

Brief Description of the JOBS Project

The Job Opportunities and Business Support (JOBS) project, a USAID/Bangladesh funded project, has been implemented by the Center for Institutional Reform and Informal Sector (IRIS), University of Maryland, since 1997. Over the years the project has evolved and refined its focus and method of implementation. This is a technical assistance project involved primarily in the non-agricultural sector. For management purposes, the project has three components: Microenterprise (ME) Development, Small and Medium Enterprise (SME) Development and Policy Initiatives; but they are strongly correlated. The dominant strategy of the project is to assist enterprises to expand their sales in domestic and international markets. This is achieved through linking the microenterprises to larger buyers, and small and medium enterprises to international markets. Major activities of the project are: skill development training for workers; assistance for product development and improvement; assistance to enterprises for participation in national and international trade fairs; formation of producers' associations; and technical assistance to the government to develop policy and regulatory environment in specific areas.

The project has been assisting enterprises in leather goods and footwear and the home-textiles subsectors for a number of years. It has included handmade-paper products, personal protective equipment, electrical products, and information technology as relatively new subsectors. In each subsector, the methodology remains the same: train the work force, assist to develop and improve products, form clusters of producers/subcontractors, and participate in the national and international trade fairs. Among all donor projects, JOBS is providing leadership in developing the Information Technology sector.

The Microenterprise Development component used to work with leading NGOs to train the successful MEs to expand businesses. In FY02, JOBS has focussed on forming associations of NGO micro-producers. In addition, independent associations of pineapple producers, milk producers and weavers have also been formed to link them to markets and financial institutions. This has led to increased prices for their produces, and access to finance from commercial banks. Farmers are forming their own associations in several areas without assistance from JOBS as this approach has gained popularity. Increasingly, ME activities are becoming linked with SME subsectors because MEs are assisted to get integrated with SMEs.

Overall, the JOBS-assisted enterprises posted higher annual sales in domestic and exports markets. The export sales came primarily from the leather goods and footwear sectors, which export to Japan and Europe. Home-textiles have also posted growth. The new sectors have also showed good potential for growth. JOBS' initiatives contribute to diversification of Bangladesh exports, which primarily depends on ready-made garments.

JOBS has taken two major policy initiatives. To address the problems of access to finances by SMEs, the Project, with the help of local and international experts, has drafted the proposed Secured Transaction Act, which is currently being reviewed by the government. This Act, if adopted, will set a strong legal basis for lending against movable assets. Currently, Bangladesh does not have a proper legal framework to deal with issues related to the Internet. To address this gap, JOBS has assisted the Law Commission of Bangladesh to draft the proposed Information Technology (IT) Act. The project has also been working on policies related to e-commerce and information technology. It has organized two major conferences on e-commerce and IT areas, which has led to the development of a policy agenda to be implemented by the government.