

IDLC MONTHLY

# BUSINESS

## REVIEW

### HEALTHCARE INDUSTRY IN BANGLADESH:

Navigating through  
Challenges to Ensure Access  
to Healthcare for the Masses

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**Healthcare Industry  
in Bangladesh:  
Navigating through Challenges to  
Ensure Access to Healthcare for  
the Masses**

With nearly 170 million people living in one of the most densely populated nations on earth, guaranteeing fair access to high-quality healthcare services is not just a goal; it is essential to the growth and stability of the country. Health is a fundamental human right, as declared not only in the constitution of Bangladesh but also in the constitution of the World Health Organization (WHO) and many other human rights treaties. While Bangladesh has achieved progress in improving life expectancy, reducing the number of infectious diseases, reducing mortality, and other areas, our healthcare sector is at a crossroads in its efforts to provide universal access to healthcare.



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Founder & CEO, Praava Health

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Capital Market Review



### Healthcare Industry in Bangladesh: Navigating through Challenges to Ensure Access to Healthcare for the Masses

Bangladesh, a nation renowned for its swift economic expansion, faces both obstacles and prospects in the healthcare sector, which is among the biggest service-orientated industries in the country. Moreover, having grown at a compound annual growth rate of roughly 10.3% since 2010, this sector is expected to be among Bangladesh's fastest-growing sectors. However, many individuals still lack access to essential medical care, even in the face of all the developments. Bangladesh is ranked 95th in the world overall in the Global Health Security Index, which is quite concerning. The challenges that the Bangladeshi healthcare sector is currently facing include subpar quality, growing expenses, lack of funding, ineffective budget allocation, and so on.

Bangladesh has the second-highest out-of-pocket spending on health, with people paying 72.99% of medical bills on their own in 2021—well above the WHO-recommended level of 20%. Furthermore, our government typically allots 5%

of the overall budget, a sum that is seen as quite low for healthcare. Many still cannot get the basic healthcare they need because of the poor infrastructure.

Despite these obstacles, Bangladesh has set a goal to achieve Universal Health Coverage by 2032. Numerous government programs, including the Community Clinic Programme, Shasthyo Shurokhsha Karmasuchi, and others, along with private sector efforts, particularly those of NGOs and health-tech companies, have already accelerated advancements in expanding healthcare accessibility for the general public. To ensure a healthy future for all, both the public and private sectors should collaborate to connect healthcare facilities with those who need care.

**Md. Shah Jalal**

Editor

IDLC Monthly Business Review

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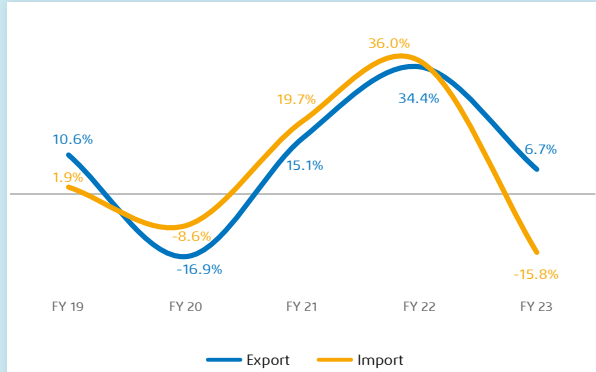
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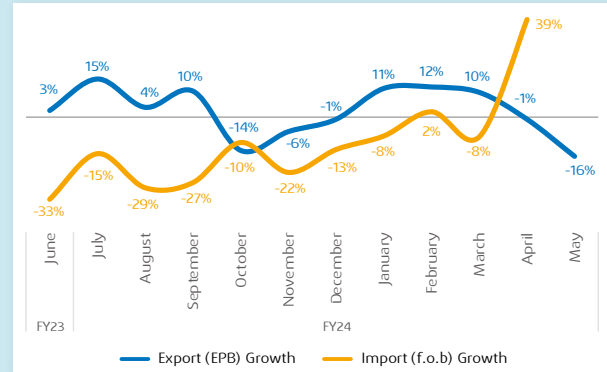
# ECONOMY AT A GLANCE

## EXPORT-IMPORT

Growth in Export-Import Trade (Last 5 Years)

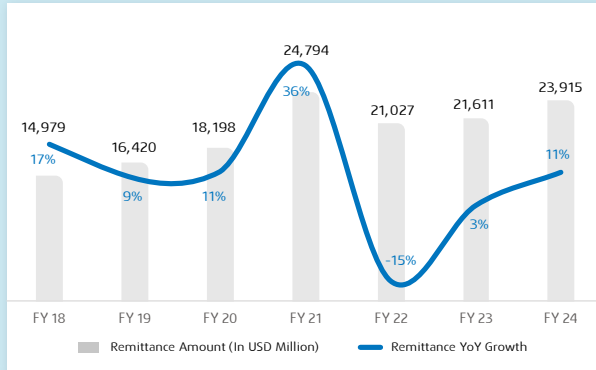


Export and Import Growth (Last 12 Months)

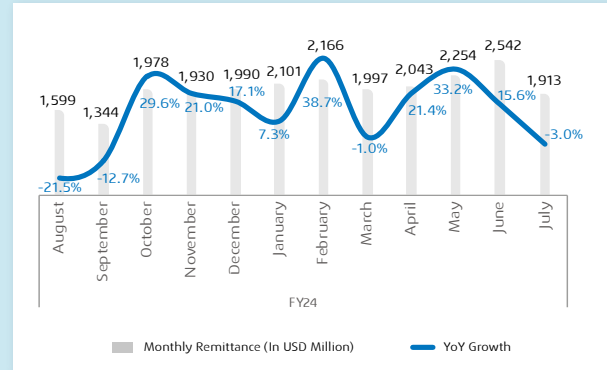


## REMITTANCE

Remittance Amount (In USD Million and YoY Growth)

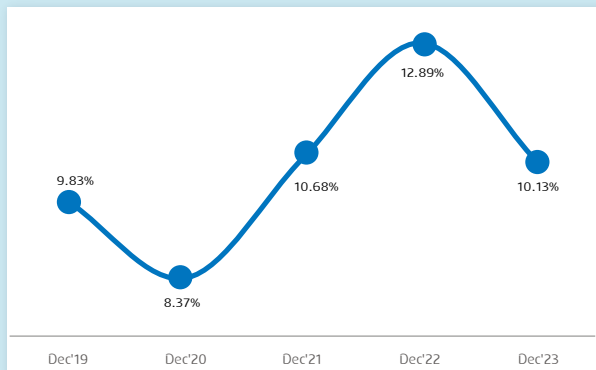


Monthly Remittances (In USD Million and YoY Growth)

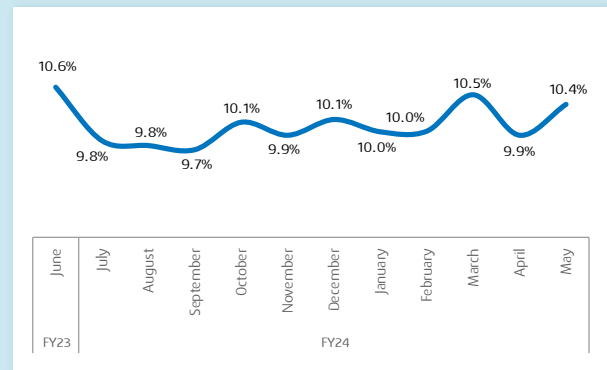


## PRIVATE SECTOR CREDIT GROWTH

Private Sector Credit Growth (Last 5 Years)



Private Sector Credit Growth (Last 12 Months)



Source: Bangladesh Bank

## ■ MONTH IN BRIEF

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● **Reverting to the previous rate of 10%, the tax administration abandoned its plan to tax income earned by makers of refrigerators, air conditioners, and motorcycles at a rate of 5% until 2032.** A gazette notification issued on June 30, 2024 from the National Board of Revenue stated that this will take effect on July 1, 2024, the first day of FY2024–25.

● As per guidelines released by the Bangladesh Bank on July 9, 2024, users wishing to open, use, and administer accounts on the Binimoy platform—which enables inter-transaction settlements across banks, mobile financial service providers, and payment service providers—will have to open separate accounts.

● The June 2024 reading of the Bangladesh Purchasing Managers' Index (PMI) dropped by 6.2 points from the reading of May 2024 to 63.9, indicating a sluggish expansion. This downturn was noticed in several important industries, including manufacturing, services, construction, and agriculture.

● Despite the nearly twofold increase in deposit interest rates over the last year, cash held outside of banks has been increasing for the last seven months, mostly as a result of persistent inflationary pressure. The amount of taka held by the public, as reported by the central bank, was **BDT 271,000 crore by the end of May 2024, compared to BDT 246,000 crore in October 2023.**

● According to the statement of the Bangladesh Bank on July 18, 2024, high inflation is lowering real incomes and weakening purchasing power, which may increase income and consumption inequalities. The warning is given in light of the fact that inequality, as determined by the Gini coefficient on a scale from 0 to 1, peaked at 0.499 by the end of 2022, up from 0.482 in 2016, and inflationary pressures have been consistently high above 9% since March 2023.

● **Bangladesh registered one crore taxpayer identification numbers by the end of FY2023–24, according to data from the National Board of Revenue.** However, approximately 59% of them failed to file tax returns.

● Bangladesh Bank will stick to a conservative monetary policy for July 2024–December 2024, **maintaining the policy rate at 8.50%, the SDF rate at 7 percent, and the SLF rate at 10%.**

● **On July 30, 2024, the long-term foreign and local currency sovereign credit ratings for Bangladesh were lowered to 'B+' from 'BB-' by S&P Global Ratings.**

● As per the July 2024 report by the International Monetary Fund, global growth is predicted to be **3.2% in 2024 and 3.3% in 2025.**



A SILENT REVOLUTION IS GOING ON IN CASE OF THE USE OF CEMENT SHEETS IN THE PRODUCTION OF CATTLE AND POULTRY ACROSS THE COUNTRY. THE USE OF CEMENT SHEETS IN THE COUNTRY HAS INCREASED THE PRODUCTION OF EGGS, MILK AND MEAT BY ABOUT 9 PERCENT. CEMENT SHEETS NOT ONLY PROTECT FISH AND LIVESTOCK FROM DISEASES BUT ALSO REDUCE MORTALITY BY ABOUT 10 PERCENT.

**Waez R Hossain, Deputy Managing Director of Anwar Group of Industries**, at a discussion on green construction and how cement sheet is transforming Bangladesh's agricultural economy. (July 1, 2024. The Daily Star.)

And although local garment makers will continue enjoying zero-duty benefits with the UK, they will face stringent conditions for accessing the market.

**MA Razzaque, National Consultant of the Smooth Transition Strategy for Bangladesh**, on the fact that upon graduation from the least developed country status in 2026, Bangladesh's garment exports will face duty of 11.5% in the European Union, 16% in Canada, 5% in China, 20% in India, and 8% in Japan. (July 2, 2024. The Daily Star.)

We never expected the industry's sales to come down below 55 lakh tonnes again. Government projects, which previously accounted for nearly half of the steel and nearly 40% of the cement used a few years ago, have now dwindled to 20%-25% due to tightening of the development budget.

**Md Shahidullah, Vice President of the Bangladesh Steel Manufacturers Association**, on the declining sales of the construction material industry. (July 13, 2024. The Business Standard.)

**The macroeconomic challenge hit the confidence level of both foreign and local investors. It was evident in the selloffs in recent months.**

**Asif Khan, Chairman of Edge Asset Management**, on the benchmark index of the Dhaka Stock Exchange losing over 1,000 points in FY2023-24. (July 2, 2024. The Daily Star.)

If the country's youth workforce does not prepare by gaining the necessary competence keeping pace with the changing job market, Bangladesh is likely to miss out on reaping potential benefits. Although Bangladesh has adopted National Skills Development Policy-2020, we still need to develop long-term skills strategies in line with economic growth strategies and drivers.

**M Masrur Reaz, Chairman and CEO of Policy Exchange Bangladesh**, at a seminar organised by the National Skills Development Authority on July 15, 2024, in observance of World Youth Skills Day. (July 16, 2024. The Daily Star.)

**If the government's revenue target remains 'artificial', then the government faces a fiscal pressure to meet the budget deficit, that leads to borrowing or printing of money. If we want to ensure effective macroeconomic management, this estimation must not have a very high margin of error.**

**Ashikur Rahman, Principal Economist of the Policy Research Institute of Bangladesh**, on the government's overestimation of revenue and budget targets. (July 30, 2024. The Daily Star.)

**Simply revising the guidelines would not be enough. Strict action must be taken in case of violations. Most Islamic banks are worse off than before as the rules are not being followed.**

**Mustafa K Mujeri, Former Chief Economist of the Bangladesh Bank and Executive Director of the Institute for Inclusive Finance and Development**, on the central bank's decision to revise Shariah banking guidelines. (July 27, 2024. The Daily Star.)

**The latest data indicates that there will be no relief in the upcoming days even though the financial account turned positive following corrections to the export data.**

**Zahid Hussain, Former Lead Economist at the World Bank**, on the negative appearance of Bangladesh's current account in April 2024. (July 26, 2024. The Daily Star.)

## WORLD ECONOMIC INDICATOR

Country	Nominal GDP: 2023 (In USD Billion)	Real GDP Growth: 2023 (Yearly % Change)	Inflation Point to Point (%)		Current Account Balance: (% of GDP)	Interest Rates (%), Ten Years Treasury Bond	Currency Units (Per USD)
Frontier Markets							
Sri Lanka	74.85	-7.82	2.40	July-24	-0.99	13.37	297.34
Vietnam	433.70	5.05	4.36	July-24	5.12	2.77	25,087.50
Kenya	108.92	5.51	4.30	July-24	-3.94	16.86	128.75
Nigeria	374.95	2.86	34.19	June-24	0.32	21.04	1,590.01
Bangladesh	446.35	6.03	9.72	June-24	-0.75	12.56	118.00
Emerging Markets							
Brazil	2,173.67	2.91	4.50	July-24	-1.32	11.37	5.46
Saudi Arabia	1,067.58	-0.76	1.50	June-24	3.94	N/A	3.75
India	3,572.08	7.83	3.54	July-24	-1.21	6.99	83.90
Indonesia	1,371.17	5.05	2.13	July-24	-0.11	6.85	16,251.80
Malaysia	415.57	3.68	2.00	June-24	1.20	3.81	4.41
Philippines	436.62	5.57	4.40	July-24	-2.57	6.17	57.07
Turkey	1,108.45	4.52	61.78	July-24	-4.07	28.72	33.52
Thailand	514.95	1.87	0.83	July-24	1.28	2.58	34.97
China	17,662.04	5.24	0.50	July-24	1.50	2.16	7.27
Russia	1,997.03	3.59	9.10	July-24	2.53	15.12	92.00
Developed Markets							
France	3,031.78	0.87	2.30	July-24	-0.75	2.92	0.91
Germany	4,457.37	-0.31	2.30	July-24	6.80	2.18	0.91
Italy	2,255.50	0.92	1.30	July-24	0.16	3.58	0.91
Spain	1,581.15	2.50	2.80	July-24	2.60	3.02	0.91
Hong Kong	376.97	3.22	1.50	June-24	9.40	2.84	7.79
Singapore	501.43	1.08	2.40	June-24	19.77	2.77	1.32
United States	27,357.83	2.53	3.00	June-24	-2.97	3.85	1.00
Denmark	405.20	1.81	1.10	July-24	10.90	2.20	6.79
Netherlands	1,117.10	0.09	3.70	July-24	10.17	2.49	0.91
Australia	1,741.88	2.06	3.80	June-24	1.22	3.97	1.51
Switzerland	885.14	0.76	1.30	July-24	7.64	0.40	0.86
United Kingdom	3,344.74	0.15	2.00	June-24	-2.20	3.89	0.78

**Bangladesh Data:** Interest Rate of 10 Years Treasury Bond as per July 2024, Inflation as per June 2024, and Currency Unit (per USD) as per 7th August 2024 are sourced from Bangladesh Bank.

**Nominal GDP, Real GDP Growth, and Current Account Balance:** Data of all countries are sourced from the IMF World Economic Outlook April 2024.

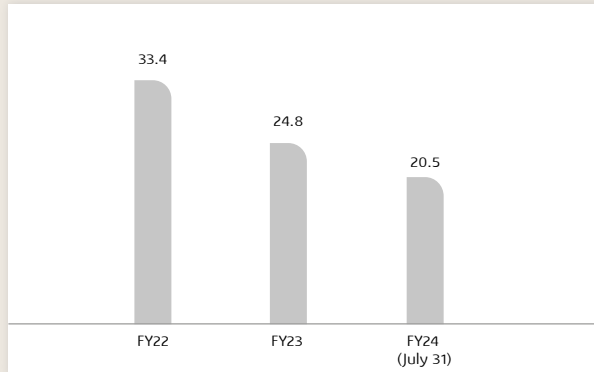
**Inflation:** Data of all countries apart from Bangladesh are sourced from tradingeconomics.com.

**Interest Rate of 10 Years Treasury Bond and Currency Unit:** Data of all countries apart from Bangladesh are sourced from investing.com.

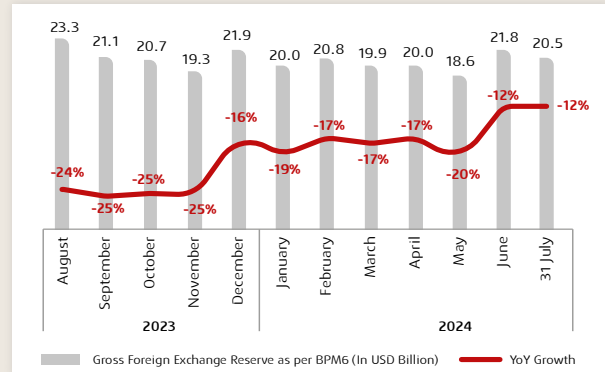


# BANKING DATA CORNER

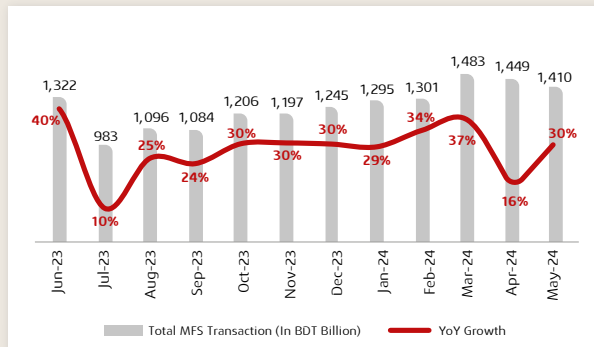
**Gross Foreign Exchange Reserve as per BPM6**  
(In USD Billion and Last 2 Years)



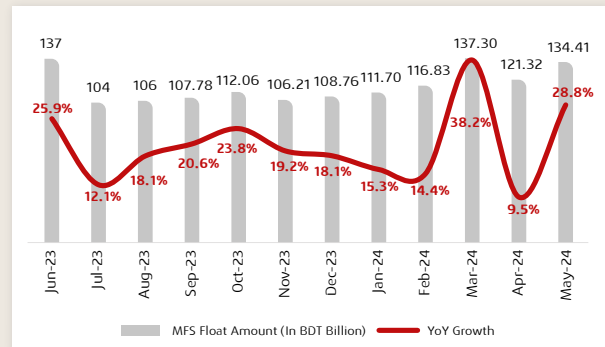
**Gross Foreign Exchange Reserve as per BPM6**  
(In USD Billion and Last 12 Months Trend)



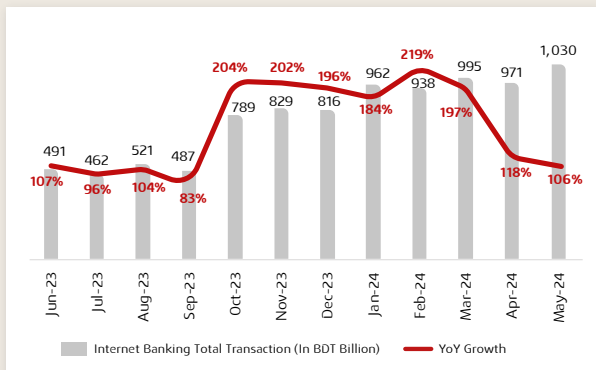
**MFS Total Transaction Value**  
(In BDT Billion and YoY Growth)



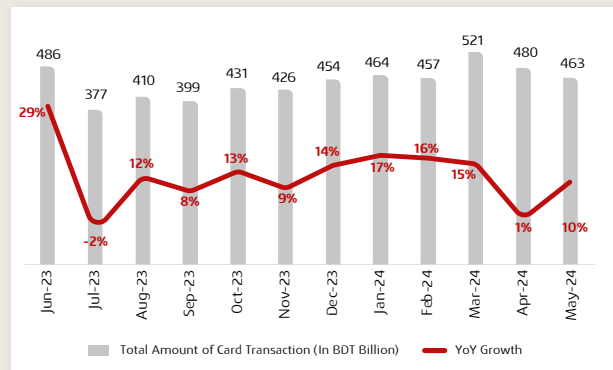
**MFS Float Amount**  
(In BDT Billion and YoY Growth)



**Total Amount of Internet Banking Transaction**  
(In BDT Billion and YoY Growth)



**Total Amount of Card Transaction**  
(In BDT Billion and YoY Growth)



Source: Bangladesh Bank

# BetterStories



## Minhaz Anwar

Founder & Chief StoryTeller, BetterStories

### Interviewed By

Humaira Tabassum, Team MBR

*BetterStories, founded by its Chief StoryTeller, Mr. Minhaz Anwar, is a future-building agency established in 2009 with a mission to empower Bangladesh's emerging leaders and drive sustainable development through entrepreneurship and innovation. The company seamlessly blends for-profit consulting with pro-bono services, strategically reinvesting in ecosystems to build a brighter future for Bangladesh. Through initiatives like TekSHOI, BetterStories has created impactful ecosystems by fostering local leadership and innovation. The team is deeply committed to futureproofing Bangladesh while aligning their personal goals with the organisation's mission. Their work has been instrumental in shaping narratives and supporting the startup ecosystem in Bangladesh. Team MBR was in a conversation with the founder and Chief StoryTeller of BetterStories, Mr. Anwar, and had the opportunity to learn about his inspirations behind forming the startup and his future aspirations surrounding BetterStories.*

**Humaira Tabassum:** BetterStories was established in 2009 with a vision to empower Bangladesh's emerging leaders and drive sustainable development through entrepreneurship and innovation. Would you kindly share with us the events that inspired you to form BetterStories?

**Minhaz Anwar:** Before founding BetterStories, I was deeply involved in international development. My role involved sending submissions to the high-ups in the HQ for projects to be approved for Bangladesh. While getting a lot of projects approved, I realised that the way I had portrayed Bangladesh in those

submissions was a complete disservice to my country—a depiction of Bangladesh as a country of dysfunctional politics, natural disasters, and extreme poverty. This negative and often half-accurate image was not only unfair but also detrimental to the kind of perception being built about the country.

At that time, around 65% of Bangladeshis were under 35. The consequences of this brand image on these young people were profound, impacting their international mobility and the ability to seek opportunities, build business relationships, or forge global partnerships. Soon, it became clear to me that if we, as



Bangladeshis, wanted to shape a brighter future, we needed to take control of our own narrative. This realisation led me to the founding of BetterStories in 2009. I believed that by creating and sharing our own stories, we could reshape the world's perception of Bangladesh and, in doing so, empower our emerging leaders to drive sustainable development through entrepreneurship and innovation.

**Humaira Tabassum: Utilising the platform of BetterStories, you aim to put Bangladesh in the limelight of the global arena through inspiring technology-led social innovations. Would you kindly elaborate on the concept of technology-led social innovation for our readers and share some stories of BetterStories nurturing such ideas?**

**Minhaz Anwar:** At BetterStories, we believe that true innovation happens at the intersection of ideas, people, and actions. We are witnessing a fast-evolving world where various entities—governments, the private sector, and development organisations—are converging in unique ways. For instance, governments are adopting startup-like approaches to provide more personalised services to their citizens. Similarly, the private sector is embracing system thinking, a concept from the development industry, while the development community is integrating concepts like design thinking from the startup world. At the heart of all these transformations is the need to place people—whether citizens, customers, or communities—at the centre of innovation. This convergence underscores the importance of technology as a crucial tool for scaling solutions, achieving efficiency, and driving innovation.

Bangladesh has already shown the world how transformative initiatives can lead to significant social changes—be it in women's empowerment, ensuring primary education for children, or providing healthcare through grassroots efforts like the barefoot women-health workers. The pioneering work in microcredit and women's participation in the workforce are just a few

examples of Bangladesh's contributions to social innovation. As we look to the future, particularly with the vision of 'Bangladesh 2.0,' the next step is clear: embracing technology. We see technology as the key to reforming, rebuilding, and reversing, with a strong focus on being inclusive, green, and resilient. For us, technology-led social innovation is not just important; it is essential for shaping a resilient and prosperous Bangladesh.

**Humaira Tabassum: BetterStories balances its for-profit activities with its commitment to providing pro-bono services by strategically integrating high-impact, socially responsible projects into its business model. How does BetterStories balance its for-profit activities with its pro-bono services, ensuring the profitability of the startup is optimised?**

**Minhaz Anwar:** That is a very good question. I would say that balancing for-profit activities with pro-bono services has been a journey for us. When we first started building the ecosystem, unlike in other countries, we had to mobilise our own resources to make it happen. This led us to establish ourselves as a consulting company, generating a decent income that could be reinvested into ecosystem development. Over the years, as the ecosystem has grown, we have noticed a convergence where some of the consulting work we began with has naturally evolved into part of our ecosystem-building efforts. However, the reality is that this ecosystem is still in its nascent stage, and many startups simply cannot afford our fees. As a result, we often provide services to early-stage entrepreneurs for free or through partnerships with various organisations.

In the past, we have collaborated with a diverse range of partners, including the Dutch Government, the Bangladesh Government, the World Bank, IFC, the British Council, and Grameenphone, among others. We have also seen some of the startups we have supported grow and mature, eventually availing of

our services for investment readiness and impact measurement for a fee. Ultimately, our motivation lies in building the ecosystem and contributing to the future of Bangladesh. While we are legally registered as a for-profit company, we often see ourselves as a social movement dedicated to finding the revenue and resources needed to deliver what truly matters for the country.

**Humaira Tabassum:** BetterStories calls itself a future building agency that provides a range of consultation services. May we know the services one can expect from BetterStories and the revenue drivers of the startup?

**Minhaz Anwar:** Another good question! At BetterStories, we firmly believe that Bangladesh is on track to become a developed economy by 2041 or shortly thereafter. This impending transformation has profound implications for organisations in Bangladesh, including startups, SMEs, and NGOs. As Bangladesh moves towards this future, local organisations, their people, and their leaders will take centre stage, while international organisations and multilateral agencies may quickly lose their relevance. But the critical question is: Are these local actors ready for this transition? Perhaps not yet!

Our mission at BetterStories is to future-proof these organisations by supporting them in three key areas: leadership, funding, and influencing. First, we help them to develop as better leaders—individuals who can navigate the complexities of the future with agility yet stay true to the vision. Second, we assist them in finding the resources they need to realise their dreams. Third, we guide them in becoming better influencers, capable of driving the policy changes and implementation strategies necessary for impactful changes within and outside their spheres.

Currently, we are actively engaged in several projects across Bangladesh. For example, in

Cox's Bazar, we are working with humanitarian actors at the TekSHOI (Technology in Social Humanitarian and Open Innovation) Lab to foster innovation. In the northern Char regions, we support local entrepreneurs, helping them to thrive in challenging environments. We work across Bangladesh to support startups, ensuring they are equipped for the future. These efforts are part of our broader strategy to ensure that local organisations are ready to take the lead in the future when Bangladesh transitions to a high-income country.

**Humaira Tabassum:** Through the process of nurturing ideas, BetterStories aims to create an impact on society, such as job creation. Would you kindly share with us how BetterStories measures the success of the ideas it nurtures and the impact of nurturing?

**Minhaz Anwar:** At BetterStories, we believe our work is generational. While we do track measurable outcomes like the number of jobs created by the startups we have supported and the amount of capital they have raised, we recognise that true futureproofing requires at least twenty years of sustained effort. Our ultimate measure of success will be seeing Bangladesh emerge as an advanced economy, with local actors ready to take the lead on the global stage. Success for us will be reflected in several key indicators: a significant number of local organisations leading effectively, with the necessary resources mobilised to achieve their goals, and a strong, influential voice in policy-making and implementation. While metrics like job creation and fundraising are important, they are part of a broader, more complex picture. We understand that these achievements are not solely due to BetterStories' efforts but are the result of a collective and systematic contribution involving numerous stakeholders, including the organisations themselves. Our strategy is more meta in nature, focussing on long-term systemic changes rather than just short-term micro-indicators.



**Humaira Tabassum:** In 2021, Grameenphone partnered with three reputed startup ecosystem builders in Bangladesh, including BetterStories, to make GP Accelerator 3.0 a success. May we know how this partnership has supported your cause?

**Minhaz Anwar:** Our partnership with Grameenphone has been pivotal for both of our organisations as well as the wider ecosystem. We have been involved with the Grameenphone Accelerator since its second batch. The Grameenphone Accelerator has quickly become an icon in the startup ecosystem in Bangladesh, setting itself as a benchmark for others to follow. We were fortunate to collaborate with two other key ecosystem builders, LightCastle Partners and particularly Startup Dhaka, who, along with Grameenphone, initiated the accelerator in the first place. This partnership has significantly influenced the thought process within the ecosystem. The Grameenphone Accelerator's playbook has been emulated by nearly everyone entering the market afterwards, serving as a standard for excellence. The success of the accelerator sparked new conversations and brought various parts of the community together, including the government, media, investors, and innovators. It has played a crucial role in shaping the ecosystem and advancing our shared mission of nurturing and empowering startups in Bangladesh.

**Humaira Tabassum:** BetterStories has an initiative called TekSHOI to help local actors connect with each other to address societal challenges by creating engaging ecosystems. Would you kindly share with us the impact the initiative has been able to create?

**Minhaz Anwar:** TekSHOI was envisioned as a humanitarian innovation lab, and the progress we have made in the last twenty-four months has been nothing short of remarkable. Through TekSHOI, we have discovered that many local leaders already possess the essential elements for success and the ambition to futureproof

themselves. What they needed was the right support and resources to bring their visions to life. We also realised that it was not just about NGOs or entrepreneurs; other local actors, such as the media, the private sector, and even multilateral and international NGOs (INGOs), could play crucial roles in this ecosystem. During this process, we learnt that the needs of larger organisations differ significantly from those of smaller ones, which required us to tailor our approach accordingly.

Moreover, it was not just about future-proofing local actors; it was also about shaping the narratives that influence societal change. To this end, we have formed a coalition with the local journalists' union, recognising the power of the media in driving impactful stories and changes that matter. Our work in Cox's Bazar has been particularly enlightening, serving as an eye-opener for what is possible when diverse actors come together to address societal challenges. And this is just the beginning for us. We are actively looking to deepen our work in Cox's Bazar and beyond, with a focus on creating lasting, meaningful impact.

**Humaira Tabassum:** Members of the BetterStories team aspire to contribute meaningfully to society, with their personal goals and ambitions aligning closely with the organisation's objectives. May we know about the common personal goals and aspirations of the members of the BetterStories team? How do they keep on pursuing the organisation's objectives while fulfilling their personal goals and ambitions?

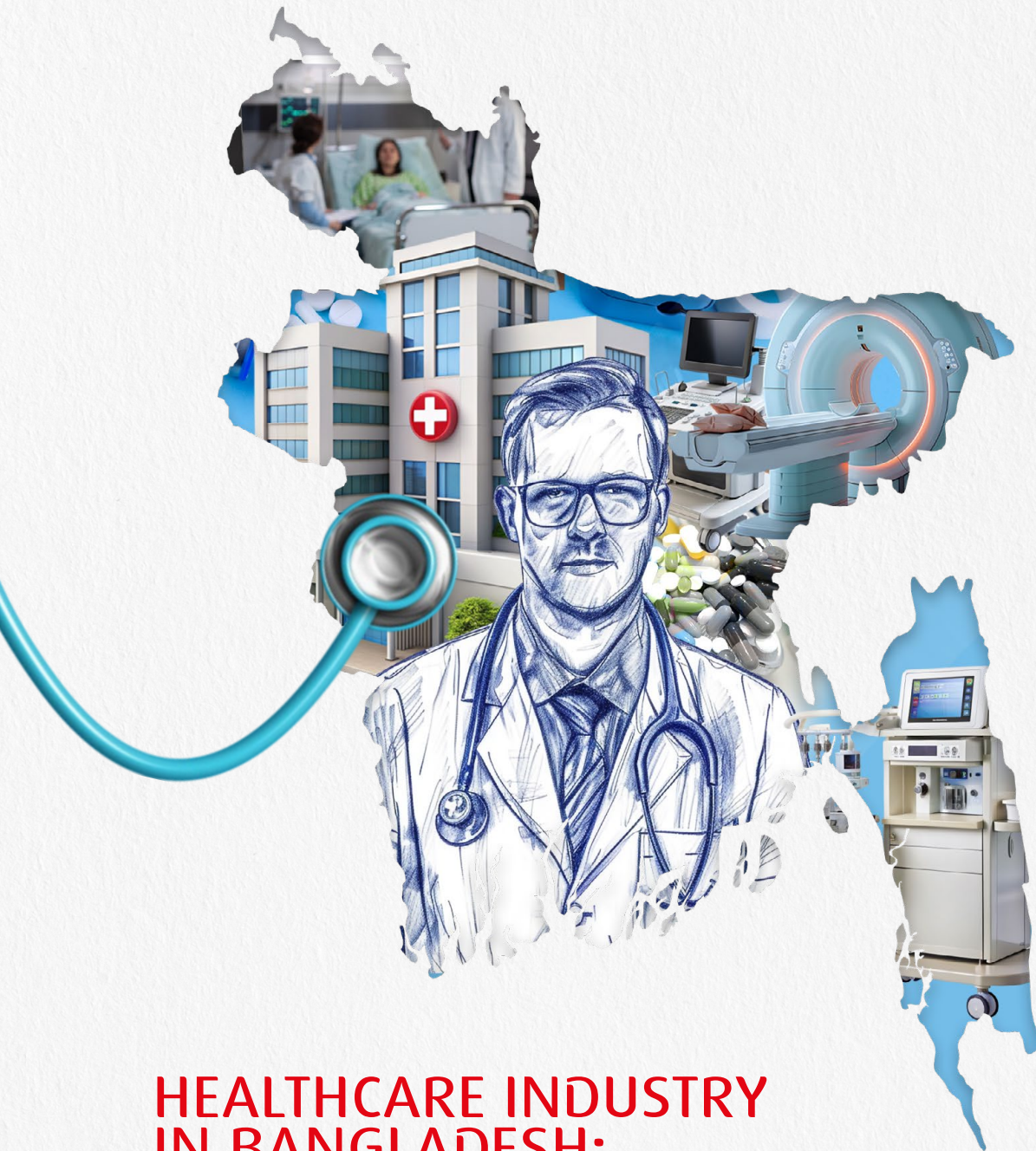
**Minhaz Anwar:** We often describe ourselves as a social movement, and I believe that the members of the BetterStories team are deeply motivated by our vision to futureproof Bangladesh and reshape its global narrative. This shared purpose helps us stay resilient through the ups and downs we face. In fact, one of our core values is 'transilience,' which signifies not just surviving challenges but emerging stronger from them. Our team

members are quick learners who adapt their experiences across different sectors. For example, the insights we have gained over the last fifteen years working closely with startups are now being applied in our collaborations with SMEs and NGOs. Many of our team members are young, and for most of them, BetterStories is their first job. This creates a dynamic environment where learning is a two-way street—I learn a lot from this generation, just as they learn from the hands-on experience we provide by involving them in real projects from day one. We have a very open and transparent culture at BetterStories. Team members, regardless of their age or experience, have an equal voice in discussions, whether they are critical decisions or everyday matters. Even sensitive information like organisational finances is shared openly, allowing everyone to contribute meaningfully and suggest improvements.

We are also exploring the idea of making BetterStories a place where people can build long-term careers. For instance, we understand that many young team members aspire to pursue higher studies. In the past, they might have felt the need to leave BetterStories to achieve this. Now, we offer alternatives, such as unpaid long-term educational leave, allowing them to pursue their academic goals while remaining part of the team. They can even continue contributing remotely during their studies, and when they return, they often bring new perspectives that lead to positive changes in their roles and compensation. Ultimately, it is not just about the job title or the salary; it is about the culture and the larger purpose that drives us. That is why our team members love working here as we strive to future-proof Bangladesh together!







# HEALTHCARE INDUSTRY IN BANGLADESH:

NAVIGATING THROUGH  
CHALLENGES TO ENSURE ACCESS  
TO HEALTHCARE FOR THE MASSES

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Written By  
**Sumaiya Tarannum Sujana**

With nearly 170 million people living in one of the most densely populated nations on earth, guaranteeing fair access to high-quality healthcare services is not just a goal; it is essential to the growth and stability of the country. Health is a fundamental human right, as declared not only in the constitution of Bangladesh but also in the constitution of the World Health Organization (WHO) and many other human rights treaties. While Bangladesh has achieved progress in improving life expectancy, reducing the number of infectious diseases, reducing mortality, and other areas, our healthcare sector is at a crossroads in its efforts to provide universal access to healthcare. As per the data of the Directorate General of Health Services, there is only one registered physician available in our country for every 1,487 people. This fact itself states how crucial it has become for us to ensure healthcare for the masses.

### Current Landscape of the Healthcare Industry in Bangladesh

The healthcare industry, one of the largest service-orientated industries in Bangladesh, had an estimated size of about USD 10 billion in 2021, according to data from the Bangladesh Investment Development Authority (BIDA). Growing at a compound annual growth rate of about 10.3% since 2010, our healthcare industry was expected to grow to a size of about USD 14 billion by 2023. Since gaining independence in 1971, Bangladesh has made remarkable strides in healthcare. The government's commitment to health as a priority sector is evident in its evolving policies and investment strategies. The introduction of the Health, Population, and Nutrition Sector Programme (HPNSP) has been a landmark towards ensuring healthcare for the masses in Bangladesh. The 5th HPNSP (July 2024–June 2029), focussing on urban primary healthcare for underserved urban populations, has an enhanced budget allocation of about BDT 290,370 crore, compared to about BDT 145,935 crore in the 4th HPNSP. Bangladesh is also open to 100% foreign direct investment, with tax holidays being offered to new hospitals meeting specific conditions.

**Table 1: Statistics of the Healthcare Industry**

Government Hospitals under DGHS	739
Total Number of Government Facilities under the DGHS	2,258
Total Number of Private Registered Hospitals and Clinics	5,321
Total Number of Registered Private Diagnostic Centers	9,529
Total Primary Level Facilities (Except Community Clinic)	2,003
Total Secondary and Tertiary Level Facilities	255
Population per Registered Physician	1,487
Number of Registered Physicians per 10,000 Population	6.73

Source: Bangladesh Bureau of Statistics

**Table 2: Number of Beds in Government and Private Hospitals**

Type of Hospital	Number of Beds (2019)	Number of Beds (2022)
Government Hospitals	54,660	71,660
Private Hospitals	91,537	99,975
<b>Total</b>	<b>143,394</b>	<b>171,675</b>

Source: Bangladesh Investment Development Authority and Health Bulletin 2022

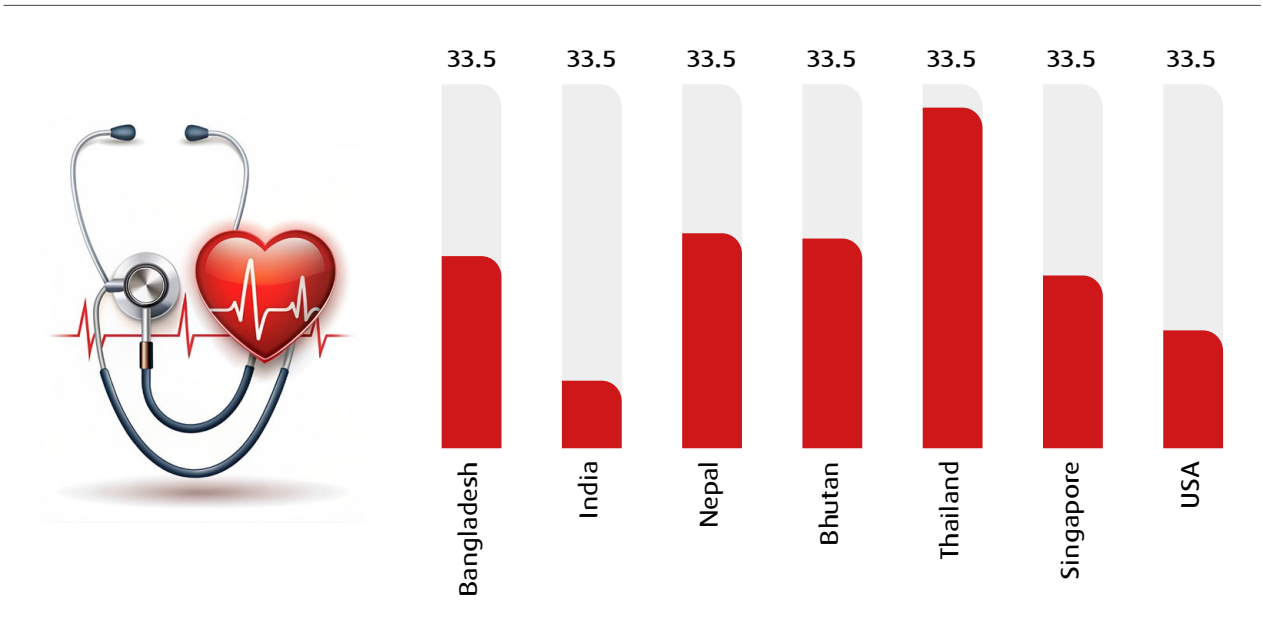
Though the number of healthcare facilities is growing, the figures are not yet adequate for all. The number of beds in both public and private facilities has increased over the years. The average life expectancy in Bangladesh has increased from 52 years in the 1970s to 72 years in 2022; the maternal mortality ratio has decreased by 67% since 1990; and the infant mortality rate has decreased from 9.4% in 1981 to 1.9% in 2019. Different telemedicine services and healthtech startups have also been contributing a lot to delivering smooth access to healthcare services. Across the nation, various levels of hospitals have been offering top-notch telemedicine services. Among them are three district hospitals



(Shatkhira, Nilphamari, and Gopalganj), three sub-district hospitals (Pirgonj, Dakope, and Debhata), and two specialised hospitals (Bangabandhu Sheikh Mujib Medical University and the National

Institute of Cardiovascular Diseases). Despite all the advancements, a considerable number of people are still unable to access the necessary medical services.

Figure 1: Index Score on Healthcare Access



Source: Global Health Security Index 2021

To ensure healthcare access for the masses, Bangladesh has performed better than many countries, as per data. However, in the overall metrics, Bangladesh stands 95th worldwide in the Global Health Security Index, which is a bit alarming. Substandard quality, rising costs, insufficient budget, inefficient allocation, etc. are some obstacles that the Bangladeshi healthcare industry is currently facing.

Persisting Challenges

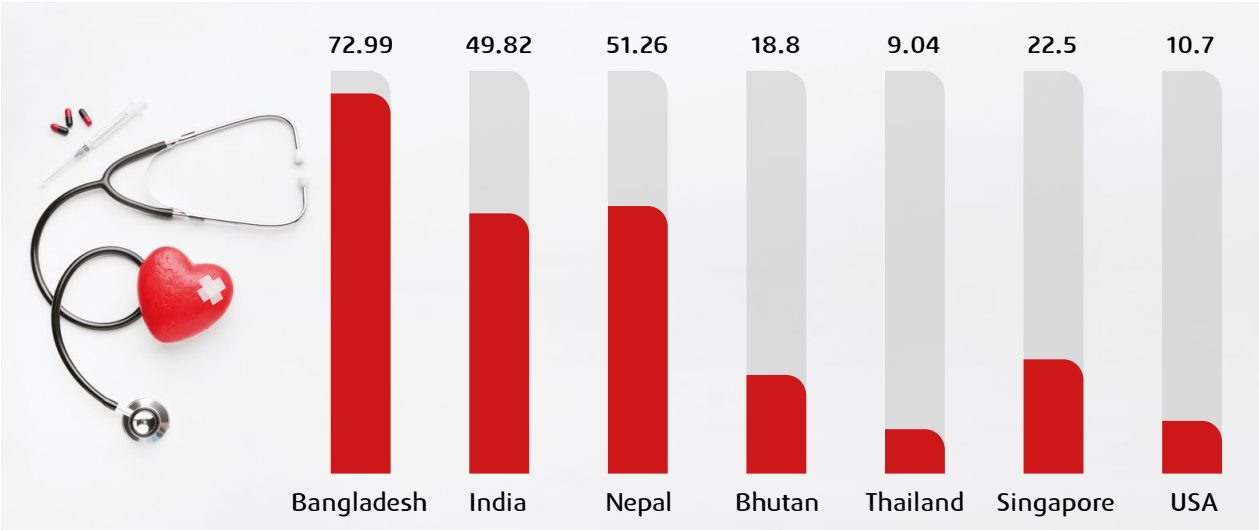
Although our healthcare sector has made substantial progress till now, there are several impediments on the ladder of this growing industry. Our government, entrepreneurs, and

concerned authorities must work together to overcome the following challenges:

Soaring Out-of-Pocket Expenditures

Bangladesh has the second-highest out-of-pocket health spending in the world, with individuals covering 72.99% of medical costs in 2021, according to data from the National Health Accounts, whereas the rate was 62% in 2012. The ratio exceeds the maximum of 20% suggested by the WHO by a significant margin. When a household's out-of-pocket expenses account for more than 40% of its total income, the WHO classifies health spending as catastrophic.

Figure 2: Out-of-Pocket Expenditure as a Percentage of Current Health Expenditure



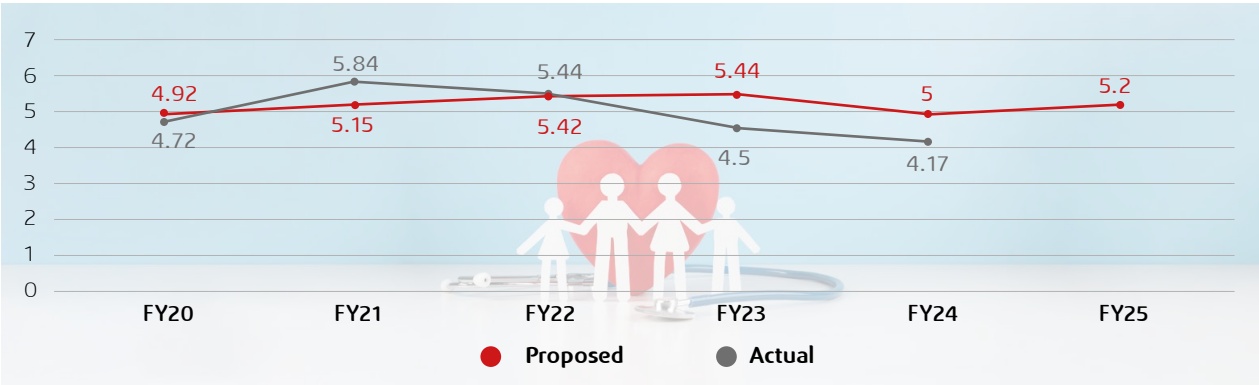
Source: World Health Organization

It can be seen that Bangladesh has a higher out-of-pocket expenditure than most other countries. Even countries like Nepal and Sri Lanka, which are comparatively less developed than Bangladesh, have lower expenses. This indicates why healthcare in our country is still inaccessible to many, as 18.7% of people in Bangladesh are still living below the poverty line (as per the Bangladesh Bureau of Statistics).

Budget Allocation

Lack of budget allocation is one of the major challenges the industry is going through. Our government usually allocates around 5% of the total budget for healthcare, which is considered very low. Even during the last few years, our government did not spend the proposed allocation. Inefficient budget allocation aggravates the situation to a greater extent.

Figure 3: Healthcare Budget Allocation as % of Total Budget



Source: Ministry of Finance

## Health Equity

Ensuring equitable access to healthcare services across the country has been one of the most pressing issues these days. A study in the Oxford University Journal mentioned that 95% of the offerings in our health sector were from private health providers, while the public sector's offerings were among the least. As per the Population Census of 2022, only 31.66% of people in Bangladesh live in urban areas, and the rest live in rural areas. Despite having a greater density of people, rural areas suffer from a shortage of healthcare facilities and experts. Due to the geographic disparities, people in remote regions often have to travel long distances to access better healthcare facilities, which is time-consuming and costly.

## Quality of Care

The quality of healthcare services also differs significantly between the public and private sectors. While private hospitals in urban areas offer high-quality care, public service providers often receive objections such as inadequate

and outdated equipment, unhygienic hospital environment, etc. Due to the falling quality, many are travelling abroad to access premium services. An astounding BDT 350 crore is spent annually on healthcare needs by the 700,000 individuals who travel overseas on average. The average cost of treatment for patients travelling overseas is roughly BDT 550,000. The infrastructure issues and declining quality pose a major challenge for our healthcare industry.

## Steering Through the Challenges

Proper actions must be taken in order to meet the difficulties that lie ahead and guarantee that everyone has access to healthcare. To guarantee that everyone has access to basic healthcare, the government is concentrating on bolstering primary healthcare services. The goal of programs like the Community Clinic Program, an approach to achieving Universal Health Coverage (UHC), is to provide healthcare services to underprivileged communities more easily. Through enhancing these resources and expanding their reach, the government intends to tackle certain concerns pertaining to equity and accessibility.



Figure 4: Footsteps to Tackle the Challenges in the Healthcare Industry



Source: Author's Design

Additionally, the government is becoming more aware of how public-private partnerships, or PPPs, might change the way healthcare is provided. A major factor in filling the holes created by the public healthcare system is the growing private sector. Non-governmental organisations (NGOs) have long been essential to Bangladesh's healthcare system. Particularly in rural areas, organisations like BRAC, SMC, etc.

play a crucial role in delivering necessary health care. By targeting maternal health, nutrition, and infectious diseases, these NGOs frequently bridge service gaps left by the government. International aid is also a major source of money for healthcare programs. In order to improve Bangladeshis' health, programs like the Office of Population, Health, and Nutrition of USAID support robust health systems that provide



high-quality, equitable healthcare. Strategic partnerships between the government, NGOs, and international organisations can catalyse improvements and foster resilience within the healthcare system.

The emergence of technology is also changing Bangladesh's healthcare environment. Particularly during the COVID-19 pandemic, when restrictions limited access to conventional healthcare services, telemedicine gained severe popularity. Healthtechs have made it possible for medical professionals to visit patients who live far away, providing previously unreachable follow-ups and consultations. These technological advancements give people more control over their health and improve accessibility. Infrastructure improvements in the healthcare industry are crucial for enhancing service delivery. An estimate shows that Bangladesh has less than one bed for every 1000 patients (about 0.87), in contrast to the WHO's recommendation of at least three beds per 1,000 patients to ensure access to healthcare. Hence, actions like constructing new facilities in neglected areas, modernising health centres, and renovating already-existing ones have become necessary to ensure access for the masses. Furthermore, expanding medical education and training programs may also assist in addressing the shortage of healthcare professionals and enhancing healthcare access.

Although the Ministry of Health and Family Welfare formed the National Health Policy in 2011 to ensure primary healthcare for all, strict

regulatory mechanisms have been a dire need in the current context of the healthcare industry. Only 2.5% of people in our country have health insurance, meaning that most people are still at risk of financial hardship due to medical costs. Thus, new health insurance schemes can be introduced to assure the health and safety of people.

The biggest step that our government has taken to ensure access for the masses is planning to achieve the UHC. The Health Care Financing Strategy (HCFS) 2012–2032 suggests actions to protect the healthcare costs of the underprivileged population in order to attain the UHC. Shasthyo Shurokhsha Karmasuchi (SSK) is one such endeavor. SSK was created with the goal of providing free healthcare services to households below the poverty line and shielding them from financial ruin in the event of a catastrophic illness. In order to attain the UHC, they hope to enrol every person in this program in the near future.

Bangladesh's path to UHC is paved with obstacles, but there is optimism because of the people and institutions' tenacity and inventiveness. Through the adoption of creative solutions, encouraging cross-sector collaboration, and giving the needs of the marginalised top priority, Bangladesh may lead the way towards a healthy future for all of its residents. The nation's strength and vigour are derived from the health of its people, so the dedication to enhancing healthcare must not waver.







**Sylvana Quader Sinha**  
Founder & CEO, Praava Health

**Interviewed By**  
Sumaiya Tarannum Sujana, Team MBR

*Sylvana Quader Sinha is the founder and CEO of Praava Health, the country's first and only one-stop brick-and-click outpatient healthcare system, established with the mission of democratising high-quality medical treatment in emerging and growing markets. She is a widely recognised authority on identifying and building resilient market-opening businesses in economies and sectors where potential has yet to be unlocked. Today, Praava serves more than half a million patients, bringing international standards and many quality healthcare firsts to Bangladesh. It is the nation's fastest-growing healthcare brand, on the cusp of further expansion. Team MBR was fortunate enough to have a conversation with Ms. Sinha and receive her take on the healthcare sector in Bangladesh.*

**Sumaiya Tarannum Sujana: As per the World Health Organization (WHO), life expectancy at birth in Bangladesh has grown from 65.60 years in 2000 to 73.10 years in 2021. Would you kindly share with us your views on the quality of healthcare services available to the masses in Bangladesh, given the growing life expectancy?**

**Sylvana Quader Sinha:** The massive strides we have seen in life expectancy in Bangladesh, alongside improvements in other social development indicators, are largely due to laudable investments in primary healthcare for the masses in Bangladesh. By investing in primary healthcare, Bangladesh has been able to reduce maternal, newborn, and child mortality rates and has also improved vaccination rates, making communicable diseases less of a burden.

Today, Bangladesh has an increasing middle-class population with a different set of public health challenges. The biggest threat to mortality in Bangladesh today and across Asia is non-communicable diseases (NCDs), such as heart disease, lung disease, diabetes, and cancer. The best way to prevent and address NCDs before they evolve into acute illnesses is through primary healthcare, as this is the first point of entry into the healthcare system, whether private or public. In fact, it is well established that a well-functioning primary healthcare system is effective at reducing healthcare costs for households and for the government.

Today, our middle-class population often prefers to access the private healthcare system for primary healthcare, but today's healthcare options in Bangladesh largely overemphasise speciality

care and undervalue primary care. We founded Praava Health to bring primary healthcare to the forefront of the way healthcare is delivered in a private healthcare system in Bangladesh.

**Sumaiya Tarannum Sujana:** According to a recent Daily Star report, approximately 700,000 individuals travel overseas annually for healthcare purposes. Would you kindly share with us the distinguishing features of the foreign healthcare service providers for which these people are motivated to avail healthcare services abroad?

**Sylvana Quader Sinha:** Every single day, thousands of Bangladeshis and every single year, billions of dollars (close to USD 8 billion, according to the last government's estimate) flow out of the country to access healthcare abroad. When we founded Praava Health, we interviewed patients who were choosing to leave Bangladesh for healthcare. Some were travelling for tertiary care, such as advanced surgeries, but an alarmingly significant number of them were travelling for very basic reasons that could be addressed even in an outpatient setting in Bangladesh. When asked why they were choosing to travel abroad instead of accessing options available locally, they consistently answered that they did not want to rely on the healthcare system in Bangladesh, considering the quality is too variable. Also, they stated that doctors do not spend sufficient time with them or even look at them properly.

The quality of healthcare in both the public and private healthcare systems varies greatly, partly because the government lacks the capacity to regulate it. In fact, across low- and middle-income countries like Bangladesh, the leading cause of mortality is not lack of access to healthcare but inadequate, poor-quality healthcare. Secondly, demand exceeds supply. In comparison to other emerging markets, spending on healthcare in Bangladesh is growing at an annual compound rate of 10%, outpacing the economy. With the public system understaffed and overstretched, private facilities are left to fill the gap, but they are mostly costly, focused on episodic healthcare, and driven by incentives that push doctors to hospitalise patients and prescribe unnecessary

tests and drugs. We founded Praava Health to try to create an alternative to the options that exist for consumers. Praava Health offers high-quality, affordable healthcare that Bangladeshis deserve and can trust.

**Sumaiya Tarannum Sujana:** The unequal distribution of healthcare facilities between urban and rural areas is often cited as a major barrier to ensuring healthcare services for the mass population. Would you kindly share with us the factors that, in your opinion, contribute to the disparities in terms of access to healthcare services between urban and rural areas?

**Sylvana Quader Sinha:** 75% of medical professionals in Bangladesh live in Dhaka. This is the root cause of the massive disparity between urban and rural healthcare. However, even if the medical professionals were more evenly geographically distributed across the country, we still do not have enough medical professionals for a country with a population of approximately 170 million. Bangladesh has only 7 doctors for every 10,000 people, when the WHO recommends 17; and the nursing and technician shortage is even worse. We have only 6 nurses for every 10,000 people, when the WHO recommends 70. We need to invest more in medical, nursing, and medical technician education programs to increase the volume of graduates we are producing.

**Sumaiya Tarannum Sujana:** Bangladesh has set a target to achieve Universal Health Coverage by the year 2030, which requires ensuring quality healthcare services for everyone without financial hardship. Could you please share the necessary reforms in the healthcare sector to meet this ambitious target?

**Sylvana Quader Sinha:** First of all, we need to invest heavily in training institutes to significantly increase the volume of trained graduates entering the medical workforce. We also need to think carefully about structuring health financing instruments to make the universal healthcare dream a reality. Considering the recent upheaval

of the political system, this will take time.

**Sumaiya Tarannum Sujana:** According to the Health Economics Unit, out-of-pocket payments accounted for 69% of the total health expenditure in 2020. Would you kindly share with us what policy measures should be in place to ease the financial burden on the people?

**Sylvana Quader Sinha:** We need more options for health insurance that are not about high-end catastrophic coverage and are not microinsurance either. It is currently difficult to get a license to become an insurer, but hopefully, with regulatory reforms, this will become easier. We also need more robust longitudinal data so that our mortality and morbidity tables can help with the accurate pricing of these insurance products. A stronger insurance industry would help us to promote and incentivise the use of primary healthcare, which would in turn reduce overall and household healthcare expenditures.

Moreover, we could benefit from better regulation from the government to control the quality of healthcare facilities that are delivering healthcare to patients and to prevent overcharging or inconsistent pricing in private facilities. We have even heard recent stories of private hospitals overcharging student protesters when they were hospitalized. There are significant abuses rampant in the system today that lead to cost being a prohibitive factor preventing people from going to the doctor.

**Sumaiya Tarannum Sujana:** Technologies have transformed the healthcare sector globally, just like any other sector. Would you kindly share with us your opinion regarding the technological revolution in the healthcare sector in Bangladesh in comparison to global standards?

**Sylvana Quader Sinha:** It is extremely inspiring to see so many innovators developing technologies for last-mile healthcare and beyond in Bangladesh. I see tremendous opportunities to improve operational efficiency on the backend

through software development for inventory management, prescription of drugs and tests, and collection of data by community health workers and beyond. On the front end, we have seen AI and machine learning tools improve the accuracy of radiology analysis and help triage patients who are feeling unwell.

However, fundamentally, there will be a limit to how far technology can help us leapfrog without parallel investments in basic infrastructure. For example, Bangladesh has only eight international standard labs for a population of 170 million people. On a per capita basis, India has more than 50 times that number of international standard labs, and the United States has more than 3,400 times. The best thing we can do to help prevent mortality is to invest aggressively in infrastructure and layer it with technology, as we have done in Praava's brick-and-click healthcare system.

**Sumaiya Tarannum Sujana:** According to a Daily Star report from 2021, the private sector contributes approximately 60% to the healthcare sector in Bangladesh, investing around BDT 200,000 crore and employing approximately 70,000 doctors. May we know your opinion regarding the measures that are required to encourage more private investment in this sector?

**Sylvana Quader Sinha:** Despite tremendous investment in healthcare in recent years and attention given to the topic after we survived the greatest global health crisis of our lifetimes, emerging markets continue to be left behind. In Bangladesh, the world's 8th largest country with a population of more than 170 million, other than private investment from Blackstone and the International Finance Corporation into Evercare, a very expensive high-end hospital in Dhaka, there is no institutional capital investing in the sector. This is the scenario, despite the opportunity to build basic infrastructure with the potential for tremendous impact and financial returns. For every USD 1 invested in improving healthcare in emerging markets, McKinsey estimates a direct economic return of up to USD 4. A healthier, wealthier future is possible if we invest in building it today, not only for the rich but for everyone.

# INNOVATION IN THE FINTECH LANDSCAPE: AGRICULTURE AS A MODE OF INVESTMENT

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Written By  
**Humaira Tabassum**





Over the last couple of years, the use of fintech in the agriculture sector has been prominent, particularly in the developing world, where agriculture constitutes a major portion of the economy. Bangladesh, being an agriculture-orientated economy with a growing fintech industry, is an arena that exemplifies how the uptake of financial technology can transform the nature of agricultural investment. Fintech innovations are revolutionising agricultural investment in Bangladesh over time. A growing number of agri-fintech platforms in Bangladesh are proving to be beneficial and profitable for both investors and small-scale farmers. The platforms facilitate the provision of funds to farmers for agricultural purposes by individuals who are willing to invest in return for attractive returns. To bridge the financing gap in the agriculture sector, multiple startups have been playing a significant role.

### Fintech Market and Agritech Firms

The fintech market is rapidly evolving, with digital payments, digital investments, digital capital raising, digital assets, and neo-banking emerging as some of the most trending words in the world of finance. Digital investment platforms are specifically gaining traction, with individuals seeking low-cost and easy-to-use investment options. Additionally, digital capital raising has become an attractive option for startups and SMEs, as it provides an efficient way to access funding. The rise of digital assets, such as cryptocurrencies and NFTs, has also created new opportunities for investors and traders. However, our local digital investment market is still in its infant stage.

The fintech market in Bangladesh has the potential to grow, driven by several factors. Firstly, the increasing

adoption of smartphones and the internet has made digital solutions more accessible to consumers, leading to a surge in demand for fintech services. Secondly, the COVID-19 pandemic has accelerated the shift towards digital payments and investments, as consumers have had to adapt to remote and contactless transactions. Thirdly, regulatory changes have enabled fintech companies to compete with traditional financial institutions on a level playing field. Finally, advancements in technology, such as AI and blockchain, have opened up new possibilities for fintech innovation.

The fintech market is expected to continue its rapid growth trajectory, driven by ongoing technological advancements, changing consumer behaviour, and regulatory support. Digital investment platforms are expected to grow in popularity as more individuals these days seek to manage their finances online. Through leveraging fintech, different agritech firms in Bangladesh are transforming the landscape of digital investment. Their goal is to bridge the financing gap in the agriculture sector and introduce newer modes of investment to investors. The agri-fintech sector has seen rapid evolution and growth in recent years, with substantial investments pouring in.

In 2020, agritech startups attracted USD 11.4 billion globally in venture capital deal value, and this momentum continued into 2021, with USD 1.9 billion raised in just the first quarter. Despite their potential, agritech startups face considerable challenges, such as regulatory barriers, high capital needs, and the difficulties of scaling their solutions. Nevertheless, their promise of boosting efficiency in the agriculture sector makes them an appealing investment opportunity.

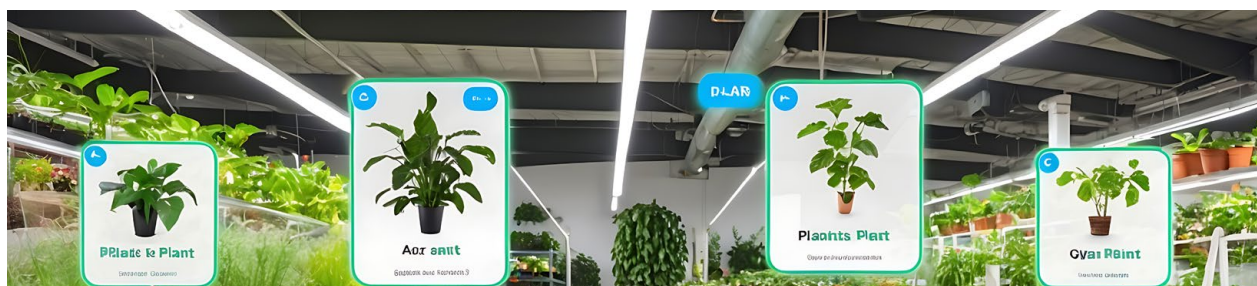
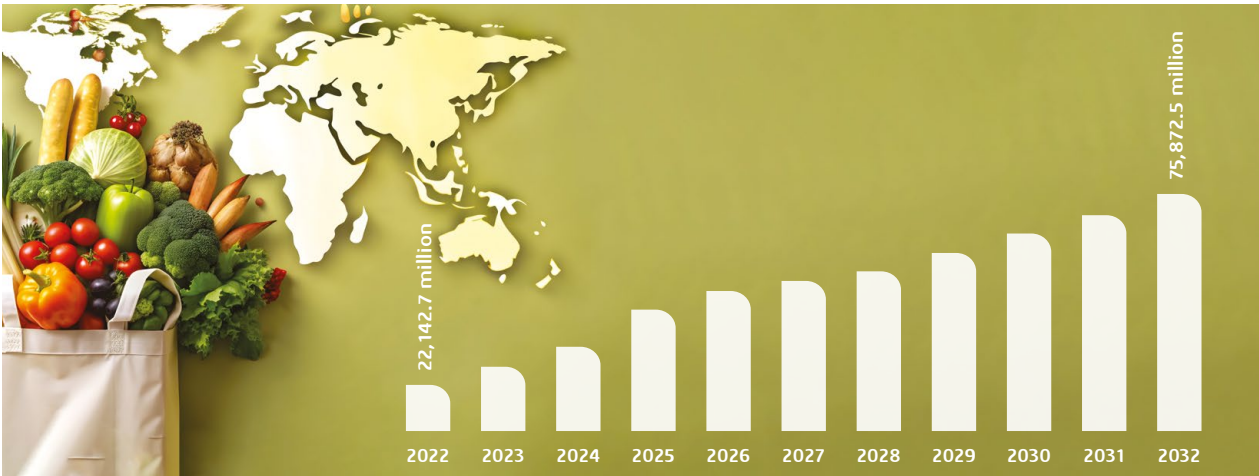




Figure 1: Forecast of the Global Agritech Market Size

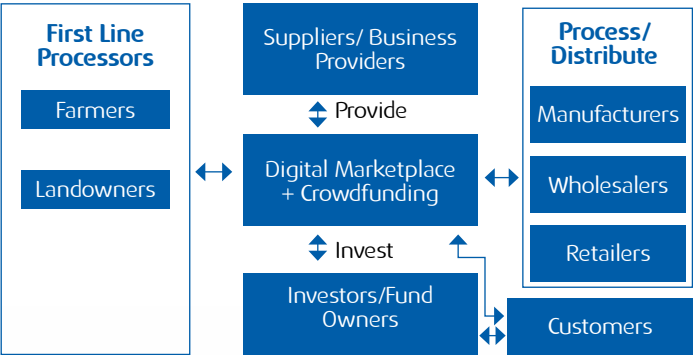


Source: Spherical Insights

The rise of smartphone adoption has significantly impacted the agriculture sector by facilitating direct and indirect interactions among customers, suppliers, and investors, while also enabling remote business management. Historically, agricultural businesses have predominantly operated on a business-to-business model due to

market fragmentation, inefficient supply chains, frequent changes in buyers and sellers, and product value volatility. As smartphones become integral to business transactions, businesses in the agriculture sector are increasingly leveraging technologies to develop mobile business platforms.

Figure 2: A Traditional Agri-Fintech Model



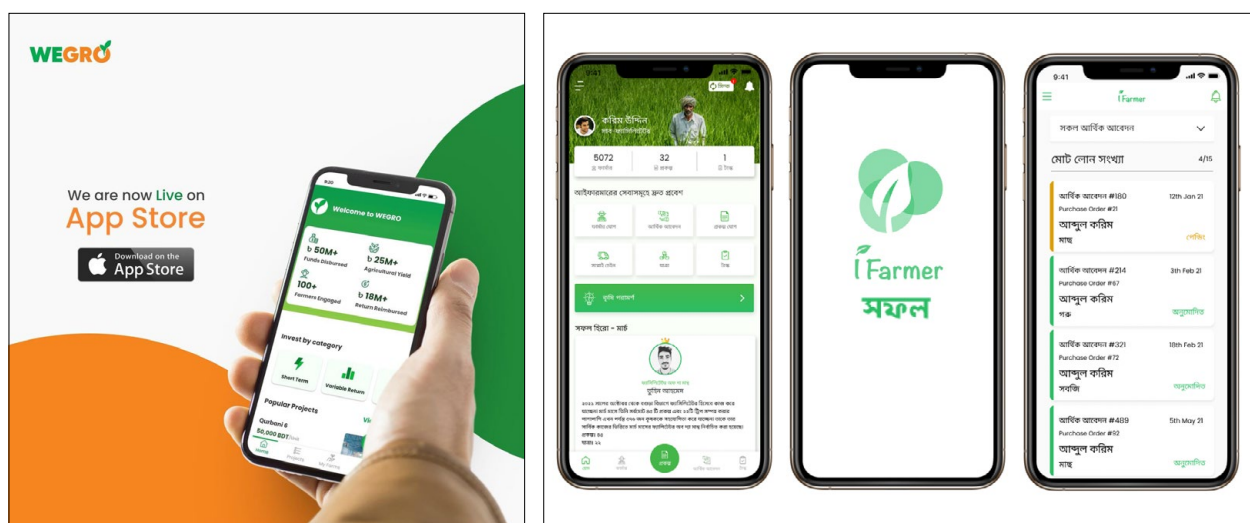
Source: Spherical Insights

## The Landscape of AgriTech Investment in Bangladesh

The agricultural sector in Bangladesh is a significant contributor to the nation's economy, employing around 40% of the population and accounting for 12% of the gross domestic product. Recent advancements in agritech are transforming this sector by attracting investments and enhancing productivity. iFarmer is a key player in this transformation. As an agri-fintech startup, it connects farmers with investors through its app, easing the funding process and providing an alternative to high-interest loans. Investors can fund various farms through the app, receiving

returns based on farm performance over the investment tenure. Investors can choose their desired farm from a pool of farms offering a variety of investment choices. Upon becoming a sponsor, an individual gains access to an online dashboard featuring periodic updates. Every farm provides a certain rate of return on investment for a given length of time.

WeGro, another prominent player, also follows a similar approach. WeGro connects farmers with investors through a digital platform, enabling transparent and efficient investments. The platform uses data analytics to assess farm performance, providing investors with insights and helping farmers optimise their yields.



## Motivations for Investing in the Agriculture Sector

The global population is expected to reach 9.7 billion by 2050, increasing the demand for food production. This population growth creates a pressing need for innovation in agriculture to ensure food security. Moreover, climate change is causing extreme weather conditions and altering traditional farming practices, making technology-assisted methods more appealing. Agritech solutions offer ways to increase productivity and efficiency, addressing these challenges effectively.

Technological innovations are also a key driver. The rise of big data, analytics, and advancements in AI and machine learning are making it easier to optimise farming practices by leading to higher yields and lower costs. These innovations offer the potential for substantial financial returns, making agriculture an attractive sector for investors seeking growth opportunities.

Sustainability is another critical factor that makes investors interested in the agriculture sector. Investors are drawn to the potential of technologies to support the transition to a

more sustainable and resilient food system. Additionally, social impact plays a significant role in motivating investors. By improving agricultural productivity and sustainability, agritech can contribute to reducing hunger and promoting economic development in rural areas. This combination of financial returns, sustainability, and social impact makes agritech a compelling investment option.

Moreover, investors investing through agri-fintech are free to make any size of investment. These investors can benefit from safe investment opportunities, high returns, and a sense of contributing to farmers and agriculture. The business models of agri-fintech are designed with several layers of safety measures for investors' protection. The majority of agri-fintech products provide returns that are far higher than those of any other product on the market, including mutual funds, banks, and other retail investment options. Additionally, by including insurance, agri-fintech guarantees enhanced safety against natural catastrophes as well as other misfortunes and emergencies. Above all, agri-fintech offers

investment alternatives to those who often cannot afford traditional investment products such as term deposits, mutual funds, etc.

## The Future Outlook

Innovation is a powerful force driving the evolution of agriculture, with emerging trends set to transform agribusinesses and enhance their success. These trends are not only revolutionising traditional practices but also promoting sustainable and efficient farming. As the agribusiness landscape continues to evolve, technological advancements and innovative practices will play a crucial role in shaping a sustainable and prosperous future for the agri-fintech sector. By embracing these emerging trends, we can drive agricultural innovation forward and ensure the industry's long-term success. For us, agriculture is and will always be important. The agricultural industry is still the most important one in a world that is constantly changing. Hence, it is just a matter of time when people will bend more towards retail investments in agriculture.





# Fly Far Ladies



## Nusrat Jahan

Founder & CEO, Fly Far Ladies

### Interviewed By

Sumaiya Tarannum Sujana, Team MBR

*Fly Far Ladies works to encourage female travellers and is working to ensure the best travel experience for them. It is a female-orientated travel agency that provides various easy and hassle-free travel solutions exclusively for women. Fly Far Ladies started its journey back in 2018, and it aims to end the restrictions and concerns girls face when travelling and give them the freedom to fly both domestically and internationally. Team MBR was in a conversation with the founder and CEO of Fly Far Ladies, Ms. Nusrat Jahan, and had the opportunity to learn about her inspirations behind forming the startup and her ambitions surrounding Fly Far Ladies.*

**Sumaiya Tarannum Sujana:** Since its establishment in 2018, Fly Far Ladies has been offering various travel solutions for female travellers in Bangladesh and promoting women's independence through its activities. Would you kindly share with us what drove you to come up with the idea to form Fly Far Ladies?

**Nusrat Jahan:** Fly Far Ladies was founded in 2018 with a clear and focused mission, which is to empower women travellers in Bangladesh. The idea came from noticing how limited the opportunities were for women to travel confidently and safely. I wanted to create a platform that not

only offers unique travel experiences but also caters specifically to the needs of women. Growing up, I often observed that women's potential for growth and self-discovery was limited by societal expectations and norms. This observation was a turning point for me and led to the creation of Fly Far Ladies. I recognised a gap in the market for a travel service that focusses exclusively on women, offering them the chance to embark on journeys that build confidence and independence. My goal was to create a supportive space where women could broaden their horizons, discover new parts of the world, and, in doing so, develop a deeper sense of self and empowerment.

**Sumaiya Tarannum Sujana:** Currently, there are a good number of travel agencies in the country, as well as some travel agencies that are quite concerned about a smooth travel experience for their female clients. May we know how Fly Far Ladies has distinguished itself from the other travel agencies?

**Nusrat Jahan:** Fly Far Ladies distinguishes itself by being exclusively dedicated to female travelers. Our core offerings include women-only tours that prioritise safety, comfort, and community. One of our key innovations is our mobile app, which is the first of its kind in South Asia and specifically designed to cater to the unique needs of women travelers. By combining advanced safety features, such as real-time tracking and emergency support, with a strong sense of community and easy-to-use booking processes, we ensure that our clients have a travel experience that is both secure and enriching.

**Sumaiya Tarannum Sujana:** Safety issues, social stigmas, etc. are some of the key concerns female travellers are bothered with, specifically when they travel solo. Would you kindly share with us what initiatives Fly Far Ladies has taken so far to ensure a safe and hassle-free travel experience for women?

**Nusrat Jahan:** Safety and comfort are at the heart of everything we do at Fly Far Ladies. We specialise in organising women-only tours, ensuring that every aspect of the trip is designed with their security in mind. We work closely with reputable service providers who share our commitment to safety. To further enhance the experience, we offer 24/7 customer support, comprehensive travel insurance, and the guidance of experienced tour leaders who are there to assist at every step. Additionally, we use WhatsApp groups and geofencing technology to provide real-time updates and an added layer of security. Our ultimate goal is to ensure that every woman who travels with us feels supported, safe, and confident throughout her journey.

**Sumaiya Tarannum Sujana:** Being a travel agency, there can be multiple profit drivers, such as margins on tour packages, commissions earned from partners, etc. Would you kindly enlighten us regarding the current revenue drivers of Fly Far Ladies?

**Nusrat Jahan:** Fly Far Ladies generates revenue through a variety of channels. The majority of our income comes from customised tour packages that are specifically designed for women. We also earn commissions by partnering with hotels, airlines, and local service providers. Additionally, we offer services such as travel insurance, visa assistance, and airport transfers, which contribute to our revenue. Our mobile app features premium options that provide additional convenience for our travelers. Furthermore, we organise travel-related events and workshops, which not only help in community building but also add to our income streams.

**Sumaiya Tarannum Sujana:** You recently pitched your unique business idea to Shark Tank Bangladesh. May we know about the experience and insights you gained from this exciting opportunity?

**Nusrat Jahan:** Pitching on the Shark Tank Bangladesh was a defining moment for Fly Far Ladies. It was an incredible opportunity that provided us with valuable insights and validated the strength of our business model. The feedback from the investors was instrumental in refining our approach and enhancing our value proposition. The experience also allowed us to connect with other entrepreneurs who shared their wisdom and inspiration, which has been vital to our continued growth. It was a pivotal experience that reinforced our commitment to innovation and expansion, ensuring that we continue to meet the needs of our female travellers.

**Sumaiya Tarannum Sujana:** Fly Far Ladies has launched a program titled 'Enabling Journeys: Empowering Girls to Explore' with the intent of enlightening parents about the passion girls have for travelling





**and addressing their concerns. Would you kindly share with us the impact Fly Far Ladies has been able to create by introducing such counselling sessions?**

**Nusrat Jahan:** The ‘Enabling Journeys: Empowering Girls to Explore’ initiative has been a powerful force in changing how parents perceive their daughters’ travel aspirations. Through this program, we have been able to highlight the numerous benefits of travel, such as developing independence, resilience, and confidence. This has helped many parents recognise the positive impact that travel can have on their daughters’ personal growth. Initially, some parents were hesitant, but as they saw the transformative experiences of their daughters, they became strong supporters. They now view travel as an essential part of their daughters’ education and overall development.

**Sumaiya Tarannum Sujana:** The tourism sector in Bangladesh is yet to reach its full potential, which may pose challenges for raising funds for startups operating in the tourism niche. Would you kindly enlighten us about the fundraising history of Fly Far Ladies and the plans for the future?

**Nusrat Jahan:** Our fundraising journey is still in its early stages. We began with seed funding from angel investors, which has been crucial in helping us establish a strong foundation. Participating in Shark Tank Bangladesh was a significant milestone, as it not only increased our visibility but also expanded our network of potential investors. While we have not yet secured major funding, we

are optimistic about the future. We plan to focus on attracting investments from impact investors and venture funds that align with our mission of empowering women travelers. This will allow us to scale our operations, enhance our offerings, and continue to innovate in the travel industry.

**Sumaiya Tarannum Sujana:** Your idea of empowering female travellers through your entrepreneurial journey is truly inspiring. What are your suggestions for our female readers who want to pursue entrepreneurship and aspire to be recognised like you?

**Nusrat Jahan:** Thank you for the compliment. For female readers aspiring to entrepreneurship, my advice is to first follow your passion and pursue what excites you with dedication. My advice to aspiring female entrepreneurs is to follow your passion with determination and resilience. Building a business is a challenging journey, but staying focused on your goals will help you overcome obstacles. It is important to create a strong network of mentors and peers who can offer guidance and support. Do not be afraid to see challenges as opportunities to learn and grow. Leveraging technology can be a powerful tool in advancing your business, so stay informed about industry trends, invest in digital marketing, and prioritise cybersecurity. Continuous learning and celebrating your achievements, no matter how small, will keep you motivated. Remember, success in business is a journey, not a destination, and by combining these strategies with sound business principles, you will be well on your way to achieving your dreams.



## CAPITAL MARKET REVIEW

## Performance of Equity Markets of Bangladesh and Peer Countries

Table 1: Equity market performance of Bangladesh and peer countries

Indices	Index Points, July 2024	Return*					
		1M	3M	YTD	12M	3Y	5Y
Bangladesh							
DSEX	5,280.5	-0.9%	-5.4%	-15.5%	-16.5%	-17.8%	2.8%
DS30	1,886.2	-1.2%	-5.5%	-9.9%	-12.6%	-19.0%	3.2%
DSES	1,154.0	-2.2%	-6.0%	-15.4%	-15.8%	-17.6%	-2.3%
Peer Countries							
Pakistan (KSE100)	77,887.0	-0.7%	16.2%	24.7%	62.1%	65.5%	143.9%
Sri Lanka (CSE - All Share)	11,409.8	-6.0%	7.1%	7.1%	0.2%	40.5%	92.2%
Vietnam (VNI)	1,233.2	-1.0%	5.9%	9.1%	0.8%	-5.9%	24.4%
MSCI Frontier Markets Index	810.0	14.4%	3.3%	8.3%	8.2%	-4.1%	7.7%

\*All returns are Holding Period Return

Source: Investing.com, MSCI, DSE

## Liquidity Condition in Equity Market of Bangladesh

Table 2: Market capitalization and turnover statistics

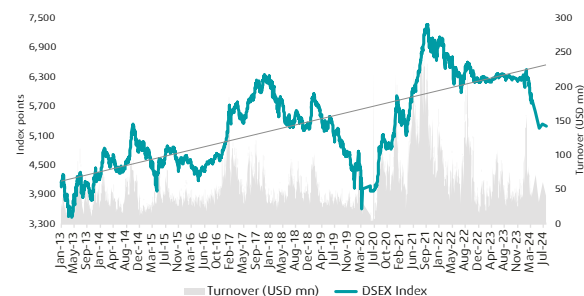
Particulars	31-Jul-24	30-Jun-24	%change
Total market capitalization (USD* mn)	55,033	56,115	-1.9%
Total equity market capitalization (USD mn)	30,144	30,506	-1.2%
Total free float market capitalization (USD mn)	11,741	11,808	-0.6%
Daily Avg. Turnover (USD mn)	51.4	39.3	30.7%
Turnover Velocity~	20.2%	15.1%	N/A

\*All USD figures are converted using an exchange rate of 118.0 as of July 31, 2024 as per Bangladesh Bank website.

~Turnover velocity is calculated by dividing monthly total turnover with month-end market capitalization. The figures are annualized.

## Historical Index Points and Market Participation Data

Figure 1: DSEX since inception along with market turnover



Source: DSE

## Market Valuation Level - P/E Ratio

Figure 2: Historical market P/E\* and it's median

## Current Market P/E in Context of History



\*Price Earnings (P/E) Ratio is calculated by dividing total market capitalization of all profit making listed companies with their total audited annual earnings.

Source: CEIC, DSE

## Sector Performance

Table 3: Sector performance snapshot

Sector	Market Capitalization (USD mn)		Return*						P/E** (x)	P/BV^ (x)	Dividend Yield~
	Total	Free Float	1M	3M	YTD	12M	3Y	5Y			
Pharmaceuticals & Chemicals	5,118	2,675	-2.0%	-4.2%	-17.2%	-14.5%	-9.7%	29.2%	13.1	2.6	2.9%
Bank	5,414	2,960	2.7%	1.9%	-3.5%	-3.5%	0.7%	24.3%	5.7	0.7	5.2%
Telecommunication	4,102	434	2.2%	9.8%	-10.7%	-10.6%	-26.3%	4.3%	9.6	5.0	4.7%
Engineering	2,864	723	-5.2%	-5.1%	-35.7%	-33.7%	-44.9%	2.6%	14.4	1.6	3.7%
Fuel & Power	2,584	772	-4.0%	0.3%	-26.0%	-24.0%	-22.1%	-19.9%	8.6	1.0	5.6%
Food & Allied	2,466	757	-0.7%	-4.1%	-27.0%	-27.4%	-25.4%	6.8%	13.9	6.6	2.6%
Miscellaneous	1,928	802	-0.3%	-0.7%	-0.3%	2.3%	15.6%	113.5%	30.1	2.5	1.7%
NBFI	896	277	-3.0%	-1.0%	-43.2%	-43.2%	-48.9%	-33.5%	14.3	1.1	2.1%
Textile	1,036	587	-4.0%	-9.4%	-28.3%	-26.7%	-22.2%	-13.2%	13.9	0.8	2.6%
Cement	895	355	-3.3%	-0.7%	-7.6%	-9.0%	-6.3%	43.0%	13.4	2.8	6.1%
Non-Life Insurance	743	417	0.7%	-2.8%	-13.6%	-17.1%	-38.4%	78.3%	14.2	1.7	3.2%
Life Insurance	430	251	-6.6%	-1.1%	-32.0%	-35.6%	-35.8%	-22.0%	32.0	5.0	2.7%
Tannery	201	95	-3.8%	-6.1%	-22.3%	-23.9%	10.5%	-3.3%	19.3	2.1	1.2%
IT	268	167	-1.5%	-12.8%	-15.4%	-19.8%	15.8%	47.1%	20.1	2.5	2.0%
Ceramics	177	77	-5.2%	-15.5%	-35.9%	-34.9%	-31.0%	-5.9%	115.4	1.4	2.6%
Travel & Leisure	452	194	-12.1%	-16.0%	-20.7%	-44.6%	25.1%	25.0%	13.7	1.0	1.5%
Paper & Printing	197	74	-4.1%	-23.2%	-38.6%	-42.2%	0.6%	6.1%	18.5	1.6	1.5%
Services & Real Estate	183	94	-6.8%	-6.2%	-19.2%	-18.7%	-0.4%	47.4%	16.4	1.2	4.2%
Jute	58	30	2.5%	-45.5%	-44.1%	-43.2%	5.9%	-40.2%	27.0	20.2	0.0%
<b>Market</b>	<b>30,144</b>	<b>11,741</b>	<b>-0.9%</b>	<b>-5.4%</b>	<b>-15.5%</b>	<b>-16.5%</b>	<b>-17.8%</b>	<b>2.8%</b>	<b>10.2</b>	<b>1.4</b>	<b>3.8%</b>

All returns are Holding Period Return.

\*\*Price Earnings (P/E) Ratio is calculated by dividing total market capitalization of all profit making listed companies with their annualized earnings.

^P/BV is calculated by dividing total market capitalization of listed companies with their respective total book values, excluding companies with negative book values.

~Dividend yield is calculated by dividing last year's declared cash dividend with market capitalization

## Cap Class Performance

Table 4: Performance of different market cap classes

Cap Class	Definition based on market capitalization (USD mn)	% of total equity Mcap	Return*						P/E (x)	P/BV (x)	Dividend Yield
			1M	3M	YTD	12M	3Y	5Y			
Large	≥92	77.1%	-0.6%	1.4%	-15.4%	-14.8%	-16.6%	35.3%	9.3	1.4	4.6%
Mid	28-91	11.2%	-3.4%	-8.0%	-28.8%	-30.8%	-23.3%	-49.8%	14.2	1.2	2.9%
Small	9-27	8.5%	-0.1%	-7.3%	-20.1%	-17.4%	-20.6%	46.8%	20.8	0.8	2.7%
Micro	<9	3.2%	3.0%	-14.0%	-25.2%	-25.5%	-1.7%	-84.6%	25.9	0.7	2.4%
<b>Market</b>		<b>100.0%</b>	<b>-0.9%</b>	<b>-5.4%</b>	<b>-15.5%</b>	<b>-16.5%</b>	<b>-17.8%</b>	<b>2.8%</b>	<b>10.2</b>	<b>1.4</b>	<b>3.8%</b>

\*All returns are Holding Period Return

## Mutual Funds Performance

**Table 5: Selected open-end funds based on fund type**

Fund Category	Name	Asset Management Company	Fund Size (BDT mn) <sup>^</sup>	NAV Return		
				YTD	2023	2021-23
Fixed Income	EDGE High Quality Income Fund	Edge	559.0	4.8%	4.8%	5.2%
Fixed Income	IDLC Income Fund	IDLC	822.2	5.3%	6.5%	7.2%
Fixed Income	Shanta Fixed Income Fund	Shanta	482.8	5.5%	3.7%	2.7%
Fixed Income	UCB Income Plus Fund	UCB	1,315.5	5.9%	3.5%	N/A
Equity	Grameen Bank-Aims First Unit Fund	AIMS	1,469.0	3.5%	7.6%	N/A
Equity	IDLC Growth Fund	IDLC	723.0	3.2%	3.3%	6.0%
Equity	LankaBangla 1st Balanced Unit Fund	LankaBangla	394.0	-1.4%	2.6%	6.4%
Equity	Shanta First Income Unit Fund	Shanta	810.0	-17.2%	1.4%	9.1%
Equity	VIPB SEBL 1st Unit Fund	VIPB	946.9	3.8%	2.8%	N/A
Equity	VIPB NLI 1st Unit Fund	VIPB	576.3	3.3%	1.9%	N/A
Shariah	EDGE Al-Amin Shariah Consumer Fund	Edge	142.0	0.1%	1.2%	N/A
Shariah	IDLC AM Shariah Fund	IDLC	593.7	-2.9%	2.7%	0.5%
Shariah	Shanta Amanah Shariah Fund	Shanta	475.1	-12.8%	4.0%	6.1%
Shariah	UCB Taqwa Growth Fund	UCB	347.7	0.4%	2.7%	N/A
<b>Market (Broad Index) Return (%)</b>				<b>-15.5%</b>	<b>0.6%</b>	<b>5.0%</b>

<sup>^</sup> Fund size as of March 2024

\* NAV as of August 8, 2024 and index value as on July 31, 2024.

\*\*CAGR computed for 2021-2023, adjusted for dividend. YTD returns of funds debuting within the year represent return generated since debut, hence is not directly comparable with return of funds that operated throughout the year.

**Table 6: Top ten close end funds based on 3Y return (CAGR) performance**

DSE Code	Fund Size (BDT mn)	Fund Size (USD mn)	Price <sup>1</sup> (BDT)	NAV <sup>1</sup> (BDT)	Price/ NAV	Dividend Yield <sup>2</sup> (%)	NAV Return <sup>3</sup>			Redemption Year <sup>4</sup>
							YTD	2023	2021-23	
ICBEPMF1S1	567.8	4.8	5.7	7.6	75.3%	5.3%	-19.3%	4.5%	13.3%	2030
1STPRIMFMF	191.4	1.6	47.1	9.57	492.2%	2.1%	-22.3%	3.7%	13.0%	2029
PF1STMF	447.0	3.8	6.4	7.5	85.9%	4.7%	-21.8%	6.7%	12.6%	2030
ICBAMCL2ND	411.5	3.5	6.9	8.2	83.8%	4.3%	-19.2%	4.4%	12.1%	2029
ICB3RDNRB	731.0	6.2	4.9	7.3	67.0%	6.1%	-19.1%	4.2%	12.0%	2030
PRIME1ICBA	788.0	6.7	5.8	7.9	73.6%	5.2%	-18.3%	3.0%	11.0%	2030
ICBSONALI1	828.0	7.0	9.0	8.3	108.7%	2.8%	-18.2%	5.2%	9.6%	2033
IFILISLMF1	702.0	5.9	4.9	7.0	69.8%	6.1%	-25.0%	4.7%	9.4%	2030
CAPMBDBLMF	437.6	3.7	6.6	8.7	75.6%	9.1%	-20.5%	-4.1%	9.2%	2027
ICBAGRANI1	833.3	7.1	8.0	8.5	94.2%	6.3%	-18.9%	4.7%	9.2%	2027
<b>Market</b>							<b>-15.5%</b>	<b>0.6%</b>	<b>5.0%</b>	

<sup>1</sup>Price as on July 27, 2024 and index value as on July 31, 2024.

<sup>2</sup>On last cash dividend declared.

<sup>3</sup>CAGR computed for 2021-2023, adjusted for dividend. YTD returns of funds debuting within the year represent return generated since debut, hence is not directly comparable with return of funds that operated throughout the year.

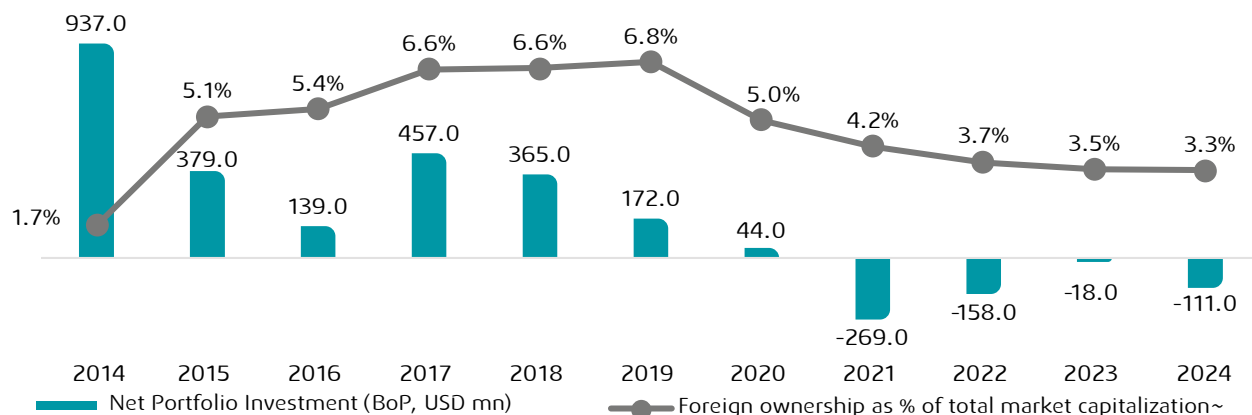
<sup>4</sup>In reference to BSEC Press Release বিএসইসি/মুখপত্র (৩য় খণ্ড)/২০১১/২৫ published on Sep 16, 2018, tenure of existing listed closed end mutual funds can be extended by another tenure equal to maximum 10 years, provided that the full tenure of the subject fund does not exceed 20 years in total. However, the mutual funds those are not willing to extend their tenure will still have the option to convert or wind up as per rules and regulations.



## Foreign Participation in Equity Market of Bangladesh

In the month of June 2024, Bangladesh equity market has seen decline in foreign investment. As of June 2024, total foreign ownership stood at 3.3% of the total equity market capitalization, which was only 1.7% in February 2014.

Figure 3: Net foreign portfolio investment and foreign ownership as % of total equity market capitalization



Source: DSE and Bangladesh Bank

Note:

1. % of foreign ownership of equity market capitalization as of June 2024 and net portfolio investment as of June of the respective years.

2. Net portfolio investment of FY'24 includes Jul-May, 2024.

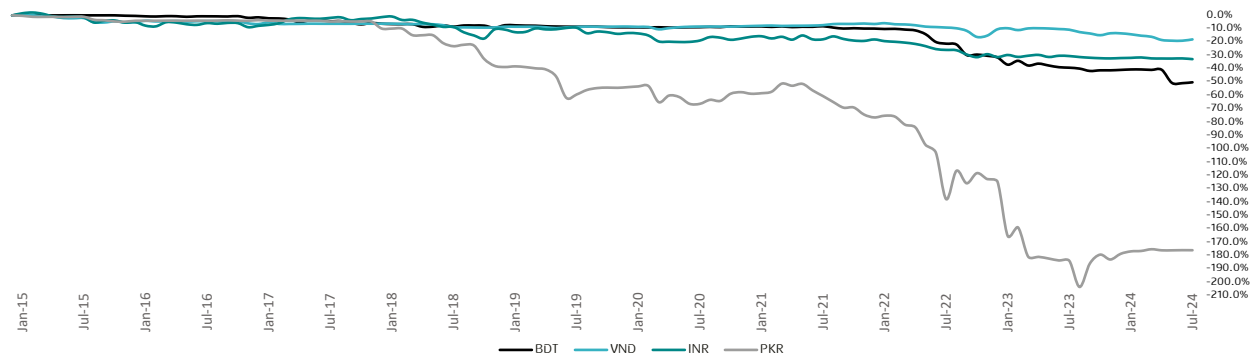
Table 7: Top ten companies with highest foreign shareholding as of March 2024

Ticker	Sector	Foreign Shareholding*
BRACBANK	Bank	30.3%
BXPHARMA	Pharmaceuticals & Chemicals	27.9%
NAVANAPHAR	Pharmaceuticals & Chemicals	27.7%
OLYMPIC	Food & Allied	24.0%
RENATA	Pharmaceuticals & Chemicals	22.2%
BSRMLTD	Engineering	17.1%
SQURPHARMA	Pharmaceuticals & Chemicals	13.8%
ISLAMIBANK	Bank	13.0%
SHEPHERD	Textile	9.5%
DBH	NBFI	8.0%

Source: DSE

## Performance of BDT and Currencies of Peer Countries against USD

Figure 4: Nine year's relative performance of BDT and peer currencies



## Major Commodity Price Movement

Table 8: Major Commodity Price Movement

Particulars	Price Change					
	1M	3M	YTD	12M	3Y	5Y
Crude oil (Average)	2.5%	-5.4%	10.0%	5.4%	13.6%	35.4%
Wheat (US HRW)	-2.0%	-4.4%	-10.6%	-24.7%	-11.6%	32.6%
Cotton (A Index)	-2.0%	-9.9%	-10.2%	-12.7%	-16.8%	7.7%
Aluminum	-5.9%	-6.3%	7.6%	8.8%	-5.9%	30.7%

Source: World Bank Pink Sheet

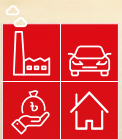
\*Average of Crude oil (Brent), Crude oil (Dubai), Crude oil (WTI)





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