THE VOICE
Voice of Grassroots Women Entrepreneurs, Bangladesh
AGWEB Association of Grassroots Women Entrepreneurs Bangladesh
June 2026

Newsletter

Empowering Women. Strengthening MSMEs. Driving Bangladesh Forward.

FROM THE SECRETARIAT

Dear members and friends of AGWEB, June has been a defining month for grassroots women entrepreneurs across Bangladesh. The government tabled its largest-ever national budget for FY2026–27, gender-budget advocates issued a sharp scorecard on what it delivers for women, and our sister organizations pressed regulators for fairer tax and credit terms. This issue brings you the headlines that matter most to home-based, cottage, and micro-enterprise owners in our network, along with practical opportunities you can act on this month.

FY2026–27 BUDGET:

WHAT'S IN IT FOR GRASSROOTS WOMEN

NATIONAL BUDGET

Finance Minister Amir Khosru Mahmud Chowdhury presented Bangladesh's largest-ever national budget for fiscal year 2026–27 on 9 June, his first since taking office, and framed it around what he called the "democratisation of the economy" — a recognition that economic output comes not only from large factories but from rural women, artisans, weavers, and cottage producers who have long been overlooked.

For AGWEB members, the headline numbers are these: a combined Tk400 crore has been earmarked across a start-up fund, women's entrepreneurship development, and youth enterprise creation, while the Ministry of Industries has separately confirmed dedicated special funds of Tk500 crore for start-ups and women entrepreneurs, plus Tk300 crore for the creative economy. The SME sector as a whole receives incentive and support programmes worth close to Tk7,800 crore, including Tk2,000 crore in easy-term loans channelled through IDCOL, BIFFL, and the SME Foundation.

On taxation, officials say the budget considers exempting income on annual turnover up to Tk50 lakh for general SME entrepreneurs, rising to Tk70 lakh for women entrepreneurs and entrepreneurs with disabilities

— a change that would lift many home-based and cottage businesses in our network out of the tax net entirely.

> *"Economic output does not only come from large factories and conglomerates; it also comes from rural women, blacksmiths, potters, weavers, and artisans."*
> — **Amir Khosru Mahmud Chowdhury**, Finance Minister

The budget also proposes a single-window focal point for government approvals with mandatory response deadlines, aimed at cutting the paperwork burden that has historically kept the smallest women-led enterprises out of formal registration and finance.

GENDER BUDGET SCORECARD:

PRAISE, WITH CAVEATS

POLICY WATCH

On 18 June, Bangladesh Mahila Parishad convened economists and gender experts in Dhaka to assess the FY2026–27 gender budget. The panel welcomed new measures — recognition of women as heads of household through family cards, free education for female students through postgraduate level, union-level women's welfare centres, and dedicated skill-development support for women entrepreneurs.

But the discussion was not uncritical. Presenters noted that while the budget makes commitments on workplace safety, equal wages, and preventing violence against women, the specific allocations behind those commitments remain vague. Speakers called for quality childcare and daycare centres, greater participation of women in technical and technology education, and a firmer link between social safety-net cash allowances and actual training and employment outcomes.

Why it matters for **AGWEB** members

- Ask your local union parishad whether the promised women's welfare centre and family-card provisions are being rolled out in your area.
- Track whether skill-development funding for women entrepreneurs reaches your district, not just Dhaka-based programmes.
- Childcare access remains a named gap — a recurring barrier our members have long flagged as limiting time for business growth.

SME FOUNDATION:

WOMEN DRIVING SME GROWTH

SECTOR UPDATE

Bangladesh's SME Foundation reports that women-led enterprises are steadily gaining ground across agro-processing, boutique and handicrafts, online retail, and services, aided by targeted refinance schemes and a directive requiring banks to set aside a dedicated share of SME lending specifically for women. Officials say persistent obstacles — thin documentation, reliance on collateral, and low financial literacy — are being addressed through structured training, mentorship, and digital banking outreach.

Separately, the Foundation's board approved its FY2026–27 budget at its annual general meeting, noting that of the 46,459 entrepreneurs it directly served in FY25, nearly half were women. Members called on government to make the Foundation's annual allocation a standing budget line rather than a year-to-year negotiation — a reform that would give grassroots enterprise programmes more predictable funding.

POLICY WATCH:

WEAB'S PRE-BUDGET DEMANDS

ADVOCACY

Ahead of the budget, the Women Entrepreneur Association of Bangladesh (WEAB) presented a formal set of proposals to the National Board of Revenue, calling for a dedicated special fund, tax rebates, and soft-term loans for women entrepreneurs. WEAB President Nasreen Fatema Awal asked that the tax-free income ceiling for women be raised to Tk600,000 and that VAT exemptions apply to goods commonly produced by women-led businesses, including handicrafts, processed foods, and service-sector output.

The association also pressed for a dedicated SME credit guarantee scheme, interest subsidies on existing loans, separate VAT commissionerates and income-tax zones for women entrepreneurs, and full implementation of the existing Women Entrepreneurship Development Policy. NBR Chairman Md Abdur Rahman Khan responded with assurances of simplified tax systems, streamlined VAT processes, and expanded free training, though members should watch the final Finance Act for which of these commitments are actually enacted

MEMBER SPOTLIGHT:

FROM KITCHEN TABLE TO LOCAL MARKET

GRASSROOTS VOICES

This month's spotlight echoes a story that will feel familiar to many AGWEB members. An entrepreneur named Rokeya, supported by SME Foundation training in business management, product design, and digital marketing, went on to secure a women-entrepreneur loan under Bangladesh Bank guidelines through a local bank. With that financing she expanded production, bought new equipment, and hired additional workers.

> *"I never imagined my small effort would become a business employing other women."*

— **Rokeya**, SME Foundation-supported entrepreneur

Her business now supplies local markets and sells through social media platforms — a pattern the SME Foundation says is increasingly common as e-commerce and mobile financial services help women entrepreneurs reach customers beyond their immediate neighbourhood. AGWEB will continue to feature member and partner success stories like this one; if you have one to share, write to us using the contact details below.

OPPORTUNITIES & DATES TO REMEMBER

CALENDAR

- **SheTrades Bangladesh Hub** — ongoing enrolment for women exporters seeking market linkages, IP guidance, and export-readiness training; register at SheTrades.com or through the SME Foundation.
- **SME Foundation training cycle** — rolling business-management, product-design, and digital-marketing courses; contact your nearest SME Foundation regional desk for the next intake.
- **Finance Act 2026** — watch for the final text of the FY2026–27 Finance Act, expected to confirm the turnover-tax exemption thresholds and VAT provisions discussed above.
- **Bank SME lending window** — ask your bank branch about the dedicated women-entrepreneur quota within their SME lending portfolio, now directed by Bangladesh Bank guidelines.


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A NOTE FROM THE SECRETARIAT

As Bangladesh's FY2026–27 budget moves from proposal to law over the coming weeks, AGWEB's policy desk will be tracking the fine print — particularly the turnover-tax threshold for women entrepreneurs, the disbursement rules for the new Tk500 crore women's fund, and how quickly union-level welfare centres reach rural members. We will share plain-language updates as details are confirmed.

As always, thank you for the work you do in your homes, markets, and communities. If you have questions about accessing any of the schemes mentioned in this issue, or a story you would like featured next month, please reach out to your regional AGWEB coordinator.