EMPOWERING WOMEN in CRAFT

Contact
Katalyst, House 20, Road 6
Baridhara, Dhaka 1212, Bangladesh
phone +88 (02) 883 3172-4
fax +88 (02) 883 5452
www.katalyst.com.bd
www.swisscontact.org
www.facebook.com/Katalyst.swisscontact
About Katalyst

Agri-business for Trade Competitiveness Project (ATC-P), branded as Katalyst is one of the largest market development initiatives in Bangladesh. Working together with various market actors, the project generates new income opportunities for poor men and women in rural areas. Katalyst is co-funded by the Swiss Agency for Development and Cooperation (SDC), the UK government and the Danish International Development Agency (Danida). It is implemented by Swisscontact under the umbrella of the Ministry of Commerce, Government of Bangladesh.
Agriculture is the lifeline of more than 25 million households across Bangladesh. Women make up an essential part of the nation’s farming workforce, but they still lack full and equal participation in economic life. Compared to men, women have less access to markets, agriculture information, finance, and essential good quality products. Katalyst aims to close this gender gap by better integrating poor women into selected agriculture sectors which have huge growth potential (maize, vegetable, and farmed fish). Working together with its private sector partners, Katalyst identifies and develops sustainable ways of including rural women in the value chains of private companies.

Katalyst’s contribution to women’s economic empowerment

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This empowers women to move away from unpaid labour and piecework to ‘own account’ work as farmers and entrepreneurs.

Going beyond its agriculture core sectors, Katalyst has piloted gender-specific interventions in other areas such as the craft industry. The craft sector in Bangladesh employs a large percentage of women and thus offers a huge potential for women’s economic empowerment. When women take the lead in income-generating activities, they make decisions about investment and spending and thus become more economically empowered within the household, community, and society.
Bangladesh's craft industry directly employs 120,000 artisans. Indirectly, it involves another 200,000 suppliers of raw and semi-processed materials. According to a study by the Bangladesh Women Chamber of Commerce and Industry (BWCCI), 69.4 per cent of women entrepreneurs are involved in the handicraft sector. Women in Bangladesh also are responsible for a raft of household chores, and the cottage-based craft industry empowers them to work from home and earn an additional income. Gradually, the craft sector is also creating new employment opportunities for women outside the household. The craft industry thus offers a real way out of poverty for many poor women.

Women's economic empowerment increases women's real power over economic decisions which positively influence their lives and strengthen their role in society. It occurs when an ever-increasing number of women have improved access to quality inputs, information and services. This opens up pathways out of poverty and real possibilities for the future. Katalyst measures women’s economic empowerment across four pillars:

1. Women have improved access to quality inputs and services (e.g. vegetable seed, fish fingerlings)
2. Women have improved access to knowledge and information (e.g. effective and profitable production techniques for independent producers and artisans)
3. Women have improved access to financial services (e.g. microfinance institutions giving out customised small loans to women)
4. As a result of the three steps above, women have improved financial autonomy and decision-making authority in their household, community, and society

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Tapping into the potential of the craft sector for women’s economic empowerment, Katalyst identified that by providing independent craft producers and poor women artisans with better access to skills development, knowledge of effective production technology and market linkages, they can increase their income further and lift themselves out of poverty. This has resulted in an innovative collaboration between Katalyst and BRAC-Aarong, Bangladesh’s largest craft retailer.

The goal of this joint initiative is to develop a comprehensive in-house training programme which increases the capacity and skills of Aarong’s independent producers (male and female) and their artisans (who are all women). These producers are small entrepreneurs who employ artisans to produce a variety of crafts. It is essential that Aarong develops the capacity of its independent producers and their artisans in order to ensure a sustainable growth of its business. The training programme for independent producers and artisans thus creates a win-win situation: on the one hand, independent producers and poor women artisans will be able to enhance their skills, improve their competitiveness, and ultimately increase their income. At the same time, the initiative will help Aarong to ensure a steady supply of high quality products for its growing customer base.

Overall, the intervention will help Katalyst to bring about systemic change in the craft sector. Aarong is regarded as a trendsetter in the industry, working with 30,000 artisans who are organised by different independent producers. The collaboration thus offers Katalyst a key entry point to reach a large number of poor women artisans and create a vast impact across the craft industry.

**Systemic change**

**Expected outcome**

**Adopt**

Aarong successfully implements the training modules in selected categories which enables the skill development of women artisans and better growth opportunity for IPs.

**Adapt**

Aarong will include the training programme as a part of its system and take its own initiatives to implement it on a wider scale.

**Expand**

As Aarong is the trendsetter in the craft sector, other potential craft retailers will be encouraged to adopt this model.
Considering the percentage of women’s involvement, the potential market growth, Aarong’s expansion plans, and overall feasibility, the pilot collaboration with Aarong focuses on four product categories:

**The journey so far**

Although Aarong has conducted project-based capacity-building trainings for craft producers in the past, it had never established a dedicated training unit for its independent producers and women artisans. The in-house training programme for Aarong being developed by Katalyst will be specifically targeted at Aarong’s producers and women artisans across two broad areas:

**Area 1: business management and accounting training**
**Area 2: skills development and production process flow training**

As part of the first area, Aarong’s independent producers learn how to, among others, conduct a cost-benefit analysis and how to plan and implement a proper business plan. As a result of the business management training, many producers can make their business operations more effective and cost-efficient, which also results in increased job security for the artisans they employ. Under the second area, the independent producers are taught how to conceptualise a design, how to design, and how to find low-cost solutions for inputs and raw materials. They also learn to follow a comprehensive Standard Operation Procedure. This results in higher efficiency and improved quality of the products. In turn, the rejection rate decreases, independent producers are able to increase their income, and employ more women artisans. IPs will then impart the knowledge and information they received through the trainings to their women artisans.

Katalyst will further build the capacity of Aarong’s training department in these areas so that the company can develop various training modules, measure and evaluate the impact of the training, appoint and manage technical experts, identify future needs, and customise the training programme accordingly.

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As independent producers and artisans have started to apply the skills and insights they gained through the training programme, the quality of their products has improved and their business processes are becoming more reliable and effective. In turn, Aarong’s planning security, essential to sustain a growing business, has increased. The company is having to reject fewer items and has been able to raise its order volumes from independent producers and their artisans. This has ultimately led to increased income and improved livelihood for independent producers and poor women artisans. Katalyst’s collaboration with Aarong has so far resulted in:

1. Income increased by BDT 9.7 million
2. 2,928 women were benefited from the training programmes
3. 4,600 women received training
4. 14 training programmes were conducted in first slot (Jan-April 2015), and in addition, three Training of Trainers sessions

Path to empowerment

Pritha Adhikari, 30 years old, independent producer, Mirpur, Dhaka: “As a woman, it’s not easy to excel and build something on your own, but I’ve done it. Katalyst and Aarong have supported me greatly along the way.”

“My factory employs 250 artisans. We produce handloom and carry out value addition tasks for Aarong. Recently, I participated in training in business management and accounting, provided by Katalyst and Aarong. I learned how to improve my business operations by conducting extensive quality checks and having a proper time management system in place. Thanks to this, productivity and quality have improved, and my reputation has increased. My samples get direct approval without any rejection and I’m getting more orders from Aarong. This also benefits the artisans who work for me, because I can pay them more. Opportunities like these can help lots of women get out of poverty. I began my journey as a small handicraft producer, with no money of my own except a small amount each month from my husband. But today I’m an independent woman. I can make my own decisions and live the life I dreamed of. As my business is thriving and I’ve got the chance to attend more training sessions which improve my skills even more, the future looks bright.”
Path to empowerment

Ahammadullah Jalal, 67 years old, independent producer, Rayer Bazaar, Dhaka: “The training by Katalyst and Aarong has helped my business to flourish. It makes me proud to provide employment for 25 women artisans.”

“On average, I supply soft toys worth BDT600,000 (USD7,500) to Aarong every month. The skills training I got from Katalyst and Aarong has taught me how to make my toys softer and more ecofriendly, so they’re suitable for children. I also had the opportunity to do some further training, where I learned how to keep and manage my accounts properly. Now I can prepare balance sheets, and I’ve improved my management skills. All this helps me to run my business more effectively. As a result, the volume of orders from Aarong has increased a lot. My business continues to flourish, and I’m able to employ more women artisans and paying them more. All of my workers have savings accounts, which empowers them to become financially independent.”

Khushi Akter, 25 years old, artisan, Gigatola, Dhaka: “The training I received from Katalyst and Aarong helps me support my mother and send my niece to school.”

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Path to empowerment

Khushi Akter, 25 years old, artisan, Gigatola, Dhaka: “Unfortunately, my mother is very sick. I spend most of my earnings on medicines to help her. I also bear the cost of all my niece’s education - I hope she gets the chance to go to university later. Life’s not easy, but I found some decent employment in Jalal’s toy factory. I was selected to participate in skills training provided by Katalyst and Aarong, which taught me how to make a new toy called Dadar Gari Doll. I started with BDT600 – now I’m earning BDT5,200 per month. The training’s helped me to enhance my skills and work more effectively. As I can take on more responsibilities in the factory now, my income’s increasing, so I’ll be able to support my family better and earn enough money for myself as well.”
Nila Islam, 44 years old, Independent Producer, Mirpur, Dhaka: “Katalyst and Aarong have provided me with the necessary tools to improve my business operations.”

“I have a team of 10 female artisans who work for me, all skilled experts in embroidery. In 2014, I took part in a training session on Business Management and Accounting. Thanks to that, I gained a much better understanding on how to run my business. Now I try to calculate all the transactions myself – I also maintain an accounts book where I keep track of all the expenses. I’m able to deliver all my goods on time and my reputation with Aarong has increased. This means I get more orders, my income increases – and so the income of my employees increases too.”

Resma Sultana, 28 years old, independent producer, Hazaribagh, Dhaka: “Katalyst and Aarong helped me to start my own business.”

“Ever since my childhood I had a passion for sewing, and with time, I realised I should make my hobby into a profession. At first, I used to work as an artisan under a woman entrepreneur. Here I got the opportunity to take part in a training session on business management and accounting provided by Katalyst and Aarong. As I’m a fast learner, I soon applied the skills I got from the training to start my own business. At the moment, I have a one-room factory, but I have big plans for the future. I’m producing dolls for Aarong, which gives me a decent income – enough to take care of myself and my family. I hope I can get more training, so I can increase my skills and expand my business in the future.”

Path to empowerment

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Azuzun Nahar, 43 years old, independent producer, Mirpur, Dhaka: “The training I got from Katalyst and Aarong helped me to expand my business. Now I can employ more women artisans and increase their wages.”

“I have a family of five who I have to support. I am employing 30 women artisans for my small factory which produces jute bags for Aarong. After taking part in training on Business Management and Accounting provided by Katalyst and Aarong, I can run my business more effectively and take more informed decisions. I also attended skills training which helped me to improve the quality of my products even more. As a result, I get more orders from Aarong, and my income has increased. I can employ more women artisans in the future and help to increase their incomes too.”