

Fueling Innovation: The Rise of ICT Entrepreneurship in Bangladesh

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ICT entrepreneurship in Bangladesh has experienced significant growth in recent years, playing a crucial role in the country's economic development and technological advancement. The government of Bangladesh has been instrumental in creating an enabling environment for ICT startups and entrepreneurs, recognizing the immense potential of this sector. Through a range of initiatives and programs, the government has provided support, resources, and incentives to foster innovation, attract investments, and drive the growth of ICT entrepreneurship.

One such initiative is the Startup Bangladesh program, launched in 2020, which aims to promote entrepreneurship and innovation across various sectors, including ICT. The program starting with an allocated capital of Tk 500 crore, offers support services such as seed funding, mentorship programs, and networking opportunities to startups. It has successfully created a vibrant ecosystem that nurtures ICT startups and helps them thrive and scale their businesses.

The Innovation Design and Entrepreneurship Academy (iDEA), an initiative under the Ministry of Posts, Telecommunications, and Information Technology, focuses on building a skilled workforce, promoting digital entrepreneurship, and supporting startups in their early stages. iDEA provides aspiring entrepreneurs with training, mentorship, and funding opportunities to transform their innovative ideas into successful ventures. In a recent collaboration, iDEA and Microsoft have joined hands to enhance the startup ecosystem in Bangladesh.

In addition to these initiatives, the Bangladesh Hi-Tech Park Authority (BHTPA) plays a crucial role in nurturing technology-driven companies, including ICT startups, by establishing a favorable ecosystem. BHTPA offers state-of-the-art infrastructure, attractive tax incentives, and a supportive regulatory framework to attract both local and foreign investments into the flourishing ICT sector. Notably, hi-tech parks like the Bangabandhu Sheikh Mujib Hi-Tech Park in Gazipur have already been established, providing an optimal environment for startups to collaborate, innovate, and thrive. Currently, operations are underway in ten parks, and plans are underway to develop the Sheikh Russell IT Park and Incubation Center, as well as a High-Tech Park in Bogra, in line with this trajectory of progress.

This remarkable growth in the ICT entrepreneurship sector is reflected in the data provided by the Export Promotion Bureau for the fiscal year 2021-22. It reveals that Bangladesh achieved a significant milestone by generating \$592 million in revenue through the export of IT and Information Technology Enabled Service (ITES). Furthermore, the ICT sector has made a substantial contribution of 1.28% to the nation's GDP while creating over 300,000 employment opportunities.

The success stories of startups like Sheba.xyz and Chaldal demonstrate the significant contributions made by ICT entrepreneurship across diverse industries. Sheba.xyz has revolutionized service provision by establishing a convenient online marketplace for a wide range of services, creating job opportunities and improving operational efficiency. Similarly, Chaldal has transformed the grocery industry by providing customers with a seamless online shopping experience and doorstep delivery. These examples demonstrate the transformative impact of ICT entrepreneurship in meeting evolving consumer demands and reshaping traditional industries.

Bangladesh has witnessed significant growth in mobile phone penetration and internet connectivity, creating a conducive environment for ICT startups. According to the data of Bangladesh Telecommunication Regulatory Commission (BTRC) as of April 2023, the number of

mobile phone users in the country is 183.8 million and the number of internet users is 126.45 million. Among the internet users, 114.40 million are using mobile internet and 12.05 million are using ISP and PSTN. The adoption of digital financial services has also seen a remarkable surge in Bangladesh. As of December 2022, the number of registered Mobile Financial Service (MFS) users in Bangladesh has reached an impressive 181.1 million, with 13 MFS providers facilitating these services. Notably, rural areas account for a surprising 100.7 million users, surpassing the 80.4 million users in urban centers. Furthermore, the volume of transactions carried out by account holders has been consistently increasing each year, demonstrating a significant upward trend.

The government's vision of Digital Bangladesh has been a driving force in promoting ICT entrepreneurship. This vision includes expanding internet connectivity, digitizing government services, promoting e-governance, and fostering digital literacy. By creating a digitally inclusive environment, the government has generated demand for innovative digital solutions, opening up opportunities for ICT startups to thrive.

The impact of government initiatives is evident in the growth of the startup ecosystem. Access to support services, mentorship programs, and finance has encouraged aspiring entrepreneurs to pursue their ventures. The increased number of ICT startups in Bangladesh has fueled innovation and competitiveness in the sector.

Moreover, the initiatives have fostered a culture of entrepreneurship, instilling an entrepreneurial mindset among the youth. Awareness campaigns, training programs, and startup events have played a crucial role in encouraging young individuals to pursue their innovative ideas and become job creators.

These government initiatives have also attracted both local and foreign investments in the ICT sector. Tax incentives, access to high-tech parks, and a skilled workforce have made Bangladesh an attractive destination for investors. This influx of investments has not only fueled startup growth but has also contributed to job creation, technology transfer, and overall economic growth.

The government of Bangladesh has recognized the potential of ICT entrepreneurship in driving economic growth, innovation, and job creation. Through various initiatives, programs, and support services, the government has fostered an enabling environment for startups to thrive. The impact of these initiatives is evident in the growing number of successful ICT startups, increased investments, and the overall digital transformation of the country. With continued government support and a vibrant startup ecosystem, ICT entrepreneurship in Bangladesh is poised to further accelerate the country's journey towards a digital and knowledge-based economy.

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