

# Startup support in Bangladesh

## IDEA Bangladesh

<https://idea.gov.bd>

Venture capital investments spur innovation, create employment, and make a significant contribution to economic growth. With our population growing, globalization rapidly changing the international business climate, and sometimes making it uncertain, a culture of innovation can provide its own energy for Bangladesh by affording us opportunities for our young entrepreneurs. Where done correctly, the impact of government intervention in fostering an innovation economy has successfully created venture capital ecosystems in many countries. The government of Bangladesh hopes to replicate similar success by founding Startup Bangladesh that will catapult its young generation of entrepreneurs to the next level who can accelerate the pace of innovation and lead the economy to a self-sustained path to growth. With this in mind Startup Bangladesh aims to pursue the following goals: Create an accelerator and its accompanying ecosystem of entrepreneurs, investors, mentors, advisors to promote Bangladesh as a global hub for tech entrepreneurship.

- Actively collaborate with entrepreneurs, industry, academia, financial institutions, and government to stimulate innovation.
- Create the appropriate business, operational, and regulatory frameworks to support bold dreams.

Through iDEA Accelerator, the government will nurture innovative ideas in the areas of Education, Agriculture, Health, Financial Services, eCommerce, eGovernance, Environment, Transport, and Infrastructure. Evaluate concepts based on potential impact, execution strategy, and public benefit.

### Mentoring

iDEA provides mentoring to its portfolio startups. iDEA has a pool of expert mentors. The mentor's pool consists of national and international industry leaders, university professors, angel investors, successful entrepreneurs, and specific field experts.

### Academic programs

The iDEA academy provides different courses to train up entrepreneurs working in different industries. The academy provides

long-term and short-term courses in different levels considering entrepreneur's need. Workshops and training programs are also arranged regularly.

### Networking

As the central hub of the startup ecosystem of Bangladesh, iDEA collaborates with national and international stakeholders who are working with startups. Startup Circle is created to foster the collaboration among the member organization. Match-making sessions between startups and investors are arranged regularly.

### Legal and IP support

iDEA guides and helps startups to protect their legal and intellectual property rights. If needed the startups can also seek supports from Startup Circle members.

### Coworking space

iDEA has a great coworking space for startups. 51 desks have been furnished for the startups. Startups can also use the meetings rooms and other facilities created by the project.

### Funding

iDEA provides Bangabandhu Innovation Grant (BIG) to startups. Pre-seed or idea-stage startups can apply for the BIG which is up to 10 Lakhs BDT in iDEA. Seed and growth-stage startups can apply for investment that will be funded from Startup Bangladesh Limited venture capital company. Seed and growth-stage startups can apply to Startup Bangladesh Limited.

### Lab support

Startup Bangladesh – iDEA has created a state-of-the-art lab facility for the startups. Startups can test their product or service and get expert opinion.

# Investment promotion criteria in Thailand

## Thailand Board of Investment, Thailand

<https://www.boi.go.th/>

### 1. In order to develop competitiveness in the agricultural, industrial, and service sectors, projects submitted for BOI promotion must have the following qualifications:

1.1 The value-added of the project must not be less than 20% of revenues, except for projects in agriculture and agricultural products, electronic products and parts, and coil centers, all of which must have value-added of at least 10% of revenues.

1.2 Modern production processes must be used.

1.3 New machinery must be used. In case of imported used machinery, the criteria for consideration will be classified into 3 cases, as follows:

General Case

Factory Relocation Case

Other Cases

#### Remarks

- Relocation of factory refers to the relocation of the production line either partially or in its entirety from a foreign country where the machinery to be used in the project belongs to affiliates or related companies.

- Machinery Performance Certificate refers to a certificate issued by a trusted institute that grants a machinery performance certificate, which includes a certified report on reconditioned machinery together with detailed documentation of the reconditioning. The inspection of certified machinery and equipment shall include a full test run of the machinery to evaluate its capacity and functionality, as prescribed by requirements of the testing procedure. An environmental impact report, a safety standards check, and an energy consumption report must be compiled in accordance with the acceptable criteria. A certified report must identify 6 significant details, as follows:

- 1) Details on reconditioning and an analysis of the remaining lifecycle of the machinery;
- 2) Year of manufacture;
- 3) Test-run results;
- 4) An environmental impact report, safety standards check, and an energy consumption report;
- 5) Appropriate price estimation (the price estimation certificate can be submitted separately);
- 6) Inspection report with date and place of inspection.

Note: \* Planes in the Air Transportation Services project must be no more than 14 years old. (Please see condition under activity 7.3.4)

1.4 Projects that have investment capital of 10 million baht or more (excluding cost of land and working capital) must obtain ISO 9000 or

ISO 14000 certification or similar international standard certification within 2 years from the full operation start-up date, otherwise the corporate income tax exemption shall be reduced by 1 year.

1.5 For a concession project and the privatization of a state enterprise project, the Board's criteria shall be based on the Cabinet's decisions dated May 25, 1998, and November 30, 2004, as follows:

(1) An investment project of state enterprise according to the 1999 State Enterprise Corporatization Act shall not be entitled to investment promotion.

(2) For Build-Transfer-Operate or Build-Operate-Transfer projects, the state agency that owns the project must submit its project to the Board for consideration prior to any invitation to bid, and bidders shall be informed of any promotional privilege entitled to them, prior to the bidding.

(3) For Build-Own-Operate projects, including those leased to or managed by the private sector, which in return pays rent to the state, the Board shall use normal criteria for investment promotion.

(4) For the privatization of state enterprises according to the 1999 State Enterprise Corporatization Act, in case of expansion after the privatization, only the expansion investment shall be eligible for promotion.

### 2. Environmental protection

2.1 Adequate and efficient guidelines and measures to protect environmental quality and to reduce environmental impact must be installed. The Board will give special consideration to the location and pollution treatment of a project with potential environmental impact.

2.2 Projects or activities with type and size that are required to submit environmental impact assessment reports must comply with related environmental laws and regulations or Cabinet resolutions.

### 3. Minimum capital investment and project feasibility

3.1 The minimum capital investment requirement of each project is 1 million baht (excluding cost of land and working capital) unless specified otherwise on the list of activities eligible for investment promotion that is attached to this announcement.

3.2 For newly established projects, the debt-to-equity ratio must not exceed 3 to 1. Expansion projects shall be considered on a case-by-case basis.

3.3 For project with an investment value over 750 million baht (excluding cost of land and working capital) the project's feasibility study must be submitted with details as specified by the Board.

(Source: *Announcement of the Board of Investment No. 2/2557*)