; and
6. Access to information.

In order to ensure effective development of SME Sector and entrepreneurs, SME development strategies have been designed around three elements:

- 1) Supportive policies and appropriate environment;
- 2) Sustainable and effective organizations; and
- 3) Opportunities to provide financial and business support services to prospective and disadvantaged entrepreneurs.

To ensure the aforesaid benefits, the formulation of effective SME development strategy depends on three issues namely (1) supportive policies and conducive environment (2) sustainable and effective institutions, and (3) access to financial and business related services of destitute and underprivileged but potential entrepreneurs. Considering the above mentioned three issues, emphasis has been given on policy implementing strategies in SME Policy 2019 to create a conducive environment for SME development.

## Chapter 2

### Vision, Mission, Goal, Objective and Implementation Strategy

#### 2.1 Vision

Creating a vibrant SME sector in Bangladesh.

#### 2.2 Mission

Strengthening SME sector by enhancing efficiency, improving business environment, providing easy access to finance, ensuring better marketing facilities, upgrading technology and innovative capabilities and creating employment opportunities.

#### 2.3 Target/Goal

By 2024, the contribution of SME sector in the GDP to be increased from 25 % to 32% in order to implement the development projections of the government.

#### 2.4 Objectives

- 2.4.1 Identify the role of important sectors related to the development of a sustainable environment-friendly SME sector and implementation strategies for SME related policies;
- 2.4.2 Create necessary infrastructure and cluster development, women entrepreneurship development and support policies for financial and non-financial services for the development and expansion of SME sector;
- 2.4.3 Improve SME-friendly environment by increasing the scope of institutional funding in SME sector, adoption of ICT based technology, development of productivity strategy, marketing of products, linking SMEs with large industries and strengthening of legal and institutional structures;
- 2.4.4 Establish public-private partnership (PPP) and create new SME initiative (start-up) for SME sector development; upgrade government policies and rules/regulations those create hindrance for smooth running of business and its development.
- 2.4.5 Increase and strengthen R & D activities to increase SME competitiveness and innovative capability.
- 2.4.6 Make effective coordinated arrangements to bring all the ministries, government organisations, trade bodies under a single platform and strengthen core institutions to solve existing and emerging problems in the SME sector.

## **2.5 Implementation strategies**

The following strategies have been set for the development and strengthening of the country's SME sector in line with the Vision, Mission, Goals and Objectives described in the SME Policy 2019.

- 2.5.1 Improving business environment and institutional framework;
- 2.5.2 Increasing scope of the SME sector to receive institutional funding facility;
- 2.5.3 Support to increase competitiveness capability and access to SME products market;
- 2.5.4 Support short-term, low cost SME business support services to the start-ups;
- 2.5.5 Develop and expand SME Cluster-based Business Network;
- 2.5.6 Increase use of ICT and other technologies;
- 2.5.7 Expansion of skill developing education and training programs for entrepreneurs;
- 2.5.8 Expanding women entrepreneurship development programs and providing specialized services;
- 2.5.9 Establishing SME as a backward and forward linkage enterprises to the large industries and ensure protection of SME products;
- 2.5.10 Establish environment-friendly SME industries and develop better capacity for waste management;
- 2.5.11 Institutionalize SME statistics and conduct research and development activities.

## **Chapter 3**

### **Application and scope**

#### **3.1 Application and scope**

- 3.1.1 In the 'SME Policy 2019', emphasis has been given to undertake extensive SME development activities for increasing desired contribution of SME sector in the GDP and reducing poverty through coordinating efforts of government and private sector.
- 3.1.2 Definition of Cottage, Micro, Small and Medium Industries as described in 'National Industrial Policy 2016' and subsequent industrial policies will be followed and acknowledged in this 'SME Policy 2019'.
- 3.1.3 The effectiveness of this policy will continue until the next SME policy is adopted. However, Time Bound Action Plan of 'SME Policy 2019' will be subject to change from time to time and can be extended.

# Chapter 4

## Implementation Strategy

### 4.1 Strategic Goal 1: Improving Investment and business environment and institutional framework

4.1.1 The administrative procedures of SME entrepreneurship will be simplified to improve the SME related business environment and to protect the rights of investors. Necessary steps will be taken to attract domestic and foreign investment to ensure desired development of SME, especially export-oriented SME industries and its capacity building.

4.1.2 The coordination between the representatives and other support providers will be strengthened for the development of SME sector. A central monitoring system will be introduced for taking substantial SME development activities by the coordinated efforts of government and the private sector actions.

4.1.3 The following strategic tools will be utilized in line with the above-mentioned goals:

#### Strategic Tools

4.1.3.1 Simplification of legal and administrative procedures for enhancing SME business;

4.1.3.2 Simplification and rationalization of SME tax policy;

4.1.3.3 Investment and revenue incentives for export-oriented SME sector;

4.1.3.4 Strengthening of coordination among institutional structures;

4.1.3.5 Strengthening capacity building activities of BSCIC, SME Foundation and other SME related trade bodies.

### 4.2 Strategic Goal 2: Increasing Scope of Access to Finance in SME sector

4.2.1 A sustainable SME financing system will be established to meet up credit needs in SME sector;

4.2.2. To increase the scope of institutional funding in SME sector, the following strategic tools will be adopted:

#### Strategic Tools

4.2.2.1 Create a sustainable and effective institutional system for enhancing access to finance for SMEs.

4.2.2.2 Increase amount of credit flow to the SME sector;

4.2.2.3 Support access to finance in SME related innovations and introduce 'SME Bank' in the country;

4.2.2.4 Strengthen existing refinancing scheme to provide SME loan at a reduced interest rate to the SMEs;

4.2.2.5 Ensure easy access to credit and low interest rate of SME loan by strengthening Credit Wholesaling (CWS) program.

4.2.2.6 Launch SME Credit Guarantee Fund.

#### **4.3 Strategic Goal 3: Enhance competitive capability and support to access of SME products into the market**

- 4.3.1. To make SME sector as the main driving force for economic growth, necessary measures for capacity building will be taken to increase SME competitiveness at domestic and international level;
- 4.3.2 To protect quality and standards of SME products, create new markets, necessary measures will be taken through indentifying proper marketing strategies.
- 4.3.3 The following strategic tools will be adopted in line with the above-mentioned goals:

##### **Strategic Tools**

- 4.3.3.1 Conduct effective activities to ensure quality of SME products;
- 4.3.3.2 Arrange capacity building training for SMEs to increase competency;
- 4.3.3.3 Provide advice and information services on the analysis of access to new market;
- 4.3.3.4 Enhance scope of entry of SME products in the export market;
- 4.3.3.5 Organize SME Product Fair at upazila, district, divisional and national level;
- 4.3.3.6 Establish Regional SME Product Exhibition Centres;
- 4.3.3.7 Arrange National SME Entrepreneur Award.

#### **4.4 Strategic Goal 4: SME business support services, Support to start-up business set up in a short period of time and with low cost**

- 4.4.1 Necessary measures will be taken to simplify procedures to receive trade license, expedite the provision of start-up support services with easy access of SMEs online registration facilities, one-stop service centre and other types of financial and non-financial support for SMEs.
- 4.4.2 The following strategic tools will be adopted in line with the above-mentioned goals:

##### **Strategic Tools**

- 4.4.2.1 Support to set up SME start-up/new business within short time and with low costs;
- 4.4.2.2 Make start-up process easily accessible through the introduction of online/digital system;
- 4.4.2.3 Ensure easy start-up business by establishing one-stop service centre;
- 4.4.2.4 Provide information services through an advisory services centre;
- 4.4.2.5 Increase business support services for SME entrepreneurs through the development of SME web page/website;
- 4.4.2.6 Arrange collateral free loans to potential entrepreneurs.

#### **4.5 Strategic Goal 5: SME Cluster-based Enterprises Network development and expansion**

- 4.5.1 Special programs will be undertaken for the development of weak infrastructures like roads, power, gas, water and communication of existing BSCIC industrial estates and other SME clusters;
- 4.5.2 Considering the importance of SME clusters in national economy, the following strategic tools will be adopted:



## **Strategic Tools**

- 4.5.2.1 Improve infrastructural facilities at BSCIC industrial estates and SME clusters;
- 4.5.2.2 Establish Incubation Centre and Common Facilitation Centres (CFC) in industrial estates/clusters;
- 4.5.2.3 Arrange collateral free loan at the single digit rate of interest for the potential entrepreneurs of industrial estates/clusters;
- 4.5.2.4 Increase efficiency and capacity of the entrepreneurs and employees;
- 4.5.2.5 Expand cluster development and business network to meet developmental needs of clusters.

## **4.6 Strategic Goal 6: Increase the use of information, communication and other technologies**

- 4.6.1 Steps will be taken to help SMEs through e-commerce, online support, outsourcing and IT-based applications in order to make them efficient in accounting and in the use of financial reporting software;
- 4.6.2 Appropriate and relevant strategies will be taken to increase innovative capability, adopting new technology and technology transfer of SMES;
- 4.6.3 The following strategic tools will be adopted in line with the above-mentioned goals:

## **Strategic Tools**

- 4.6.3.1 Promotion and use of modern, environment-friendly and energy-efficient technology for the development of SMEs;
- 4.6.3.2 Support SMEs to expand through e-commerce business;
- 4.6.3.3 Provide necessary ICT based support services for enabling them to adopt new technologies and to use them efficiently and innovatively;
- 4.6.3.4 Establish technology and innovation incubators;
- 4.6.3.5 Usage of automation whenever necessary.

## **4.7 Strategic Goal 7: Expansion of Skill Development Education and Training Programs for SME Entrepreneurs**

- 4.7.1 Appropriate entrepreneurial education and training programme will be introduced in the TVET and higher education system of the country to develop skilled human resources in the SME sector. Effective communication and cooperation with private sector will be increased through SME related training and curricula, research work, demand-based training, internship etc.
- 4.7.2. The following strategic tools will be adopted to build a favourable environment in the development of human resources and the promotion of entrepreneurship;

## **Strategic Tools**

- 4.7.2.1 Develop and implement appropriate business training programs for SME sector;
- 4.7.2.2 Program on creating new entrepreneurs and entrepreneurial business development;
- 4.7.2.3 Develop standardized training modules and curricula;

- 4.7.2.4 Enhance capacity and performance of SME training institutions;
- 4.7.2.5 Forming steering committee on training programs;
- 4.7.2.6 Develop online training content and its management;
- 4.7.2.7 Assess training programs;
- 4.7.2.8 Create database on all SME related training institutes;
- 4.7.2.9 Enhance effective communication and cooperation among the training institutions.

**4.8 Strategic Goal 8: Extend programs for women entrepreneurship development and provide specialized services**

- 4.8.1 Information will be made available to women entrepreneurs to start business, obtain finance for running the business, create opportunities for relevant education and training and business related information;
- 4.8.2. Following strategic tools will be adopted to ensure participation of women entrepreneurs in the main stream development:

**Strategic Tools**

- 4.8.2.1 Organize special training programs for the women entrepreneurs in order to enhance efficiency and skills;
- 4.8.2.2 Increase flow of financial loans for women entrepreneurs and to arrange specialized loans;
- 4.8.2.3 Launch a Women Entrepreneur Development Fund;
- 4.8.2.4 Increase the institutional capacity of the Woman Chambers and the associated trade bodies;
- 4.8.2.5 Encourage women entrepreneurs through award and scholarship;
- 4.8.2.6 Increase market networking connectivity.

**4.9 Strategic Goal 9: Establishing SMEs as effective linkage to large industry and protection of SME products**

- 4.9.1. Steps will be taken to facilitate setting up Forward Linkage and Backward Linkage Industries in order to maintain balance of demand and supply to ensure sustainable SME sector as well as SMEs can intake easily and utilise technology know-how and production process of large industries.
- 4.9.2. Special opportunities will be created for SMEs to cope up with new and modern method of free market economy and necessary rules/regulations will be formulated to protect the SMEs.
- 4.9.3 The following strategic tools will be adopted in line with the above-mentioned targets:

**Strategic Tools**

- 4.9.3.1 Develop SME as a linkage to the large industry;
- 4.9.3.2 Develop SME sector through sub-contracting to large industry;
- 4.9.3.3 Support SMEs to get international certification;
- 4.9.3.4 Provide support and encouragement to protect SME products.

#### 4.10 **Strategic Goal 10: Development of Capacity for establishing environment friendly SME industries and industrial waste management**

- 4.10.1. In order to ensure sustainable development of environment-friendly SME industries, awareness building programs as well as environment-friendly SME industry management practices will be introduced;
- 4.10.2 SMEs will be linked to large industries in relation to industrial waste management and waste recycling;
- 4.10.3. The following strategic tools will be adopted for the establishment of environment friendly SME industries and industrial waste management:

##### **Strategic Tools**

- 4.10.3.1 Develop SME database;
- 4.10.3.2 Encourage SMEs to establish environment-friendly industries and provide necessary training;
- 4.10.3.3 Provide training and incentives to increase capacity of the SMEs for industrial waste management;
- 4.10.3.4 Improve and increase use of environment-friendly industrial technologies;
- 4.10.3.5 Support SMEs in establishing waste re-cycling industries.

#### 4.11 **Strategic Goal 11: Institutionalize SME Statistics and conduct research and development**

- 4.11.1 In order to institutionalize the important contribution of the SME sector to the achievement of economic growth, necessary measures will be taken to ensure authentic statistics of SME sector;
- 4.11.2 SME related research activities, technology related research and SME development activities will be more expedited. Publications on different types of technology knowhow and research activities in the SME sector will be strengthened through the increase of funding and substantial research initiatives.
- 4.11.3 The following strategic tools will be adopted in line with the above-mentioned goals:

##### **Strategic Tools**

- 4.11.3.1 Determine accurate contribution of SMEs in national economy;
- 4.11.3.2 Update SME related various indicators/statistics time-to-time;
- 4.11.3.3 Conduct research activities on various issues related to SME sector;
- 4.11.3.4 Publish books and directories on SME through research activities.

## Chapter 5

### Implementation of Strategies: The Role of Core Organizations

5.1 As different ministries, organizations, local authorities, non-government organizations, development partners and NGOs are involved in formulation and implementation of the SME Policy 2019, in order to take concerted efforts for implementation of the policy the role and responsibilities of the various organizations including the government have to be clarified.

#### 5.2 Role of Government

5.2.1 The government will provide the necessary assistance to the concerned organizations/institutions to create a favourable environment and increase necessary infrastructures for the development of the SME sector.

5.2.2 In order to increase the scope of institutional funding facility in the SME sector, the government will take necessary steps to increase loans, credit risk reduction and credit transaction through Bangladesh Bank, commercial banks and SMEF.

5.2.3 Based on the partnership with the private sector, the government will create opportunities for strengthening the training programs in the SME sector as well as expanding non-financial business development services.

5.2.4 SME Development Fund will be allocated in favour of major and important organizations for the implementation of their action plans included in the SME Policy 2019.

5.2.5 The government will take lead role for the implementation of this policy through the above mentioned activities and will continue to promote SME development activities in association with concerned national and international partners.

#### 5.3 Role of the Ministry of Industries in monitoring

5.3.1 The overall responsibilities of monitoring the implementation of SME Policy 2019 will be the responsibility of Ministry of Industries.

5.3.2 Ministry of Industries will establish a SME data bank. This bank will work as a research and data centre and will be associated with the main stakeholders. The Ministry of Industries will also coordinate activities of all SME related organizations.

#### 5.4 BSCIC, SME Foundation and relevant Trade Bodies: Implementing Agency

5.4.1 Responsibility for overall implementation of strategic goals and action plans described in the SME Policy 2019 will be entrusted to BSCIC and the SME Foundation.

5.4.2 BSCIC will implement its own strategic action plans in collaboration with other implementing agencies subject to the approval of the Ministry of Industries.

5.4.3 The SME Foundation will inform Ministry of Industries about its own yearly strategic action plan and implement it in collaboration with implementing agencies.

5.4.4 The Ministry of Industries will regularly monitor and evaluate the progress and implementation of the action plans/activities of BSCIC and SME Foundation and will provide necessary financial and other supports.

#### 5.5 Coordination with other agencies

5.5.1 BSCIC and SME Foundation will create an effective supportive environment to accelerate the development of the SME sector. To avoid redundancy and reduce cost, they will coordinate with the other relevant government organizations including:

- Bangladesh Bank;
- Bangladesh Investment Development Authority (BIDA);
- Bangladesh Economic Zones Authority (BEZA);
- Investment Promotion Agency (IPA);
- Bangladesh Industrial Technical Assistance Centre (BITAC);
- Bangladesh Council of Scientific and Industrial Research (BCSIR);
- National Productivity Organization (NPO);
- Bangladesh Institute of Management (BIM)

5.5.2 Effective collaborative activities with different non-government organizations, associations and chambers related to SME development will be ensured, these are:

- Federation of Bangladesh Chamber of Commerce and Industries (FBCCI);
- National Association of Small and Cottage Industries Bangladesh (NASCIB);
- Bangladesh Agro Processing Association (BAPA);
- Metropolitan Chamber of Commerce and Industries (MCCI);
- Dhaka Chamber of Commerce and Industries (DCCI);
- Chittagong Chamber of Commerce and Industry (CCCI);
- Bangla Craft;
- Business Initiative Leading Development (BUILD);
- Women Entrepreneurs Association of Bangladesh (WEAB)

## **Chapter 6**

### **Monitoring and evaluation of policy strategies**

6.1 In order to implement the SME Policy 2019 effectively and to accelerate the development of the SME sector; two important policy-coordination committees will be formed:

1. National SME Development Council, and
2. National SME Task Force.

In addition to the Council and the Task Force; a technical committee and some subject specific working committees will be constituted.

#### **6.2 National SME Development Council**

6.2.1 The National SME Development Council (NSDC) will be the highest policy-making body to implement the government's commitment to the development of SME sector.

6.2.2 The Honourable Minister of the Ministry of Industries will be the Chairman and the Council will be comprised of the following members:

1.	Minister, Ministry of Industries	Chairman
2.	State Minister, Ministry of Industries	Vice-chairman
3.	Governor, Bangladesh Bank	Member
4.	Secretary, Ministry of Industries	Member
5.	Secretary, Ministry of Commerce	Member
6.	Secretary, Finance Division, Ministry of Finance	Member
7.	Secretary, Financial Institutions Division, Ministry of Finance.	Member
8.	Secretary, Planning Division, Ministry of Planning	Member
9.	Secretary, Ministry of Foreign Affairs	Member
10.	Secretary, Local Government Division, Ministry of Local Government and Rural Development	Member
11.	Secretary, Rural Development and Co-operative Division, Ministry of Local Government and Rural Development	Member
12.	Secretary, Ministry of Labour and Employment	Member
13.	Secretary, Ministry of Agriculture	Member
14.	Secretary, Ministry of Jute and Textile	Member
15.	Secretary, Secondary and Higher Education Division, Ministry of Education	Member
16.	Secretary, Technical and Madrasa Education Division, Ministry of Education	Member
17.	Secretary, Ministry of Women and Children Affairs	Member
18.	Secretary, Ministry of Fisheries and Livestock	Member
19.	Secretary, Ministry of Science and Technology	Member
20.	Secretary, Ministry of Environment, Forest and Climate Change	Member
21.	Secretary, Ministry of Cultural Affairs	Member
22.	Secretary, Power Division, Ministry of Power, Energy and Mineral Resources	Member
23.	Secretary, Energy and Mineral Resources Division, Ministry of Power, Energy and Mineral Resources	Member
24.	Secretary, Information and Communication Technology Division, Ministry of Posts, Telecommunications and Information Technology	Member
25.	Chairman, National Board of Revenue (NBR)	Member
26.	Chairman, Bangladesh Investment Development Authority (BIDA)	Member
27.	Chairman, Bangladesh Tariff Commission	Member
28.	Secretary, Statistics and Informatics Division, Ministry of Planning	Member
29.	Chairman, Bangladesh Small and Cottage Industries Corporation (BSCIC)	Member
30.	Director General, Bangladesh Industrial and Technical Assistance Centre (BITAC)	Member
31.	Chairman, SME Foundation	Member
32.	5 representatives from the Private Sectors (President-FBCCI, President-NASCIB, and the remaining 3 members would be nominated by the Ministry of Industries)	Member
33.	Concerned Additional Secretary, Ministry of Industries	Member Secretary

6.2.3 The SME Section of the Ministry of Industries will serve as the Secretariat for implementing activities of the National SME Development Council (NSDC). The NSDC meeting will be held at least once in every six months.

6.2.4 The main objective of the NSDC meeting is to provide strategic policy guidelines to the concerned ministries and agencies in the development of SMEs and ensure the overall and coordinated development of SME sector.

6.2.5 The Council will be able to co-opt any competent person as a member; or invite him/her to participate in the meeting.

**6.2.6 Scope of NSDC**

6.2.6.1 Review and approve the policies and strategies made by SME taskforce for the overall development of SME sectors;

6.2.6.2 Review the role and responsibility of the SME Taskforce for better implementation of Time-bound Action Plan or adopted actions;

6.2.6.3 Increase cooperation between Ministry of Industries and public-private enterprises to ensure effective implementation of SME development policies and action plan;

6.2.6.4 Establish necessary institutional and organizational mechanisms for reconstruction and integration of all SME development activities for achieving efficiency of performance and economy of scale.

6.2.6.5 Develop strategies to allocate funds for SME development and all activities related to the sponsorship and support to a single organization responsible for providing the necessary services for SME development of the country.

**6.3 National SME Task Force**

6.3.1 The effective SME Task Force is the executive committee to identify the priorities of the proposed initiatives in the SME Policy 2019 and review the action plan.

6.3.2 The Senior Secretary/Secretary of the Ministry of Industries will be the Chairman of the Task Force; and it will be comprised of the following members:

1.	Secretary, Ministry of Industries	Chairman
2.	Executive Director, Bangladesh Bank	Member
3.	Representative of the National Board of Revenue (NBR)	Member
4.	Director, Bangladesh Bureau of Statistics (BBS)	Member
5.	Chairman, BSCIC	Member
6.	Director General, Export Promotion Bureau (EPB)	Member
7.	Member, Bangladesh Investment Development Authority (BIDA)	Member
8.	Member, National Skill Development Authority (NSDA)	Member
9.	Member, BCSIR	Member
10.	Director General, BITAC	Member
11.	Registrar, DPDT	Member
12.	Representative of the Ministry of Commerce (Additional Secretary/Joint Secretary level)	Member
13.	Representative of Finance Division (Additional Secretary/Joint Secretary level)	
14.	Representative of ICT Division (Additional Secretary/Joint Secretary level)	Member
15.	Representative of Ministry of Environment, Forest and Climate Change (Additional Secretary/Joint Secretary level)	Member
16.	Representative of Secondary and Higher Education Division (Additional Secretary/Joint Secretary level)	Member
17.	Representative of Ministry of Women and Children Affairs (Additional Secretary/Joint Secretary level)	Member

18.	Representative of Ministry of Jute and Textiles (Additional Secretary/Joint Secretary level)	Member
19.	Representative of Department of Agriculture Extension (Additional Secretary/Joint Secretary level)	Member
20.	Director, NPO	Member
21.	Managing Director, SME Foundation	Member
22.	6 representatives from private sectors (President-NASCIB; President-Bangla Craft; and the remaining 4 representatives would be nominated by the Ministry of Industries from different business organizations, academics and experts of this sector)	Member
23.	Joint Secretary, SME Wing, Ministry of Industries	Member Secretary

6.3.3 The SME Wing under the auspices of the Ministry of Industries will be the Secretariat of the SME Task Force. The Task Force meetings will be held every three months.

6.3.4 The search for the current and future needs of the SME sector and the responsibility of updating the SME policies every five years will be the major responsibility of this Task Force. In addition, it will also decide on how to coordinate or adapt existing steps to continuously improve or development of this sector through regular review and evaluate implementation of the SME policy.

6.3.5 The Task Force will be able to co-opt necessary persons or chief of the organization as member or invite to participate in the meeting.

#### 6.3.6 **Work scope of Task Force**

6.3.6.1 Review the recommendations given by the Working Committee and take necessary steps and provide specific advice to NSDC on the basis of the SME action plan;

6.3.6.2 Review and evaluate the activities under the Ministry of Industries; BSCIC; Bangladesh Bank; SME Foundation and other related organizations;

6.3.6.3 In addition to SME database and census progress; review the contribution of SME sector in Bangladesh's economy;

6.3.6.4 Recommend institutional reforms necessary for the implementation of SME policy and identify sources of fund and budget allocation for SME sector development;

6.3.6.5 Work as a means of coordination among partners and resolve discrepancies among the parties;

6.3.6.6 One SME Focal Point Officer will be appointed in different government and non-government organizations related to SME development. This Focal Point Officer will be responsible to provide all information related to SMEs.

#### 6.4 **Working Committees**

6.4.1 Some Working Committees will be constituted on various important issues under SME sector. Members of the Working Committees will be appointed on the basis of the decisions of SME taskforce.



- 6.4.2 The important Working Committees will include:
- Committee on Business Environment Development;
  - Committee on SME Funding;
  - Committee on SME Skills Development;
  - Committee on ICT and Technology Development;
  - Committee on Marketing of SME Products;
  - Committee on Women Entrepreneur Development and
  - Committee Policy Advocacy, Research and SME Database.

## 6.5 **Technical Committee**

- 6.5.1. Under the leadership of Additional Secretary (SME Wing) of Ministry of Industries one or more technical committees can be constituted by the Ministry of Industries for the purpose of reviewing specific proposals/recommendations.

# **Chapter 7**

## **Time Bound Action Plan**

- 7.1 The period from July 2019 to June 2024 has been defined as the implementation period of that policy on the basis of vision; mission; targets and objectives of SME Policy 2019. In this context; a Time-bound Action Plan as described in this policy has been formulated; which will be supportive to the implementation of the policy.
- 7.2 In this policy, emphasis has been laid on strengthening national level institutions. The performance regarding SME implementation activities of these institutions will be evaluated regularly so that they can identify their weakness or delays in implementation and can take corrective measures.
- 7.3 The Ministry of Industries will monitor overall implementation progress of strategies. The action plan covers eleven strategic goals and the scopes within each goal. Implementing agencies, associate implementing agencies have been identified under each strategic goal.
- 7.4 Based on the complexity of the implementation process of these strategies, the SME strategies have been categorised as follows:
- Short term (implementable in 1 year);
  - Medium-term (enforceable in 2-3 years) and
  - Long-term (4-5 years inclusive).

In addition, some strategies have been designated as short-to-medium and some strategies have been designated as short-to-long level because of the continuous process needed to implement such strategy.

## Combined Matrix of Time Bound Action Plan

Sl. nos.	Strategy / Strategic Tools	Paragraph/ sub-paragraph	Activities	Principal Implementer Ministries/ Division/ Agencies	Implementation Period	Associate Implementer
<b>Strategic Goal 1: Improve business environment and institutional framework</b>						
1.	Simplify legal and administrative conditions in managing SME business	4.1.3.1	<ul style="list-style-type: none"> <li>Simplify business registration; licensing processes and necessary clearances required to operate legitimate SME business.</li> </ul>	LGRD and respective departments	July 2019- June 2024	BSCIC, Ministry of Industries and SMEF
2.	Simplify and rationalize tax Policy	4.1.3.2	<ul style="list-style-type: none"> <li>Continue promotional tax incentives through the budget for the of SME sector.</li> <li>Ensure separate tax policy for SMEs (AIT; VAT; tax holidays etc.).</li> <li>Review the existing tax system from time to time for the simplification and rationalization of SME tax system</li> </ul>	NBR	July 2019- June 2024	BSCIC, Ministry of Industries, SMEF and Finance Division
			<ul style="list-style-type: none"> <li>Submit and follow-up proposals for promotional tax regime by the SMEF to NBR and Ministry of Finance through the Ministry of Industries every year.</li> </ul>	SME Wing-Ministry of Industry	July 2019- June 2024	SMEF and BSCIC
3.	Investment and revenue incentives for export-oriented SME sector	4.1.3.3	<ul style="list-style-type: none"> <li>Incentives measures for the export-oriented SMEs.</li> </ul>	NBR	July 2019- June 2024	SMEF, Finance Division, BSCIC and Ministry of Industries
4.	Strengthening coordination among the institutional frameworks	4.1.3.3	<ul style="list-style-type: none"> <li>Implement SME policy strategies at local offices of BSCIC (division; district/ upazila) and share facilities with SMEF</li> </ul>	BSCIC and SMEF	July 2019- June 2020	SME Wing-Ministry of Industries
			<ul style="list-style-type: none"> <li>SCITI and SMEF will jointly design training programs and share modules,</li> </ul>	SCITI and SMEF	July 2019-	BSCIC and SME Wing-Ministry of Industries

Sl. nos.	Strategy / Strategic Tools	Paragraph/ sub-paragraph	Activities	Principal Implementer Ministries/ Division/ Agencies	Implementation Period	Associate Implementer
			faculty, logistic support, etc.		June 2021	
			SMEF and BSCIC will make effective liaisons with Bangladesh Bank and Ministry of Industries to design and implement the SME loan programs.	Bangladesh Bank	July 2019-June 2021	BSCIC, SMEF, SME wing-Ministry of Industries
5.	Restructure and strengthen BSCIC and SMEF	4.1.3.4	<ul style="list-style-type: none"> <li>Restructure and strengthen Bangladesh Small Cottage Industry Corporation (BSCIC).</li> </ul>	Ministry of Industries	July 2019-June 2021	BSCIC
			<ul style="list-style-type: none"> <li>Expand and strengthen the Foundation's activities by establishing SMEF's local office or branch office in the division or district level.</li> <li>Allocation of necessary funds for setting up SMEF regional office</li> </ul>	SMEF		Prime Minister's Office, Ministry of Industries and Finance Division
<b>Strategic Target 2: Increase the scope of SME sector to get institutional funding</b>						
6.	Develop a sustainable and effective institutional system	4.2.2.1	<ul style="list-style-type: none"> <li>Select a bank (public or private) for each district to work as the SME Lead Bank (like Consortium Leader) for coordinating the activities with local scheduled banks in respect of SME loan scheme.</li> </ul>	Bangladesh Bank	July 2019-June 2021	Financial Institutions Division, Commercial Banks, BSCIC, Ministry of Industries, SMEF and NASCIB
			<ul style="list-style-type: none"> <li>Establish and maintain SME department / unit / wing in each branch of commercial banks.</li> </ul>	Bangladesh Bank	July 2019-June 2024	Financial Institution Division, Commercial Banks and SMEF

Sl. nos.	Strategy / Strategic Tools	Paragraph/ sub-paragraph	Activities	Principal Implementer Ministries/ Division/ Agencies	Implementation Period	Associate Implementer
7.	Increase flow of credit to SME sector	4.2.2.2	<ul style="list-style-type: none"> <li>Determine disbursement target of SME loan to each unit by the Bangladesh Bank.</li> <li>Monitor activities of all SME units at specific intervals and motivate for SME funding.</li> <li>Give highest priority to SME financing by the Government Commercial banks.</li> </ul>	Bangladesh Bank	July 2019-June 2021	Financial Institutions Division, Commercial Banks and SMEF
8.	Introduce innovative SME Financing ideas	4.2.2.3	<ul style="list-style-type: none"> <li>Launch Credit Guarantee Scheme (CGS) on experimental basis for SME entrepreneurs by Bangladesh Bank and SME Foundation.</li> </ul>	Bangladesh Bank	July 2019-June 2021	Finance Division, BSCIC, SMEF and Ministry of Industries
			<ul style="list-style-type: none"> <li>Simplify procedure to access of funding from Entrepreneurship Support Fund (ESF) for SMEs.</li> </ul>	Bangladesh Bank and ICB	July 2019-June 2024	Finance Division, BSCIC, SMEF and Ministry of Industries
			<ul style="list-style-type: none"> <li>With the support of SMEF and Bangladesh Bank; several factoring financing mechanisms to be introduced on experimental basis.</li> </ul>	Bangladesh Bank, BSCIC and SMEF	July 2019-June 2021	Finance Division and Ministry of Industries
			<ul style="list-style-type: none"> <li>Appoint Venture Capital Fund Manager under the Bangladesh Securities and Exchange Commission (Alternative Investment) Act 2015, for the management of start-up SME financing.</li> </ul>	Bangladesh Bank	July 2019-June 2021	Finance Division, BSCIC, Ministry of Industries and Bangladesh Securities & Exchange Commission

Sl. nos.	Strategy / Strategic Tools	Paragraph/ sub-paragraph	Activities	Principal Implementer Ministries/ Division/ Agencies	Implementation Period	Associate Implementer
9.	Strengthen refinance scheme	4.2.2.4	<ul style="list-style-type: none"> <li>With the effective involvement of the existing donors of the refinance scheme, the Bangladesh Bank and the Ministry of Industries will work to increase the foreign fund for the refinance scheme and find new donors for this purpose.</li> </ul>	Bangladesh Bank, Finance Division and Ministry of Industries	July 2019-June 2022	BSCIC,SMEF and NASCIB
			<ul style="list-style-type: none"> <li>Government's Budget allocations on refinancing scheme to meet increasing credit demand of SME sector.</li> </ul>	Bangladesh Bank Finance Division	July 2019-June 2024	SMEF and NASCIB
10.	Strengthen Credit Wholesaling Programs	4.2.2.5	<ul style="list-style-type: none"> <li>SMEF will prepare a guideline of Credit Wholesaling Program (CWS) and share it with Bangladesh Bank with the approval of the Ministry of Industries.</li> <li>Implement an integrated CWS program on the basis of Bangladesh Bank experience of CWS activities</li> </ul>	SMEF	July 2019-June 2021	Bangladesh Bank,Finance Division and Ministry of Industries
			<ul style="list-style-type: none"> <li>Budget allocation for strengthening SMEF's credit-wholesale programs to meet rising demands of SME sector.</li> </ul>	Finance Division	July 2019-June 2021	Bangladesh Bank and Ministry of Industries
			<ul style="list-style-type: none"> <li>SMEF will create a list of beneficiaries under the CWS and will share it with the Bangladesh Bank with the approval of Ministry of Industries.</li> </ul>	SMEF	July 2019-June 2021	Bangladesh Bank,Finance Division and Ministry of Industries
11.	Organize various non-financial programs to create awareness among SME funding	4.2.2.6	<ul style="list-style-type: none"> <li>Create awareness among the SMEs by regularly organizing training and matchmaking program between bankers and entrepreneurs in various departments / districts/ towns.</li> </ul>	SMEF and Bangladesh Bank	July 2019-June 2024	Financial Institutions Division, Commercial Banks, Ministry of Industry and NASCIB

Sl. nos.	Strategy / Strategic Tools	Paragraph/ sub-paragraph	Activities	Principal Implementer Ministries/ Division/ Agencies	Implementation Period	Associate Implementer
<b>Strategic Goal 3: Increase competitiveness capabilities in SMEs and help SME products to enter into the market</b>						
12.	Conduct necessary activities to ensure quality of SME products	4.3.3.1	<ul style="list-style-type: none"> <li>Provide quality control and standard of testing training by BSTI for maintaining standard and producing quality SME products</li> </ul>	BSCIC, NPO and SMEF	July 2019- June 2024	BFTI, BIM, BMET, BCI, NGO and NASCIB, Bangla Craft
13.	Arrange competitive capacity Building training for steady growth	4.3.3.2	<ul style="list-style-type: none"> <li>Organize training on leadership and management, business management; product improvement, technical skills and capacity building for SMEs entrepreneurs and workers</li> <li>Publish training modules on all relevant topics and make them available online.</li> </ul>	BSCIC and SMEF	July 2019- June 2024	BFTI, BIM, BMET, BCI, BCCI, NASCIB, Bangla Craft, WEAB and NGO
14.	Consultation and information regarding new market analysis	4.3.3.3	<ul style="list-style-type: none"> <li>Provide consultancy and information services through the Advisory Service Centre located at the SMEF office to assist exploring new markets for SME products.</li> </ul>	BSCIC and SMEF	July 2019- June 2024	Ministry of Industries
15.	Increase access to export market opportunities/better accessibility for the SME products in the high end export markets	4.3.3.4	<ul style="list-style-type: none"> <li>Support to SME participation in local and international markets through trade fair and trade missions.</li> </ul>	BSCIC and SMEF	July 2019 - June 2024	Ministry of Foreign Affairs, Export Promotion Bureau, BSCIC Business Organizations and Agencies
16.	Organize SME products fairs at the regional and national	4.3.3.5	<ul style="list-style-type: none"> <li>Organize regional SME products fair at divisional and district levels.</li> </ul>	SMEF and local administration	July 2019- June 2024	Cabinet Division, BSCIC, Ministry of Industries, NASCIB, Bangla Craft and local

Sl. nos.	Strategy / Strategic Tools	Paragraph/ sub-paragraph	Activities	Principal Implementer Ministries/ Division/ Agencies	Implementation Period	Associate Implementer
	levels					Chambers
			<ul style="list-style-type: none"> <li>Organize national SME products fair every year.</li> </ul>	SMEF	July 2019-June 2024	BSCIC, NASCIB, FBCCI and Ministry of Industries
17.	National SME Entrepreneurship Award	4.3.3.6	<ul style="list-style-type: none"> <li>National SME Entrepreneurship Award to recognize special contribution of SMEs to the overall economic development of the country.</li> </ul>	SMEF	July 2019-June 2024	Ministry of Industries
18.	Establish Regional SME Product Exhibition Centres	4.3.3.7	<ul style="list-style-type: none"> <li>Establish SME products exhibition centre in each division and district (BSCIC facilities be used for this purpose).</li> </ul>	SMEF and BSCIC	July 2019-June 2024	Ministry of Industries
<b>Strategic Target 4: SME business support services, support to start-up business set up in short period of time and with low cost</b>						
19.	Provide support to facilitate low cost and fast start of SME business	4.4.2.1	<ul style="list-style-type: none"> <li>Online access for start-ups including: application for licensing; application for business registration; etc.</li> <li>Provide tailor-made training and workshops for start-ups.</li> </ul>	BSCIC and SMEF	July 2019-June 2022	Ministry of Commerce, Ministry of Industries, Bangladesh Bank, ICT Division LGRD, Business Organization / Agencies and NASCIB

Sl. nos.	Strategy / Strategic Tools	Paragraph/ sub-paragraph	Activities	Principal Implementer Ministries/ Division/ Agencies	Implementation Period	Associate Implementer
20.	Make start-up process available by launching online/digital systems	4.4.2.2	<ul style="list-style-type: none"> <li>Business registration; licensing process; environmental clearance and necessary certificates to be made available online or in digital service system.</li> </ul>	Respective Department and ICT Division	July 2019-June 2021	BSCIC and Ministry of Industries
21.	Establish one-stop service centre	4.4.2.3	<ul style="list-style-type: none"> <li>Establish a central one-stop service centre in the respective BSCIC offices and coordinate with the activities of other one-stop service centres in the district level.</li> </ul>	BSCIC	July 2019-June 2020	Ministry of Industries
			<ul style="list-style-type: none"> <li>Provide necessary support for new SME business start-ups through one-stop service centre at BIDA and BSCIC</li> </ul>	BIDA	July 2019-June 2024	BSCIC; Ministry of Industries and SMEF
22.	Provide advice and information services through the Advisory Service Centre	4.4.2.4	<ul style="list-style-type: none"> <li>Provide advice and information services through the Advisory Service Centre located in SMEF.</li> </ul>	SMEF	July 2019-June 2021	Ministry of Industries
			<ul style="list-style-type: none"> <li>Establish SME Consulting Centre with the support of government and provide advice and information services to district/upazila level.</li> </ul>			
23.	Create SME website	4.4.2.5	<ul style="list-style-type: none"> <li>Construct and maintain SME website with the help of SME Foundation, BSCIC, ICT Division.</li> <li>Regularly update this website with the help of A2i; BSCIC; BASIS and other sectoral stakeholders.</li> </ul>	SMEF, BSCIC and ICT Division	July 2019-June 2021	BSCIC and Ministry of Industries



Sl. nos.	Strategy / Strategic Tools	Paragraph/ sub-paragraph	Activities	Principal Implementer Ministries/ Division/ Agencies	Implementation Period	Associate Implementer
<b>Strategic Target 5: Development and expansion of SME Clusters Business Network</b>						
24.	Improve Infrastructural benefits to the SME clusters	4.5.2.1	<ul style="list-style-type: none"> <li>Ensure utility services (gas, water, electricity etc.) for clusters will be given priority.</li> <li>Improve road communication to support clusters with their product marketing.</li> </ul>	Local Administration	July 2019- June 2022	BSCIC, SMEF, Ministry of Industries and Associations
25.	Establish Incubation Centre and Common Facility Centres for clusters	4.5.2.2	<ul style="list-style-type: none"> <li>Policy guidelines for the development and management of Incubator will be created and finalized in a short time.</li> </ul>	SMEF	July 2019- June 2020	Ministry of Industries
			<ul style="list-style-type: none"> <li>Establish common facility centres and design centres to provide technical support.</li> <li>Set up incubators in the potential clusters.</li> </ul>	BSCIC and SMEF	July 2019- June 2024	Ministry of Industries, Local Association and NASCIB
26.	Provide collateral free single digit interest rate loans for potential women entrepreneurs including the clusters	4.5.2.3	<ul style="list-style-type: none"> <li>Provide collateral free single digit interest rate loans for potential women entrepreneurs as well as SMEs in Clusters</li> </ul>	SMEF	July 2019- June 2024	Bangladesh Bank
			<ul style="list-style-type: none"> <li>Expand cluster financing through increasing SME financing</li> </ul>	Finance Division and Bangladesh Bank	July 2019- June 2021	SMEF
27.	Increase efficiency and capacity of cluster entrepreneurs	4.5.2.4	<ul style="list-style-type: none"> <li>Training on cluster entrepreneurial leadership, business management, product manufacturing and marketing, vocational and technical skills and capabilities</li> </ul>	BSCIC and SMEF	July 2019- June 2024	Ministry of Industries, Local Associations and NASCIB

Sl. nos.	Strategy / Strategic Tools	Paragraph/ sub-paragraph	Activities	Principal Implementer Ministries/ Division/ Agencies	Implementation Period	Associate Implementer
28.	Various development activities on the basis of needs of the clusters	4.5.2.5	<ul style="list-style-type: none"> <li>Various development activities to mitigate demands of cluster development</li> </ul>	SMEF	July 2019- June 2020	Ministry of Industry, Local Associations and NASCIB
<b>Strategic Goal 6: Increase the use of ICT and other technologies</b>						
29.	Provide essential ICT support	4.6.3.1	<ul style="list-style-type: none"> <li>Provide training on various ICT applications; business solutions and software.</li> <li>Support SMEs in developing their own websites.</li> <li>Provide training on outsourcing businesses and network issues.</li> <li>Provide training to individual entrepreneurs on freelancing.</li> </ul>	ICT Division, BSCIC and SMEF	July 2019- June 2022	BASIS, BSCIC and Ministry of Industries
30.	The extension and use of up to date environment friendly and energy saving technologies in SMEs	4.6.3.2	<ul style="list-style-type: none"> <li>Increase awareness and capacity development for the use of modern environment friendly energy saving technologies in SMEs.</li> <li>Technical skills development training for adopting modern technology, development of alternative technologies and enhancing productivity.</li> <li>Familiarise SMEs on the KAIZAN concept and methodology.</li> </ul>	BSCIC, SMEF, NPO, BCSIR and BITAC	July 2019- June 2022	Ministry of Industries, BUET and ICT Division
31.	Support SMEs in expanding businesses through e-commerce	4.6.3.3	<ul style="list-style-type: none"> <li>Create guidelines for e-commerce.</li> <li>Support SMEs through reducing web domain fees.</li> <li>Reduce band-width fees for SMEs.</li> <li>Provide training on e-commerce related</li> </ul>	ICT Division	July 2019- June 2020	BSCIC, SMEF, NASCIB, BASIS, BCCI, Ministry of Commerce and Ministry of Industries

Sl. nos.	Strategy / Strategic Tools	Paragraph/ sub-paragraph	Activities	Principal Implementer Ministries/ Division/ Agencies	Implementation Period	Associate Implementer
			issues.			
32.	Support adopting innovation and use of new technology	4.6.3.4	<ul style="list-style-type: none"> <li>Establish network between R&amp;D and SMEs to adopt transfer of technology.</li> <li>Encourage joint venture investment to help and facilitate transfer of technology.</li> <li>Allocate more innovation funds for SME development.</li> <li>Establish effective connectivity between TVET and SMEs.</li> </ul>	BSCIC, BITAC and BCSIR	July 2019- June 2021	BSCIC, SMEF, BASIS, BCCI, NSDA, Ministry of Industries, BSTI, Madrasah and Technical Education Division and ICT Division
33.	Establish technology and innovation incubator	4.6.3.5	Ministry of Industries support to establish Technology Incubator and R&D Labs at various universities for development of SME sector .	Ministry of Industries	July 2019- June 2022	BSCIC, BITAC, BCSIR and BUET
			<ul style="list-style-type: none"> <li>Support of BSCIC and SME Foundation in establishing effective connections between SME and incubation centres; universities and R&amp;D lab.</li> <li>More Initiatives of BSCIC and SME Foundation to improve the existing incubation facilities in the country.</li> </ul>	BSCIC and SMEF	July 2019- June 2022	BITAC and BCSIR
			<ul style="list-style-type: none"> <li>Seed money and subsidy provided by the government to establish technology and innovation incubators.</li> </ul>	Ministry of Industries	July 2019- June 2021	BSCIC, SMEF, BUET and NASCIB
<b>Strategic target 7: Extension of educational development and training programs for entrepreneurs</b>						
34.	Formulation and implementation of tailor-made business	4.7.2.1	<ul style="list-style-type: none"> <li>Calculate the demand of training programs in each area by conducting surveys and getting recommendations</li> </ul>	BSCIC, NPO and SMEF	July 2019- June 2021	Ministry of Industries, BIM, BSCIC, BMET, BTEB and Business

Sl. nos.	Strategy / Strategic Tools	Paragraph/ sub-paragraph	Activities	Principal Implementer Ministries/ Division/ Agencies	Implementation Period	Associate Implementer
	training program		<p>from stakeholders about the training demand.</p> <ul style="list-style-type: none"> <li>The annual action plan will be made for the next 5-year training program and Outreach training programs will be made with the help of SMEF and BSCIC.</li> </ul>			Organization and NASCIB, Bangla Craft
35.	Creating standard training Modules and Curriculum	4.7.2.2	<ul style="list-style-type: none"> <li>Making standard/uniform training curriculum as per the Standards of BMET and BTEB and to be followed by SME's.</li> </ul>	NSDA and Ministry of Industries	July 2019-June 2020	BIM, SMEF, BSCIC, BMET, BTEB, Business Association and NASCIB
36.	Increase capability and performance of educational/ training institutions	4.7.2.3	<ul style="list-style-type: none"> <li>Initiative by Government and respective organizations to increase training capacity of SMEF; SCITI; BIAM; TVET; BFTI; BGMEA Fashion Technology Institutes; ICT Institutes and Skills Development Institute; business organizations; sector related institutes.</li> </ul>	NSDA and Ministry of Industries;	July 2019-June 2021	SMEF, SCITI, BIM, BSCIC, BMIT, BTEB, Trade Bodies and NASCIB
			<ul style="list-style-type: none"> <li>Allocation of more funds for training and capacity building programs to SMEF; SCITI and other institutes.</li> </ul>	Ministry of Industries	July 2019-June 2021	SMEF, SCITI, BIM, BSCIC, Trade Bodies and NASCIB
37.	Forming steering committee for training and workshops	4.7.2.4	<ul style="list-style-type: none"> <li>A Steering Committee headed by the Additional Secretary; Ministry of Industries will be formed to coordinate and coordinate training programs and curriculum in light of NSDA's guidelines.</li> </ul>	Ministry of Industries	July 2019-June 2020	BSCIC, SMEF, BIM, BMET; BTEB, Business Organization / Agencies and NASCIB
38.	Develop online training content for management	4.7.2.5	<ul style="list-style-type: none"> <li>Provide online training through SME websites.</li> <li>Introduce distance learning programs for SME's.</li> </ul>	ICT Division	July 2019-June 2021	SMEF, Ministry of Industries and NASCIB

Sl. nos.	Strategy / Strategic Tools	Paragraph/ sub-paragraph	Activities	Principal Implementer Ministries/ Division/ Agencies	Implementation Period	Associate Implementer
39.	Evaluation of training programs	4.7.2.6	<ul style="list-style-type: none"> <li>Appoint independent assessors to evaluate impact of training programs provided by SMEF; BIM and SCITI; and re-evaluate all programs every 3 years.</li> </ul>	SME Wing -Ministry of Industries	July 2019- June 2024	BSCIC, SMEF, NSDA, Secretariat, BIM, BMET, BTEB and Business Organization
			<ul style="list-style-type: none"> <li>Participants of each training programs must evaluate the content and impact of each training program (before and after).</li> </ul>			
40.	Establish database in all SME related training institutes	4.7.2.7	<ul style="list-style-type: none"> <li>Create a database of all the training institutes related to SME and publish it on the SME website.</li> </ul>	SME Wing-Ministry of Industries	July 2019- June 2020	BIM, SMEF, BSCIC, BMET, BTEB, BRAC, Business organizations/ agencies
41.	Enhance effective reciprocal communication and cooperation among training institutions	4.7.2.8	<ul style="list-style-type: none"> <li>Enhance mutual cooperation among SMEF, SCITI, BIM and other training institutes regarding curriculum in SME sector.</li> </ul>	Industrial Skill Councils, SMEF NSDA, and BSCIC	July 2019- June 2021	Ministry of Industries, BIM, BMET, BTEB, BRAC, NASCIB, Business organizations/agencies
42.	Conduct programs for new entrepreneurship and business development	4.7.2.9	<ul style="list-style-type: none"> <li>Promote development of values and perspectives for entrepreneurs through learning and training programs.</li> <li>Vocational and technical training to promote development of entrepreneurship in SME.</li> <li>Provide entrepreneurship development programs for selected target groups/sectors (e.g. school dropouts).</li> <li>Create programs for development of businesses and entrepreneurship.</li> </ul>	NSDA; BSCIC and SMEF	July 2019- June 2024	Ministry of Industries, BIM, BSCIC, BMET, BTEB, BRAC, NASCIB and Business organizations/Agencies
			<ul style="list-style-type: none"> <li>Review and evaluate the existing</li> </ul>			

Sl. nos.	Strategy / Strategic Tools	Paragraph/ sub-paragraph	Activities	Principal Implementer Ministries/ Division/ Agencies	Implementation Period	Associate Implementer
			curricula following at schools, colleges and universities.			
<b>Strategic Target 8: Expansion of women entrepreneur development programs and special services</b>						
43.	Special training programs for enhancing capacity and efficiency of women entrepreneurs.	4.8.2.1	<ul style="list-style-type: none"> <li>Specific and target oriented short- and long-term training programs for female entrepreneurs.</li> </ul>	SMEF, Ministry of Women and Children Affairs, SCITI and BSCIC	July 2019-June 2024	Ministry of Industries, WEAB; SME Women Association; NASCIB and the Chambers
44.	Increase credit flow for women entrepreneurs and arrange specialized loans	4.8.2.2	<ul style="list-style-type: none"> <li>Simplify conventional lending policies for SME women entrepreneurs.</li> </ul>	Bangladesh Bank	July 2019-June 2021	SMEF
			<ul style="list-style-type: none"> <li>Expand the amount and limits of collateral free loans on doable conditions for SME women entrepreneurs.</li> </ul>			
			<ul style="list-style-type: none"> <li>Organize loan related matchmaking training and training for Bankers program to raise their awareness about increased demand and supply of finance for SME women entrepreneurs.</li> </ul>	SMEF and Bangladesh Bank	July 2019-June 2024	Commercial Banks, Women Association, NASCIB and the Chambers
			<ul style="list-style-type: none"> <li>Expand the scope of specialized loan program offered by SMEF for female entrepreneurs.</li> </ul>	SMEF	July 2019-June 2021	Finance Division and Bangladesh Bank
45.	Launch Women Entrepreneur Development Fund	4.8.2.3	<ul style="list-style-type: none"> <li>Women Entrepreneur Development Fund will be launched to meet the needs of women entrepreneurs.</li> <li>The goal of the fund is to provide training and create jobs and provide loans at reduced interest rates for the women entrepreneurs.</li> </ul>	SMEF	July 2019-June 2021	Finance Division, Banks and Financial Institutions Division, Ministry of Industries and Ministry of Women and Children Affairs

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46.	Capacity development program for strengthening Women Chambers and other trade bodies	4.8.2.4	<ul style="list-style-type: none"> <li>Take steps to Increase capacity building of Women Chambers and other trade bodies.</li> </ul>	Ministry of Women and Children Affairs	July 2019-June 2022	FBCCI, Women Association, NASCIB and the Chambers
47.	Awards and scholarships for women entrepreneurs	4.8.2.5	<ul style="list-style-type: none"> <li>Recognize creative SME Women Entrepreneurs by offering awards.</li> </ul>	SMEF and Ministry of Women and Children Affairs	July 2019-June 2024	BSCIC, Ministry of Industries, SME Women Associations and Chambers
			<ul style="list-style-type: none"> <li>Arrange a specific number of scholarships for SME women entrepreneurs.</li> </ul>	Ministry of Women and Children Affairs		
<b>Strategic Goal 9: Establish SMEs forward and backward linkages with large industries and introduce standards and quality of SMEs products</b>						
48.	Develop effective linkage of SME's to large industries	4.9.3.1	<ul style="list-style-type: none"> <li>Offer special incentives in the SME sector for Forward and Backward Linkages to large industry.</li> <li>Take necessary steps for SMEs to easily adapt modern manufacturing process and technology as used in the large industries.</li> <li>Providing assistance to build Market Linkage between SMEs and large industries.</li> </ul>	BSCIC and SMEF	July 2019-June 2021	Ministry of Industries
49.	Development of SME sector through sub-contracting	4.9.3.2	<ul style="list-style-type: none"> <li>Prepare guidelines for SME friendly sub-contracting activities.</li> </ul>	Ministry of Industries	July 2019-June 2022	SMEF and BSCIC
			<ul style="list-style-type: none"> <li>Ensure certain quantity of government purchase of product or service from SMEs.</li> <li>Making mandatory for public institutions</li> </ul>	CPTU and Ministry of Industries		

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			to purchase certain SME products or services.			
50.	Support SMEs to get internationally accredited certificates	4.9.3.3	<ul style="list-style-type: none"> <li>SME Foundation and BSCIC will assist SMEs to obtain ISO certificates. In special cases they will also provide financial and technical support.</li> <li>Help SMEs to get International product certification.</li> </ul>	BSTI	July 2019- June 2024	Ministry of Industries, BCSIR, BSCIC and SMEF
51.	Simplify process to get BSTI, Patent, Design & Trademarks certificates for SMEs	4.9.3.4	<ul style="list-style-type: none"> <li>Create a separate desk in BSTI and Patent Design and Trademarks office for SMEs.</li> <li>SMEF and BSCIC to provide support to SMEs to easily obtain BSTI, DPDT certificate.</li> </ul>	BSTI and DPDT	July 2019- June 2024	SMEF, BSCIC and SME Wing, Ministry of Industries
<b>Strategic Goal 10: Develop capacity of SMEs in establishing environmentally friendly industries and industrial waste management</b>						
52.	Awareness building program for environment friendly SME industries	4.10.3.1	<ul style="list-style-type: none"> <li>Review impact on the environment before allocation of land and water resources for industrial projects.</li> <li>Create awareness among the public about the adverse effects of industrial smoke and industrial waste on air land and water.</li> <li>Encourage setting up of ETP and CETP to control environmental pollution in industrial establishments.</li> </ul>	Ministry of Environment	July 2019- June 2024	BSCIC, SMEF and Ministry of Industries



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			<ul style="list-style-type: none"> <li>Policy advocacy to establish green SME concepts.</li> <li>Encourage SMEs to ensure and follow 3R (Reduce; Reuse and Recycle) in industrial establishment.</li> </ul>	Ministry of Environment and SMEF	July 2019-June 2022	BSCIC and Ministry of Industries
			<ul style="list-style-type: none"> <li>Encourage green SMEs to establish sustainable industries in view of climate change.</li> </ul>	Ministry of Environment and Bangladesh Climate Change Trust	July 2019-June 2024	BSCIC; SMEF and Ministry of Industries
<b>53.</b>	Incentives for environment friendly SME industries and required training to continue	4.10.3.1	<ul style="list-style-type: none"> <li>Incentives and motivational program to establish climate mitigated industry or pollution free industry.</li> <li>Provide necessary assistance to the industries for taking steps to make their industry environment friendly under clean development mechanisms.</li> <li>Simplify process for obtaining environmental clearance for SME entrepreneurs.</li> </ul>	Ministry of Environment and Bangladesh Climate Change Trust	July 2019-June 2024	BSCIC, SMEF, BKMEA and Ministry of Industries
<b>54.</b>	Incentives and Training for capacity building of SME industrial Waste Management	4.10.3.2	<ul style="list-style-type: none"> <li>Assist to create and management of Industrial-Waste Bank with the help of various clusters and SME related associations.</li> <li>Connect SMEs with large industries to facilitate Waste management (reprocessing business).</li> <li>Provide training to increase the capacity of SMEs in industrial waste management.</li> </ul>	BSCIC and SMEF	July 2019-June 2023	Ministry of Industries, BGMEA and Cluster Associations

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55.	Promotion, development and use of environment friendly industrial technology	4.10.3.3	<ul style="list-style-type: none"> <li>Develop and use of environmentally friendly recycling technologies in SME clusters.</li> </ul>	BCSIR and BITAC	July 2019- June 2023	BSCIC, SMEF and Ministry of Industries
56.	Assist SMEs in establishing Waste Recycling Industry	4.10.3.4	<ul style="list-style-type: none"> <li>Provide every possible support including financial incentives by the government to the entrepreneurs to establish environment friendly waste recycling industry.</li> <li>Provide special (financial and technical) incentives for SMEs to recycle products.</li> </ul>	BSCIC and SMEF	July 2019- June 2021	BGMEA, BKMEA and Ministry of Industries
57.	Determine accurate contribution of SMEs in national economy of Bangladesh	4.11.3.1	<ul style="list-style-type: none"> <li>Conduct Economic Census on SMEs every ten years through BBS.</li> </ul>	BBS	July 2019- June 2023	SMEF, BSCIC, SME Wing-Ministry of Industries
			<ul style="list-style-type: none"> <li>Conduct regular SME surveys</li> <li>Determine contribution of SMEs in GDP as target set in para.2.3 of SME Policy2019.</li> </ul>		July 2019- June 2024	
			<ul style="list-style-type: none"> <li>Provide guideline to publish report on the contribution of the SME sector to the total export of the country.</li> </ul>	EPB	July 2019- June 2021	
58.	Develop and regularly update various indices/figures related to SMEs	4.11.3.2	<ul style="list-style-type: none"> <li>Regularly publish important indicators or statistics on SMEs.</li> <li>Publication of major SME indices on annual or half-yearly basis by SME Foundation.</li> </ul>	SMEF	July 2019- June 2024	EPB; BSCIC; SME Wing-Ministry of Industries
59.	Conducting research activities on various issues related to the	4.11.3.3	<ul style="list-style-type: none"> <li>Conduct survey; research activities on SME related issues through BSCIC, SME Foundation, BBS or other institution and</li> </ul>	BSCIC; SME Wing-Ministry of Industries	July 2019- June 2021	SMEF and BBS

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	SME sector		Conduct research activities on various issues on SMEs and women entrepreneurs.	SMEF and BSCIC	July 2019- June 2024	SME Wing-Ministry of Industries
			<ul style="list-style-type: none"> <li>Conduct research activities on various issues on SMEs and women entrepreneurs.</li> </ul>	SMEF and BSCIC	July 2019- June 2024	SME Wing-Ministry of Industries
<b>60.</b>	Publish journals and directories related to SME based on various research activities	4.11.3.4	<ul style="list-style-type: none"> <li>Publish International Journal on annual/bi-annual basis on SME development.</li> <li>Publish different directories about business support services and technology from time to time.</li> </ul>	SMEF and BSCIC	July 2019- June 2024	SME Wing-Ministry of Industries