



ITC

SheTrades



SHETRADES
COMMONWEALTH

COVID-19 COUNTRY REPORT

BANGLADESH

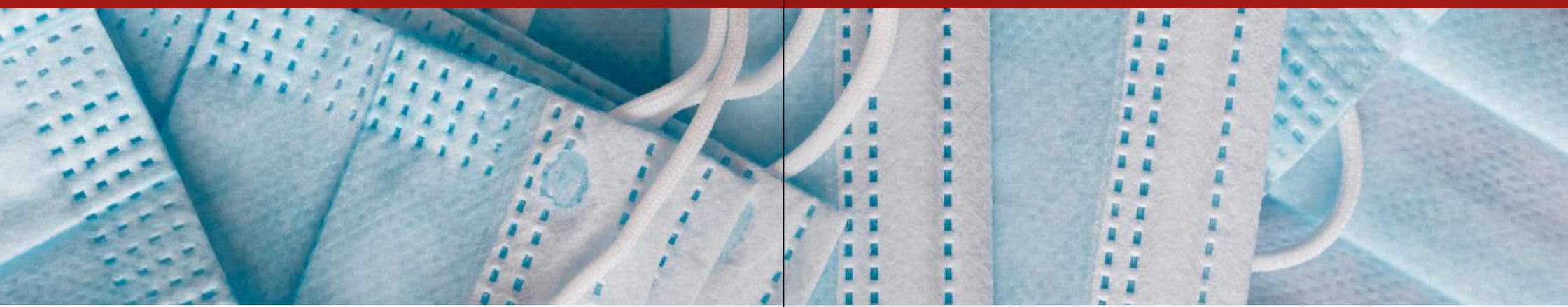


TABLE OF CONTENTS

03 COVID-19 IMPACT ON BUSINESSES IN BANGLADESH

05 FINDINGS FROM SHETRADES COMMONWEALTH'S BANGLADESHI WOMEN-OWNED BUSINESSES

06 COVID-19 CASE STUDIES

08 TEXTILE % APPAREL TARANGO

10 IT&BPO SUPERTEL LIMITED

09 TEXTILE & APPAREL ASIX

12 IT&BPO TMSS ICT LIMITED

As of 18 January 2021, Bangladesh registered 528,329 confirmed cases of COVID-19 with 7,922 deaths. The government imposed a nationwide lockdown which was lifted on 31st May 2020. At present, public gatherings and movement are restricted.

According to Bangladesh's Labour Force Survey 2016-17, 85.1% of those employed in Bangladesh belong to the informal sector, with 91.8% of female workers employed in informal activities (compared to 82.1% of males). This means that most Bangladeshis – and relatively more women – are vulnerable to the nationwide lockdown as they neither have access to work nor the necessary social and welfare protection that could tide them over the crisis. Even if locals could afford healthcare, Bangladesh still lacks sufficient healthcare facilities to deal with the pandemic: the country has only 8 hospital beds for every 10,000 people – by comparison, the U.S. and China have 29 beds and 42 beds respectively.

On the firm level, border shutdowns both internationally and domestically have disrupted supply chains, and orders from existing and new clients have been cancelled or postponed. In both sectors in which the SheTrades Commonwealth project operates in, namely the textile and apparel (T&A) and IT and business process outsourcing (BPO) sectors, women-owned businesses (WOBs) are experiencing severe cash flow issues and some have begun laying workers. Barriers to accessing business financing are higher for women businessowners during the crisis as women-owned businesses in Bangladesh, in contrast to their male counterparts, face the burden of more rigorous documentation burden and longer waiting times. This is notwithstanding the fact that women already have unequal access to resources to use as collaterals.

For the ready-made garment (RMG) sector in Bangladesh – which is a subset of the T&A sector – prices of inputs have risen by an average of 15%, with almost USD 3 million worth of inventory sitting idle and companies running overhead costs with no significant income in sight. Almost 84% of Bangladesh’s exports comes from the RMG sector. Many home-based employees and artisans working for SheTrades Commonwealth beneficiaries operate in areas most affected by the COVID-19 pandemic. As most of the T&A businesses engage artisans on a per product basis, the loss of buyers has resulted in lost income for artisans. Additionally, space limitations at home, coupled with the country-wide lockdown, means that workers cannot take their workstations home and keep them indoors.

For the information technology and business process outsourcing (IT&BPO) sector, supply chain disruptions and cancellation of orders have a disproportionate impact on women employees: women in IT&BPO firms tend

to hold non-technical positions and are oftentimes first in line to be laid off when small businesses are forced to downsize.

The SheTrades Commonwealth project conducted a COVID-19 Impact Survey at the beginning of Phase II (April 2020 – March 2021) to understand how the pandemic has impacted women-owned businesses across the four Commonwealth countries and to gather insights into how activities could be configured to deliver short-term support and build long-term resilience to economic uncertainties.

WOMEN-OWNED BUSINESSES IN BANGLADESH

FINDINGS FROM SHETRADES COMMONWEALTH

A total of 325 women-owned businesses in Bangladesh, Ghana, Kenya, and Nigeria responded to the survey. Of these, 43 belong to Bangladesh, with 18 and 25 WOBs coming from the T&A and IT&BPO sectors respectively.

KEY FINDINGS FROM THE SURVEY:

- Over 80% of women-owned businesses in both T&A and IT&BPO sectors reported high risks in cash flow and in retaining their customers.
- As a result of COVID-19, more T&A women-owned businesses have temporarily ceased operations while IT&BPO businesses have turned to reducing work for some or all of their employees .
- Women-owned businesses in the IT&BPO sector are more agile and better equipped than T&A sector to respond to COVID-19:
 - **76%** of IT&BPO companies have been regularly communicating with their customers compared to 39% for the T&A sector;
 - **48%** of IT&BPO businesses reported having developed new products according to new market needs; in contrast, only 11% of T&A businesses have done so.
 - **56%** of IT&BPO businesses have shifted their efforts to alternative channels of businesses such as digital marketing and E-Commerce. By comparison, just 11% of T&A companies have done so.
 - **76%** of IT&BPO businesses have switched to teleworking. In contrast, just 11% of T&A companies have done so.



COVID-19

CASE STUDIES

Despite economic reverberations from the pandemic, the three Bangladeshi women-owned businesses featured below, Tarango, ASIX, and TMSS ICT Limited, have stepped up efforts to support the underprivileged and vulnerable in their community as well as the local government; they have also adapted their business operations and strategies to the new reality by diversifying their product lines and tapping into the digital space for sales and marketing.

For T&A companies Tarango and ASIX, the spread of COVID-19 to Bangladesh has led to unfulfilled orders, tens of thousands of dollars' worth of inventory sitting idle, and scores of workers without work. While workers' salaries for April have been paid, both companies worry about sustaining the livelihoods of home-based employees and rural women artisans. This problem has been aggravated by the lack of robust electronic payment methods and ambiguous international payment policies

Likewise for IT&BPO company TMSS ICT Limited, existing clients have suspended orders and negotiations have been paused until further notice. No new orders are coming in. Due to low work orders and the uncertainty of regular cash flow, the company finds it difficult to retain staff and is forecasting the possibility of downsizing.



TEXTILE & APPAREL SECTOR

TARANGO

Tarango, a nationally acclaimed fair trade enterprise that specializes in jute products, engages thousands of rural artisans across its nine hubs in Bangladesh. Due to the country-level lockdown and the fact that Tarango's headquarters and store are located in one of the major infection hotspots, orders could not be fulfilled. Moreover, factories in Bangladesh had to be closed and there exist limited shipping options. As a result of the above, CEO Ms. Kohinoor Yeasmin is unable to complete \$41,000 worth of orders from buyers she met at the NYNOW trade fair this year and another \$95,000 of orders from Japan and other markets await delivery.



As an enterprise active in community development, Tarango initiated a host of measures to help cushion its employees and community from the fallout of COVID-19. It set up a safe home that could host up to 45 women and 25 children, developed

COVID-19 awareness campaign for its staff members, and delivered food packages to women weavers and vulnerable families and masks and hand soaps to 120 families of the Mirpur community.

To cover overhead costs in the short term, Tarango has also switched production to masks and has secured a German buyer for its cloth-based masks.

While Ms. Yeasmin expects stiff competition in the sales of masks as more suppliers enter the market, she is actively working on other channels to diversify her risks. For instance, having attended webinars and one-to-one coaching sessions on buyer engagement, communication, and product pricing, Ms. Yeasmin has been in active communication with buyers to reassure them that business still runs as usual and to secure and negotiate new deals. Furthermore, using insights gained from product photography, digital marketing, and e-Commerce workshops and webinars, Tarango is crafting a digital marketing strategy for Instagram and is also expanding its home décor product line.

Tarango is actively in talks with buyers and now has new orders for its core products worth USD 30,000 to meet. On 30th June, Tarango delivered its first sea shipment to a buyer Ms. Yeasmin met at New York.



TEXTILE & APPAREL SECTOR

ASIX

During the pandemic, CEO of ASIX, Afsana Asif, began leveraging the Bangladesh market as an opportunity to mitigate against risks to her business caused by international supply chain disruptions.

Having conducted market research into local consumer trends, ASIX adjusted its business strategy and began supplying various products (e.g. jute pouches, masks, and sanitisers) to superstores and two national banks. The orders totalled approximately USD 10,000. At present, the company is exploring collaborations with major domestic brands. Ms. Asif anticipates an additional monthly revenue of USD 1,191 resulting from these collaborations.

Additionally, as a short-term strategy, ASIX is sourcing SGS-TÜV standard masks at 13 cents per piece and has so far shipped 60,000 pieces of masks to Italy. Having attended a webinar on e-Commerce through Shopify and having received mentoring from SheTrades Commonwealth T&A experts, ASIX has been actively redesigning its website and Shopify e-Commerce page to increase sales through the digital channel.

To ensure that production is seamless and that her employees' welfare are taken care of, ASIX provided 35 employees with food and PPE, and has been sending wages to remote worker bases through digital wallets. Doing



so allowed ASIX to continue its production of 300 to 400 placemats a day.

With guidance from the SheTrades Commonwealth project, ASIX and a number of Nigerian female entrepreneurs established the Network of Asia Africa Women Entrepreneurs (NAAWE), an association which aims to support struggling women-owned businesses with marketing and business development, international trade fair participation, and peer-to-peer learning. NAAWE is presently in the process of registration and is developing its strategic roadmap. It is also actively recruiting women entrepreneurs to expand its membership base in Bangladesh and Nigeria.

"ASIX is thankful to the SheTrades Commonwealth project for encouraging us to set up NAAWE and for connecting us with other women entrepreneurs and stakeholders in Nigeria", shared Ms. Asif.



SuperTel Ltd is one of the fastest-growing IT&BPO service providers in Bangladesh.

Since its founding twelve years ago, the company has worked with both domestic and international clients. Led by CEO Ms Emrana Khan, the company aims to promote women's empowerment through providing a safe work environment, effective IT training, and sustainable employment. At present, 75% of SuperTel's workforce consists of women.

"As the COVID-19 pandemic worsened in Bangladesh and internationally, SuperTel took preparations for the impending lockdown and the disruption it would have on our call



centre operations. Indeed, as expected, all foreign missions of Visa Facilitation Services

(VFS) Global and Qatar Visa Centre went on hiatus", shared Emrana.

Despite the above, SuperTel managed to continue and even expand work its two largest international clients, New York-based Papa John's Pizza and NetPoint Australia – clients which it had acquired when it participated in Japan IT Week 2019 and the China International Import Expo 2019 respectively under the SheTrades Commonwealth project.

"That was the first time SuperTel had exhibited in Japan and China. Being part of the SheTrades Commonwealth delegation helped us gain the attention of international buyers. And the one-to-one mentoring provided by the SheTrades team before, during, and after the trade fair was instrumental to our success at expanding to new markets."

With the COVID-19 situation in New York going from bad to worse in February 2020, scores of fast-food restaurants ceased operations. By the middle of March, Papa John's Pizza was one of the few restaurants open for business and this led to orders for the pizza chain rising significantly. This posed a major challenge for SuperTel as Bangladesh was facing an imminent national lockdown. Complicating matters further, SuperTel was receiving larger volumes of work from healthcare providers



in the country. The unique situation called for a new strategy.

Through a number of webinars delivered by SheTrades Commonwealth, Emrana developed a resilience strategy for her business to factor in the shift to working from home: her company redesigned its call management system such that calls from doctors, nurses, and other healthcare facilities could be prioritised and attended to immediately; SuperTel also worked closely with Papa John's Pizza to optimise delivery by grouping orders together so that more deliveries could be performed in a single run.

"SuperTel is proud to be able to do our part for the hardest hit areas of New York from the other side of the world", remarked Emrana.

"SheTrades Commonwealth also helped SuperTel to diversify our portfolio of IT services. During the pandemic, we completed the 'Digital Audit as a Service' workshop, delivered our first audit for a client in Africa, and received certification from ITC as a result.

We are optimistic that digital audits will generate new business for SuperTel soon."

Emrana added: "Apart from receiving more business during the pandemic and being able to pay our call agents full salaries throughout the shutdown, SuperTel was able to give back to our community during these especially



trying times.

As part of our CSR, we ramped up the frequency of alms given to an elderly home and donated more food, clothing, and other essential items to a local orphanage for girls. We are also sponsoring children's education through the JAAGO Foundation.

Importantly, as a women-owned business, SuperTel has been actively making changes to our business so that we can employ more women."

"SuperTel is thankful to all our local and international partners and our employees for being agile and focused during such an unprecedented time. We are also thankful to SheTrades Commonwealth, the UK Foreign, Commonwealth, and Development Office, and all stakeholders for the relentless support in helping MSMEs like us grow."



IT&BPO SECTOR

TMSS ICT LIMITED

TMSS is one of the largest organisations in Bangladesh committed to poverty alleviation. As a sustainability approach, TMSS runs a few enterprises - one of which is TMSS ICT Limited, a growing software company in the country.

TMSS ICT Limited is known for its microfinance software and other IT applications. The firm first entered the export business through the SheTrades Commonwealth programme.

Despite the pandemic's disruption to TMSS ICT's international businesses, the company has been actively attending SheTrades activities on crisis management, E-Commerce, and digital transformation



and has doubled down on communications with buyers it met at trade fairs in Thailand, Japan, and China. As a resilience strategy, the technology startup also expanded

its domestic business by participating in Bangladesh-wide digital transformation activities.

To avoid laying off any of its 85 full-time employees, TMSS ICT categorized its employees as "essential", "semi-essential", and "non-essential" and offered varying levels of compensation. All its employees have received wages up to May 2020 and have offered to contribute their "New Year Festival" bonus and one-third of their March salaries towards supporting Bangladeshis most affected by the pandemic.

Since April 1, TMSS ICT has supported roughly 2,000 underprivileged individuals in north Bengal with food, basic medical, hand wash soaps, masks and PPEs. The company has so far delivered 35,000 masks, 25,000 PPE equipment, 20,000 blankets, and distributed 520,000 leaflets to rural villages to raise awareness of preventative hygiene standards. In response to the country's lack of hospital beds and spaces for affected people, TMSS ICT has also offered its training campus to the local government and converted it into a 300-bed quarantine centre.

"We will continue our community work for the underprivileged and build business resilience together during this pandemic," said Ms. Nigar Sultana, Director of TMSS ICT Limited.

#SHETRADES

CONNECTING THREE MILLION WOMEN TO MARKET BY 2021

Women's economic empowerment is not a matter for government policy, the private sector, or social change alone. All have critical roles to play.

This is why the International Trade Centre (ITC) has launched the SheTrades initiative, which seeks to connect three million women entrepreneurs to market by 2021.

