




# BOOSTING E-COMMERCE & STARTUPS

Report on Ease of Doing Digital Business in Bangladesh

JANUARY 2022

Initiative of  PRENEURLAB



# POLICY RECOMMENDATIONS IN A NUTSHELL



**Mass Availability of One-Stop  
Online Business Registration**

**Removal of the necessity of  
commercial address for e-Business  
registration**



**Reduction of the cost of business  
registration**

**Simplifying escrow mechanism for  
small e-commerce owners**



**Reduction in number of papers  
required for business registration  
and bank account opening**

**Issuance of multi year trade license to  
eliminate the need of yearly renewal**



**Simplification of Tax / VAT  
Registration & Return Submission**

**Simplification of the process to  
eliminate the need of any third party  
involvement to reduce the cost & time.**



# Acknowledgment

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## Thanks to



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## Introduction

Bangladesh reached its 50 years of independence in 2021. These 50 years were years of challenges as well as growth and financial success for Bangladesh. Bangladesh already surpassed its neighbors in many financial and social economic sectors in recent times. Although the RMG industry fueled the growth in the last decades, experts believe the digital sector will rule the upcoming ones.

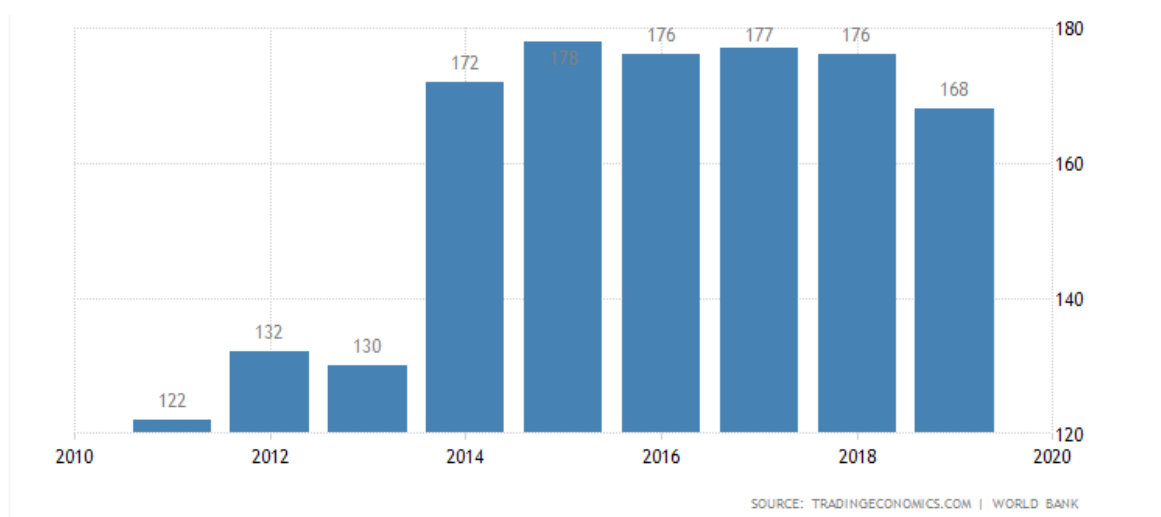
The new form of business, e-commerce is growing fashionable in the country, as it is in the rest of the globe. Many people, particularly women from various fields, are expressing a strong interest in starting and running their own home-based enterprises. However, the majority of the time, these enterprises do not receive any legal assistance or support, and instead face challenges as a result of new laws and regulations.

For example, due to the recent "suspicious way of conducting business" of a few e-commerce companies, the authorities recently announced a new rule stating that no e-commerce company will receive direct payment from its consumers. The funds will be available via escrow system via payment processors. Because of these recent cases, the general public's faith in e-commerce platforms is being eroded, affecting enterprises. Startups and e-commerce firms have little choice in this pandemic circumstance, when "staying at home" is a need for the welfare of society. However, this industry is suffering owing to a lack of support mechanisms and support. The majority of companies and e-commerce sites are operated from the comfort of one's own home or workplace. However, in Bangladesh, a company entity that does not have a physical location is unable to get a trade license or business registrations. It is essential to have a trade license in order to protect a company's uniqueness while also enjoying privileges and support. However, many find a country's business registration procedure a difficult, complex, time-consuming, and expensive process for new businesses. For young entrepreneurs, spending a good amount of money & time on registration is a difficult task.

The report aims to find the difficulties in the process of business formation for young entrepreneurs of Bangladesh.

## Ease of Doing Business in Bangladesh

The World Bank compiles a list of 190 nations every year using business environment matrices. Bangladesh was placed 168th out of 190 countries in its most recent survey in 2020. This study was initially released by the World Bank in 2003. Since then, this report has established itself as a reliable source of information for the global business community. The higher the rank, the better the business climate, rules, policies, opportunities, and property rights safeguards. Based on the ranking, it's evident that Bangladesh needs to make a lot of improvement towards a business-friendly climate. There are six factors that assist with the execution of this procedure. Company start-up, property registration, tax payment, contract enforcement, bankruptcy resolution, and cross-border commerce are among them. There are some places and conditions for conducting business anyplace, once again. Those are starting a business and dealing with building permissions. Obtaining electricity, registering a house, and obtaining credit Minority investor protection financial obligations. International trade Resolving insolvency Enforcing contracts. This index is mostly determined by ordering the combined scores of these ten sections.



Actual	Previous	Highest	Lowest	Dates	Unit	Frequency
168.00	176.00	178.00	115.00	2008 - 2019		Yearly

From the graph it can be seen that Bangladesh has had a number of ups and downs in the ease of doing business index, yet to get into a favorable spot.

## Methodology of the Report

Several approaches were taken for generating the report. Experts from Bangladesh and abroad were consulted and involved in the process. The following is what was performed to ensure quality of the report:

(a) Conducted a survey with entrepreneurs from all throughout the nation.

(b) Key Informant Interviews and Focus Group Discussions with lawyers and business registration professionals.

(c) Roundtable discussions with a number of professionals, policy makers and influencers.

**Survey:** The survey was a critical part of the research. It was conducted with participants from major business hubs of Bangladesh. They spoke about their issues, circumstances, how they overcame them or were unable to overcome them, what changes they thought should be done, and so on. The data was recorded digitally. Finally, the survey provided a clear picture of the situation, which can be used to provide this report.

**Key Informant Interview & Focus Group Discussions:** The people who support the entrepreneurs to get registered will have more insights as they deal with lots of cases. With this clue, a few prominent business registration professionals and lawyers were invited in KIs and FGDs. The open-ended discussions brought out the unknown information from the deep.

**Roundtable:** A roundtable discussion was hosted to start the initiative with some of the country's most well-known and prominent figures. They shared their useful perspectives on a variety of problems linked to the topic during the roundtable. Some major elements of the difficulties, their remedies, and the impact were clearly visioned as a result of their conversation.

## Expert Opinions



### Dr. Atiur Rahman

Ex-Governor, Bangladesh Bank

- **Impact of COVID on Entrepreneurship:** COVID is not just a challenge, but also an opportunity for companies. Many enterprises have begun or been reformed as a result of the COVID epidemic, and the most encouraging aspect is that the majority of the entrepreneurs are women.
- **Impact of MFS on Entrepreneurship:** Mobile banking systems are employed by 31 percent of organizations, according to a BIDA research. However, the MFS tax has been raised from 2.5 percent to 7%, which has a negative impact on businesses because service providers will not pay it out of their own pockets and would instead raise it from consumers. MFSs have done an excellent job throughout this epidemic, but this approach is having an unintended negative influence on their reputation. As a result, it should be replaced right away. They should be rewarded rather than punished.
- **Situation of Startups:** Small firms and startups in the early stages of development are lagging behind. To survive and improve, these fields require greater assistance.
- **Situation of VAT Law:** In Bangladesh's opinion, VAT law is a complicated issue. New entrepreneurs must bear a great deal of hardship as a result of this. As a result, this should be made simple.
- **Bangladesh Bank's Contribution:** Bangladesh Bank has created a 500 crore taka starting capital at a 4% interest rate, and they have also requested banks to establish another 500 crore taka with 1% of their loanable cash.



- **Opportunity for Women Entrepreneurs:** The government has raised the tax-free income threshold for women entrepreneurs from Tk 5 million to Tk 7 million. But for how long will this be the case? It should be for a certain period of time.



## Ashraful Alam

General Manager, Bangladesh Bank

- **Scope for Entrepreneurs:** For entrepreneurs, there is no pattern. Even in the midst of the worldwide epidemic, numerous new companies have sprung, and entrepreneurs have found and capitalized on possibilities.
- **Tech-Based Startups:** This is an excellent moment to launch a technology-based business. Policies are now more favorable to IT entrepreneurs.
- **Startup Pattern:** Locally and globally, startups should be separated into two categories.



## Alaol Kabir

iDea Project, ICT Division,  
Bangladesh

- **Support through iDea Project:** The iDEA programme of the ICT division assists entrepreneurs. We provide them a grant of up to ten lakh taka, and we've helped 179 enterprises so far.



## Adnan Dewan

iDea Project, ICT Division,  
Bangladesh

- **Primary Support:** iDea project provides different types of support for the startups. For example:
  - Consultation:** We start with a consultation at the very beginning. We help them to make their pitch deck and business model.
  - Grant/Funding:** After consultation we provide them a grant upto 10 Lac taka. We have already funded 179 startups till now. Example: Truck lagbe, shopup.
- **Secondary Support:** Then we give coaching, oversight, workspace, lab assistance, intellectual property assistance, legal assistance, and registration and certification assistance.
- **Mentoring Support:** For entrepreneurs, mentoring is more crucial than capital.
- **Problems with Startups and SMEs:** Startups are primarily focused on solving problems, but SMEs do not have an exponential aim.



## Fayaz Taher

Co-founder, Startup Dhaka

- **Reformation of VAT Registration System:** Tech companies need a one-stop solution where their VAT registration can be done in one single place. A central registration system should be created for this purpose.

- **Need of Convertible Debt Structure:** For startups, a convertible loan structure is required so that investors may benefit.
- **Stock Options:** Stock options for employees should be adopted.
- **Reformations of Rules:** For Bangladeshi IT companies, the one-man business structure should be avoided. Youth will have more professional possibilities as a result of this. The Credit Guarantee steam should be prioritized.
- **Reformation in Tax System:** A tax relief for investors is essential. For investors, the legal framework, VAT, and tax laws should be simplified.



**Nasima Akter Nisha**

Joint Secretary, ecab

- **Trade License for E-commerce:** In the trade license application procedure, there is no choice for E-commerce. This has to be updated. For a trade license, e-commerce should also be included.
- **Reformation of the Delivery System:** Outside of Dhaka, there is no developed delivery system. It has become a significant barrier for rural female businesses, so that they can readily access the system.
- **Availability of Internet:** Outside of Dhaka, there is a little access to the internet. Mobile data prices should be reduced, and a door-to-door broadband connection should be made available.
- **Enhancement of Research:** For research, there should be a separate sector/team. Only a sufficient quantity of research can aid the sector's development.

- **Export Channels:** In this country, there is currently no export route accessible. To sell local items overseas, export channels should be developed.
- **Job Holder Women Entrepreneurs:** Women who are already employed confront several challenges when starting a business. To make their route simpler, policies should be created for job-holder women entrepreneurs.



## **A B M Hamidul Mishab**

Managing Partner, Old Bailey Chambers

- **Reformation of Law for Startups:** In law, there is no definition of a startup. Technology is used by startups to cope with problems. This is the ideal time to define startups in terms of law and policy in order to facilitate scalability, growth, and innovation.
- **Funding Capital:** Intellectual property should be used to offer funding capital. This may serve as a motivator for entrepreneurs.
- **Digital Economy:** Until now, there has been no room for digital economy in our nation. It is necessary to identify the many forms of the Digital Economy.
- **Funding for Startups:** Funding for the value of intellectual property certificates should be available to startups.
- **Availability of Technologies:** Access to technology and the internet should be given to the young generation.
- **Domestic Domain Name:** The government is losing a lot of revenue. There is a lot of money that we are losing to other countries in terms of buying a foreign domain name.

- **Domain Name Renewal System:** In the case of Bangladeshi Domain name renewal, trade license renewal and a letter provided from the website are needed. The domain Name Renewal process should be easier.



## **Samanta Farahnaz**

Programme Manager, BRAC

- **Complicated Policies:** We have policies, but ground-level businesses are wary of them because they appear to be difficult.
- **Policy for One Person Company:** A one-person business requires a minimum of 25 lakh taka in capital. There are still certain flaws that need to be addressed.
- **Financial Help:** For startups, obtaining funding is a challenge. They have difficulty obtaining funding, particularly through conventional means ( Banks, non-bank financial institutions).
- **Clear Cut Policy System:** For the policies, there should be suitable action plans and locations, as well as communication and awareness building.
- **Capacity Building:** Ordinary individuals find it difficult to comprehend the necessity of policies when conducting business. It is vital to increase people's understanding of the policy.



## Shah Paran

CEO, Handy Mama

- **Policy Execution:** The proper implementation of policies can result in significant improvements. There should be a clear execution of policies so that they can provide positive results for everyone. There should be a clear and simple approach to obtain the policy's benefit.
- **Tax Rate for MFS:** In our nation, the tax rate on MFS is now quite high. This is posing a significant difficulty for prospective business owners. The MFS transaction tax rate should be reduced.



## Dr. Moinul Khokon

Founder, Human Aid Bangladesh

- **Innovation Fund for Health Sector:** Although funding for research is available in the health industry, funding for innovation is not. In the health industry, money for innovation should be available. More money should be allocated to the health sector.
- It is necessary to create home health care regulations.



## Syed Naimul Hossain

Co-founder, Teach It

- **Availability of Technologies in Rural Areas:** Rural regions do not have as much access to the internet and smartphones as metropolitan areas. As a result, it should be distributed in rural regions.
- NBR should be aligned with startups.
- There is no vesting in law in Bangladesh.

## Key Feedback from KIIs & FGDs

### Key Participants



Aminul Islam, CEO, Shahin's Help Line



Syed Taj, CEO, LegalSeba

- The E-commerce sector is not yet included in the trade license Gazette. As a result, new businesses can't receive e-commerce trade licenses; instead, they have to apply for other categories, which might be discouraging.
- Forming a limited business with the phrase e-commerce stated in the company memorandum is the only method to write e-commerce on a trade license.
- Because forming a private limited business requires a minimum of two partners, some entrepreneurs create a limited company with a silent partner. This is a very common blunder. The formation of a limited liability corporation is far more difficult and is not required. It takes less than a week to develop, but more than six months to finish. They will face consequences as a result of this blunder.
- If e-commerce isn't included in the trade license, it's difficult to join organizations like ECAB.
- The ministry of local government, not the municipal corporations, is in charge of all trade permits. Even if the mayor wanted to, he couldn't just modify the gazette.
- A four-step procedure is followed to issue a trade license. An inspector visits the business's commercial address to check the documentation, makes a report, and the trade license is then issued.
- Even though everything falls under the ministry of local government, there are separate gazettes for city corporation trade licenses and municipalities/unions.
- For trade license applications, simple websites such as the e-tin website should be made available.
- When an entrepreneur applies for a trade license, he or she seldom shows interest again when renewing the license the following year. It's partly due to the fact that the application fee is lower than the charge for renewal. This is extremely uncommon and has never been observed before in any other country. For fledgling entrepreneurs, this is a significant issue.
- DNCC continues to issue trade licenses by hand, while DSCC and Comilla City Corporation have begun providing electronic trade permits. It's still a trial run.
- If at least the renewal procedure is done online, half of the complications associated with trade licenses may be avoided. All verification steps are performed at the time of issue, therefore renewing a license should not take



long. We've noticed that the appropriate authorities are uninterested in this matter.

- For the e-tin website, the government has already introduced online NID verification. It might be a simple and quick technique to verify new candidates.
- All of the documentation required for a trade license application is relevant and necessary. The delay is caused by the competent authority's failure to correctly process the documents, not by the documents themselves. Ward-by-ward, tasks are distributed. They aren't on the same page. By linking to the online NID database, it may be processed quickly. RJSC is connected to the NID database in the event of limited company e-tin registration, so when someone enters the company data in the portal, details of the directors are pulled from the databases for verification. This is a more efficient verification method.
- All businesses are required to present evidence of commercial address. At the very least, this should be softened for e-commerce entrepreneurs. Commercial addresses are difficult to come by for new entrepreneurs, especially for e-commerce enterprises.
- It might be made optional for entrepreneurs who operate from home by establishing a new form of verification, such as a landowner-attested document saying that the entrepreneur is operating a modest e-business from their house.
- Many entrepreneurs are currently using unethical methods to circumvent the system, putting their company's validity in peril.
- New limited company owners are unaware of the need of completing annual returns. To close the information gap, RJSC should follow up with their registered firms via email or other means on a frequent basis.
- If all departments are participating in the awareness-raising initiatives, entrepreneurs may become confused. To close the knowledge gap, one central department or wing should work together.
- We've discovered that filing limited company returns isn't as appealing to attorneys as filing tax filings. This is mostly due to the fact that taxes are fixed and simple to complete, whereas corporate returns are not. With a particular reward system, NBR may assist SME businesses. Other reward programs exist at NBR, but none for small business owners.

- NBR should make online return filing easier for SMEs, maybe by creating a specific wing that can give phone help and collaborate with SMEs and researchers.
- Separate enterprises may require different permits, which many entrepreneurs are unaware of.
- A sequence should be maintained while registering a new firm, such as RJSC registration > trade license > TIN > Export / import license > VAT/BIN.
- Even specialists are frequently perplexed by the VAT procedure, which includes when and where which items should be paid or collected, as well as who should pay or collect VAT and at what percentage. There are far too many VAT circulars now in force.
- All enterprises are obliged to get VAT certification. Some entrepreneurs believe that their VAT does not apply to their firm, however, VAT does not apply to a business's products. If you pay office rent, for example, you must pay VAT on it. These basic VAT requirements are not well known by business owners. Even if it's a zero return, VAT returns must be made every month.
- Trademarks and copyrights aren't a worry for new enterprises. Because of this blunder, they will face legal troubles in the future.
- BIDA is already attempting to offer service by collaborating with a variety of agencies, however, it is currently ineffective.
- With the help of NBR and trade groups, the SME foundation can successfully engage with it. Shahins Helpline has a number of books on the subject of company registration. Entrepreneurs should have access to more publications like this.
- Rural entrepreneurs are weak in crucial expertise. These elements should be the focus of awareness building.
- A central database for entrepreneurs should be maintained. During the last shutdown, the government provided financial assistance to SME foundations, but they lacked sufficient legal documents to promote SMEs. A central gateway might be used to fix the problem.

- The trade license gazette has various discrepancies. It distinguishes between IT services and software development, as well as the fees that must be paid. This gazette should be thoroughly rewritten.
- A new gazette was just enacted in parliament that permits one person to incorporate a private limited business, but the RJSC has yet to approve it. This should go into action right now.
- A TIN certificate cannot be obtained without a NID. To make RJSC registration easier, passports should also be utilized to verify and issue TIN certificates.
- When it comes to obtaining import/export permits, small businesses confront challenges. Obtaining a chamber/association membership is essential. For example, if you wish to receive an import-export license with an export-import category trading license from a purchasing house, they will demand membership in the buying house association, which costs 50,000 BDT and takes a long time to complete.
- To prevent long processes, there should be an alternative regulation that allows new businesses to apply for alternative association membership.

## Entrepreneurs' Survey

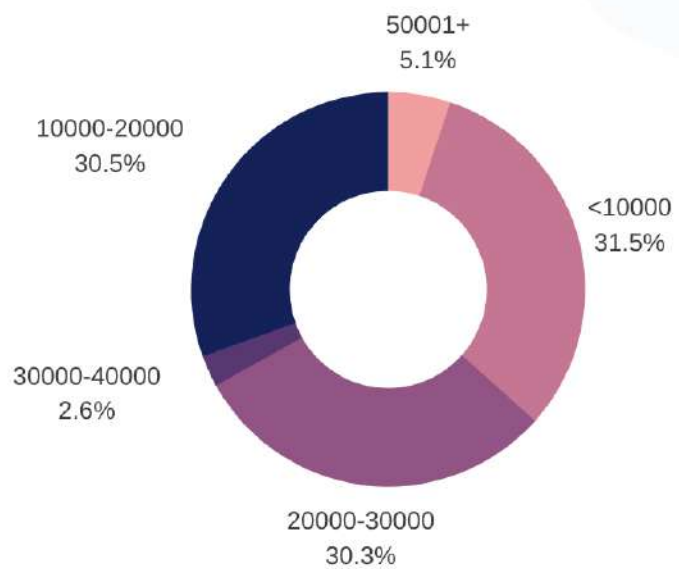
A pool of young entrepreneurs was surveyed during the process. The participants were all from different areas of the country such as Dhaka, Chittagong, Khulna, Rajshahi, etc. This helped to get a holistic view of the whole country. A mix of gender was also balanced. The survey was available in both Bangla and English language for the comfort of participants. After the survey some of the participants were invited in focus group discussions and interviews to get more insights from the experience of the entrepreneurs.

- **Challenges for New Business Registration:**

When it comes to registering a firm, a new entrepreneur faces several obstacles. To begin with, the cost of registering a business in this country is quite high. The majority of the time, a new entrepreneur does not have a lot of cash on hand. A study on the subject was conducted, and the majority of respondents were dissatisfied with the

price. The genuine picture of costs for company registration that was obtained from the survey is shown in the diagram below. In this town, 5.1 percent of residents had to pay more than 50,000 to register. For their registration, 2.6 percent had to pay between 30,000 and 40,000 tk, 10.3 percent had to spend between 20,000 and 30,000 tk, 30.5 percent had to spend between 10,000 and 20,000 tk, and 31.5 percent had to spend less than 10,000 tk.

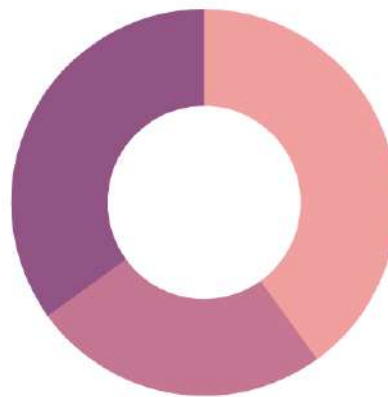
### Cost of Business Registration



Second, the registration procedure is still lengthy and complicated. As a result, many new entrepreneurs lose interest while completing the business registration process. As a result, they don't bother with business registration. The poll has provided all with a clear picture of the issue. It can be observed that 12.8 percent of persons need less than three months, 20.5 percent required less than one month, 17.9 percent required more than three months, and 48.7% did not register for these and other time-consuming difficulties.

## Time to Register

More than 3 months  
35%

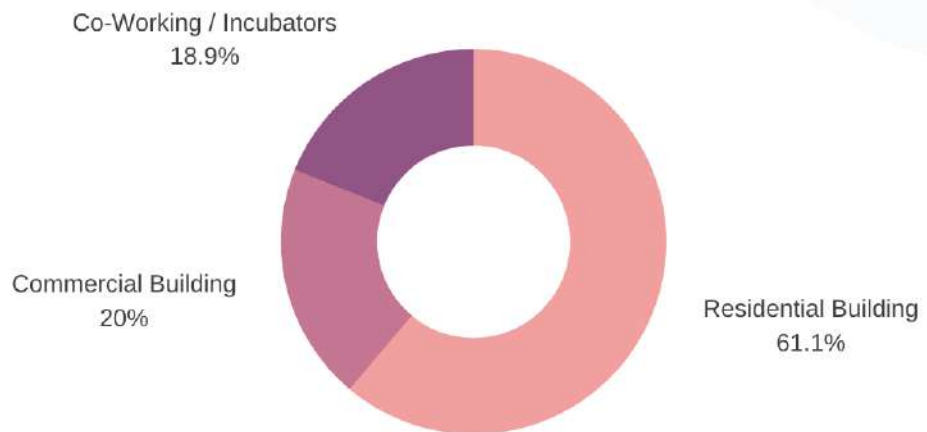


Less than 1 month  
40%

Less than 3 months  
25%

In the city corporation trade license procedure, there is no option directly available for e-commerce sites. E-commerce is becoming increasingly popular with both investors and consumers. Entrepreneurs from E-commerce sites are unable to enjoy the rights and benefits they deserve due to a lack of company registration options. It should also be noted that in this nation, a business address is always required when registering a firm. However, many individuals nowadays, particularly SMEs, run their businesses from their homes. As a result, this business registration legislation should be overhauled as well. Multiple papers are required nowadays when applying for a trading license. Most digital entrepreneurs use residential addresses to start a business in their early days. The requirement of documentation has made the entire procedure considerably more complicated in recent years. Bangladesh's government and commerce ministry should pay attention to this in order to boost the number of enterprises in the country and encourage young people to establish their own firms.

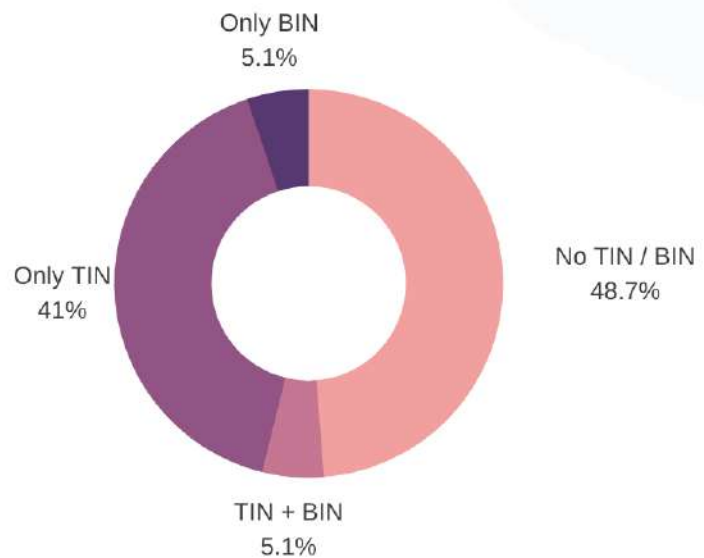
## Business Operation



- **Requirements to Start Business and Do the Registration:**

Bangladesh, like other nations, has specific regulations that entrepreneurs must follow in order to start a new firm. For example, obtaining RJSC permission, creating a temporary bank account, obtaining a trade license, obtaining BIN and TIN, renting an office, joining various associations, obtaining an export or import license, and so on. Yes, some of the regulations are unquestionably important to preserve the country's legal system and general economic climate. However, some of the requirements, such as renting an office, joining numerous associations, obtaining a trade license (which is a lengthy process as previously discussed), and so on, can be difficult for new entrepreneurs, and this could be one of the reasons why the ease of doing business in this country is low because the opportunities and processes are not particularly friendly to the youth. Another issue that entrepreneurs confront, as previously mentioned, is gathering a large number of documents at one time to submit for registration. According to the poll, none of the participants possessed all of the requisite documentation. Some people had TIN but no BIN, some had BIN but not TIN, while yet others didn't have both. As a result, they were having a lot of problems registering their company. The following diagram depicts the document required scenario.

## Legal Status



According to the graph above from the poll, 5.1 percent of persons had only the BIN and 41.0 percent had only the TIN. Only 5.1 percent of those polled possessed both TIN and BIN, while 48.7% did not. As a result, this sector should be monitored and may require change.

- **Business Registration:**

Although one or two city corporations came forward with e-trade license platforms, the systems are yet not widely available or known to mass people. This system has the ability to tackle a wide range of problems while also simplifying the process and lowering complexity. The following are the benefits that may be gained by both the authority and the applicants:

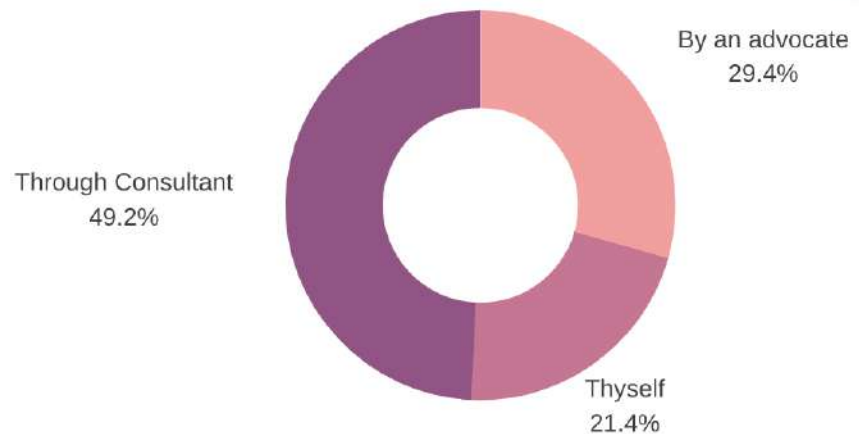
- Save Time:** Manually opening, sorting, and confirming a form is a time-consuming job for both the applicant and the authority. However, if this activity can be completed digitally online, it will make the entire process much easier for all parties. The applicant may complete the form from any location and at any time, and the authority can quickly store, validate, and sort it.
- Free Online Registration:** This form of online registration method takes the least amount of time and costs the least amount of money. The applicant may be charged a minor registration fee, which must be paid before they may register. This will save a lot of money and lower the cost of registering a business.

- (c) **Secure Online Payment Processing:** It will save time and make the process more safe and dependable if participants do not need to write a check or count the cash on the front line and can just enter their credit or debit card and complete the entire payment online.
- (d) **Centralized Data Management:** This will assist to secure and simplify the process of collecting participant data and payments, evaluating and reporting on participation and payments, emailing the participants' database, and more. This can also reassure participants that their assignment has been performed, that payments have been paid, and that their information has been encrypted.
- (e) **Improve Event Efficiency:** The time saved by not having to execute the duties manually may be put to greater use, such as contacting additional sponsors, planning more activities, and responding to participants more quickly.
- (f) **Customized Online Registration:** This will make it easier to get discounts. Event organizers might provide participants with discount vouchers, which can pique the applicants' interest.
- (g) **Detailed Reporting:** The reports will be able to come in a detailed manner. The system can be able to provide insightful reporting and can use all the other tools online to efficiently manage the whole process. Participants can be informed straight to their inbox about every update.
- (h) **Improve Marketing Efforts:** Organizers will be able to inspire candidates for their new initiatives and events since the option to email the database will be available via a common administration system.
- (i) **Setup Online Surveys:** This is a significant and beneficial benefit of digitizing the entire process. The authority can conduct a survey of the business environment and interests at any time. They may arrange various events and provide discounts based on their data, which can have a favorable impact on the entire corporate environment.

Because internet registration is not widely available, many consumers must go to an advocate, consultant, or broker to complete their registration. Many people don't do it because of the intricacies, and just a few people can accomplish it alone.



## Registrations Support



According to the graph from the poll, 29.4 percent with the help of an advocate, 49.2 percent with the help of a consultant, and just 21.4 percent did it on their own. Because of the complications. It is believed that online registration solutions can overcome this problem.

- **Banking:**

## Bank Account

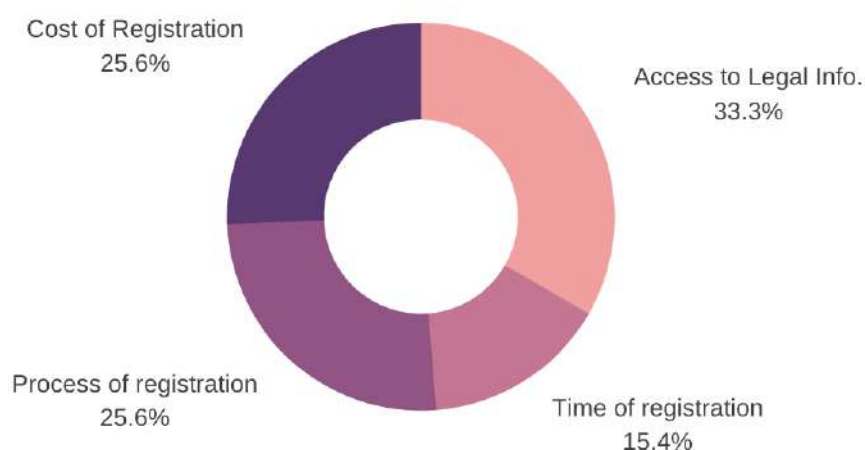


Mobile financial services are the backbone of the digital entrepreneurs. Many businesses don't even have a bank account but running the business fully with mobile financial services. Sourcing papers for a bank account such as registration documents, utility bills of a commercial address is quoted as a major problem for opening bank accounts for young entrepreneurs.

- **Improvement Areas:**

The survey also sought feedback from participants on what they thought should be improved in the field of company registration, and the results were as shown in the graph below. A total of 25.6 percent of participants said that business registration processes could be improved, while 33.3 percent said access to legal info, 15.4 percent said the time of registration and 25.6 percent suggested the cost.

## Areas of Improvement



As a result, according to the general public, the domains that require reform or adjustment include

- (a) The lack of legal knowledge
- (b) The cost of registration
- (c) The process of registration
- (d) The time of registration

If these domains are improved or reformed, it is undeniable that a better, healthier, and more inspiring business climate will be established in this nation, which will have a significant influence on overall economic growth.

- **Support Requests:**

Based on the discussions, open ended support requests can be categorized in the following points:

- (a)** Entrepreneurs can benefit greatly from online financing. They will need to meet minimum criteria in order to be considered for the loans. As a result, a significant financing challenge for young businesses can be resolved.
- (b)** For business people, bank loans are the most conventional and traditional financial choice. Though these loans and chances are often reserved for established enterprises, making them more accessible to new and young entrepreneurs would be extremely beneficial to their continued operations.
- (c)** Nowadays, venture capital is quite popular. Venture capital (VC) is a sort of private equity and a type of financing system in which investors contribute funds to entrepreneurs and small firms (SMEs) who are seen to have the potential to produce and thrive in the market. It is typically funded by wealthy individuals, banks, and other financial entities or agencies. If venture funding can be made more accessible and regular for young entrepreneurs, it will be a fantastic support system for them.
- (d)** As it was previously noted, many young entrepreneurs fail to continue and manage their enterprises due to a lack of basic skills. As a result, the government, as well as certain commercial organizations or NGOs, might organize various seminars, training sessions, and other events for this aim. This will aid in the development of young entrepreneurs' experience and abilities. These training sessions will serve as a valuable resource for them.
- (e)** There are a variety of grant choices on the market. These are excellent resources for fledgling businesses, particularly young individuals. However, writing a grant is not a simple task. As a result, talents will be required, and these awards will be appreciated by many since there are still many individuals in the society who enjoy seeing young people doing something novel or original while still contributing to society.
- (f)** In today's world, when everything is dependent on ICT and its benefits, entrepreneurship may benefit from it as well. It will undoubtedly have a good influence on corporate growth, and productivity may be boosted with its assistance.

- **e-Commerce New Regulations:**

The Ministry of Commerce has released an operating guideline for the E-commerce industry. The recommendations place E-commerce activities under tighter inspection by the government.

- E-commerce items must be delivered within 5-10 days, according to ministry guidelines. If the buyer and seller are in distant locations, E-commerce enterprises will have to deliver items to clients within five days after receiving advance payment, with a maximum of ten days. Yes, there are many advantages to this, but there are also some disadvantages. Occasionally, the store may encounter issues such as a lack of delivery personnel, failure to get the requested product at the appropriate time, transportation issues, and so on. It may not always be feasible to deliver the goods in the promised time frame due to these issues. As a result, this regulation should be somewhat flexible.
- Banks / Payment Processors would not clear payments until the order has been delivered. The money will be held by the central bank as a third party until the consumer receives the merchandise. This regulation may appear to be quite advantageous at first, but it will cause issues for importers in the long term. They may need to make a payment for their requested product, and the firm may not have that much money to pay and deliver the product, especially if the site is new. They usually use the money supplied by the consumer in these situations. However, if they do not have the funds on hand before delivery, they may be unable to conduct business, and if this occurs frequently, they may be forced to close their doors. As a result, this regulation should be revised as well.

- **World's Situation of E-commerce:**

Many nations now have open & supportive regulations for e-commerce companies, providing them with all of the rights and assistance required.

- 1. China:**

At present China is the world's largest e-commerce market. E-commerce subsidiaries like Alibaba Group, Namely Taobao, Alibaba.com, Tmall, and others are reputed sites from China. The annual growth rate of E-commerce here is 35%. Their annual online sales are **\$672** billion and their E-commerce share of total retail sales is **15.9%**.

- 2. USA:**

The USA is the second largest e-commerce market in the world. They have E-commerce giants like Amazon, eBay, etc. Their annual online sales are **\$340** billion and their E-commerce share of total retail sales is **7.5%**.

- 3. UK:**

In spite of being a small country, the UK holds the third position for the E-commerce market in the world. Their annual online sales are **\$99** billion and their E-commerce share of total retail sales is **14.5%**.

- 4. Japan:**

In this list, Japan holds the fourth position. Their annual online sales are **\$79** billion and their E-commerce share of total retail sales is **5.4%**.

- 5. Germany:**

Germany is in the fifth position. Their annual online sales are **\$73** billion and their E-commerce share of total retail sales is **8.4%**.

- 6. France:**

France is led by local players like Odigeo and Cdiscount the French E-commerce market comes in sixth place. Their annual online sales are **\$43** billion and their E-commerce share of total retail sales is **5.1%**.

## 7. South Korea:

With the fastest internet speed, South Korea is in seventh place. Their annual online sales are **\$37** billion and their E-commerce share of total retail sales is **9.8%**.

## 8. Canada:

The annual online sales of Canada are **\$30** billion and their E-commerce share of total retail sales is **5.7%**.

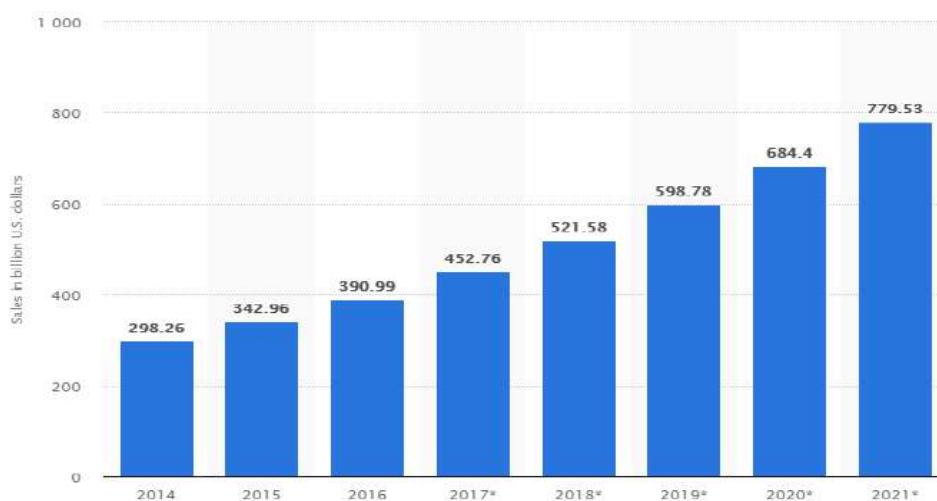
## 9. Russia:

The annual online sales of Russia are **\$20** billion and their E-commerce share of total retail sales is **2%**.

## 10. Brazil:

Brazil has an E-commerce growth rate of **22%**. The annual online sales are \$19 billion and their E-commerce share of total retail sales is **2.8%**.

The graph below depicts retail sales and the current state of the e-commerce industry throughout the world.




## Conclusion

The digital way of business is becoming increasingly popular over the world as a result of the epidemic, and the situation in Bangladesh is no different. During the lockdown in the country, a large number of SMEs have sprouted, and many individuals have begun their lives as entrepreneurs. From the discussion above, it is evident that more and more youth are taking entrepreneurship as a career in Bangladesh. It is high time to support people to establish new firms, and foster a business-friendly atmosphere. If the mentioned points do not improve, Bangladesh's ease of doing business index ranking will remain unchanged thus will provide working signal to foreign investors.

A favorable business climate may alleviate a variety of other issues, such as unemployment, financial equality, and so on. It is now an excellent opportunity to reconsider policies that have been in place for a long time and make the required changes. It is known that as time passes, everything changes, including business styles, environments, interests, and situations.

As a result, policies should be adjusted in accordance with the passage of time in order to provide new opportunities.



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