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Startups are fuelling the Bangladesh of the future

Reducing the job disparity is merely the first step that online education is taking. If it is allowed to fully take flight, then the potential of Bangladesh's workforce can be fully utilised.

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The mid-2010s marked a turning point. Government initiatives like Startup Bangladesh and the iDEA Project provided crucial support, offering funding, mentorship, and infrastructure. Local angel investors and accelerators sprung up, nurturing young ventures. Soon, Bangladeshi entrepreneurs were making their mark on diverse sectors, from e-commerce platforms like Chaldal to ride-hailing services like Pathao.

What was once a nascent ecosystem began attracting not just local funds but also the attention of international VCs. Impressed by the talent, market potential, and government support, they started pouring in investments. 2021 witnessed a tenfold increase from 2020, with a record \$415 million flowing into ventures like Sheba.xyz (on-demand services), Mukto Apps (gaming), and ShopUp (e-commerce enablement).

This investment surge is driven by several factors. Bangladesh boasts a stable economy with impressive GDP growth, making it an attractive destination for investors. Its large, tech-savvy population presents a vast market for innovative solutions. The government's commitment is evident in initiatives like Startup Bangladesh and the Fund of Funds, fostering a conducive environment for entrepreneurs. Emerging success stories like Bkash and Chaldal have further bolstered investor confidence, showcasing the potential of the ecosystem. Additionally, the government is actively streamlining regulations, making it easier for startups to operate and attract investment.

GOVERNMENT INITIATIVES: FOSTERING A STARTUP CULTURE

The Bangladeshi government's instrumental role in nurturing the startup ecosystem, through initiatives like the iDEA project and the establishment of a Fund of Funds, signifies a strategic move towards catalysing innovation and entrepreneurship. These initiatives are designed to provide a robust support system for startups, facilitating access to capital, mentorship, and a regulatory environment conducive to growth and scalability.

INFRASTRUCTURE DEVELOPMENT: ENABLING ECONOMIC CONNECTIVITY

The commitment to infrastructural development, as evidenced by mega projects

like the Rooppur Nuclear Power Plant and Dhaka Mass Rapid Transit system, is set to revolutionise the country's logistical and operational framework. These infrastructural undertakings not only enhance economic connectivity but also open new avenues for startups to innovate and expand.

STARTUPS AT THE FOREFRONT OF INNOVATION

The startup landscape in Bangladesh is rich with examples of innovation and entrepreneurial success. From Chaldal's revolution in online grocery shopping to Pathao's disruption in ride-sharing and logistics, these startups are testament to the ecosystem's capacity to nurture businesses that address local needs while achieving global standards. Praava Health's innovative approach to healthcare delivery further exemplifies the sectoral diversity within the startup ecosystem, underscoring the transformative impact of technology across various domains.

FINANCIAL INCLUSION THROUGH FINTECH

The fintech sector's explosion, exemplified by the success of bKash, has been pivotal in driving financial inclusion and digitising the economy. With over USD 615 million in funding since 2010, fintech startups are redefining banking and financial services for the unbanked population, leveraging mobile technology to broaden access to financial resources.

THE ROAD AHEAD

Looking forward, Bangladesh's Vision 2041, aiming to establish a "Smart Bangladesh", sets an ambitious roadmap for the startup ecosystem. This vision aligns with the strategic focus on digital transformation, innovation, and sustainable growth, positioning the country to capitalise on its demographic and digital advantages to become a leading startup hub in Asia.

However, challenges remain. Limited access to capital, especially from international investors, necessitates further improvements in regulations and infrastructure. The talent pool, while large, lacks skilled professionals in niche tech areas, requiring talent development initiatives and fostering skills through collaboration with established tech companies. The digital divide, despite



significant progress, still concerns some rural areas, demanding expanded infrastructure and low-cost data plans.

But nonetheless, the tech pioneers are actively shaping the future of Bangladesh. Each click, swipe, and download becomes a building block in this ongoing transformation. The journey has just begun, but the ink on the canvas is vibrant, the brushstrokes deliberate and purposeful. And the artist? The tech-savvy, determined youth of Bangladesh, painting a vision of a nation transformed, digitally powered, and ready to write its next chapter.

Bangladesh's tech revolution presents a unique opportunity for progress and transformation. Recognizing and addressing the challenges outlined above becomes critical in ensuring this revolution benefits all of Bangladesh's citizens and propels the nation towards a brighter, more inclusive, and sustainable future. The journey ahead requires collaboration, innovation, and a commitment to overcoming obstacles. By harnessing the combined efforts of government, businesses, academia, and individuals, Bangladesh's tech revolution can truly write a remarkable chapter in its national narrative.

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