



Bangladesh: Driving mobile-enabled digital transformation

Mobile industry and government together supporting social and economic progress

The mobile industry is uniquely positioned to play a critical role in the development of digital societies and support the achievement of the UN's Sustainable Development Goals (SDGs). Basic voice connectivity offers many societal, economic and environmental benefits. Upgrading to mobile broadband, to smartphones, and further to machine to machine (M2M) and the Internet of Things (IoT), together with rapid digital transformation, creates a significant opportunity for the mobile industry to support the development of resilient, inclusive economies in an increasingly digital world.

Vision 2021 is the political vision of where Bangladesh needs to be in 2021 – the 50th anniversary of Bangladesh's independence. The main goal is for Bangladesh to become a middle-income country, with poverty eradicated. Digital Bangladesh is one component of Vision 2021. It aims to bring socioeconomic transformation through information and communications technology (ICT). To implement Vision 2021, a long-term strategy was defined – the Perspective Plan (2010–2021). Specific strategies and the task of implementation have been articulated through two five-year plans (FYPs): the Sixth FYP (2011–2015) and the Seventh FYP (2016–2020). The Seventh FYP coincided with the launch of the UN SDGs. The Bangladesh government has embraced the SDGs and has incorporated the SDGs into its Seventh FYP.

In February 2016 at Mobile World Congress in Barcelona, the mobile industry became the first industry to commit to the SDGs. Mobile has been an important element in the progress Bangladesh has made and has a critical role to play in supporting the achievement of the Seventh FYP and the SDGs in Bangladesh. By June 2017, the industry had connected more than half the Bangladeshi population, up from 15% 10 years ago.¹ Beyond core connectivity, the mobile industry can provide applications and services that are vital to a digital society, including the following:

- Providing affordable access to basic voice and data services for primary and secondary **e-learning**, contributing **digital literacy** content to primary and secondary education providers, and enabling access to online teaching networks.
- **Empowering women**, making them more connected, safer and able to access information, services and life-enhancing opportunities (such as health, financial services and employment).
- Improving **health outcomes** by enabling access to formal and informal health-related information via voice, SMS and apps, as well as facilitating access to a broader suite of digital health services, including remote patient monitoring, telemedicine, digital booking systems and drug stock management.
- Improving **agricultural productivity** by providing access to nutritional information and effective agricultural practices, and connecting remote communities to digital agricultural marketplaces to increase price transparency, reduce price volatility of food commodity markets, improve price outcomes and increase the incomes of farmers.
- Expanding access to **financial services** through increased competition in the provision of mobile money. By providing the poor with the financial services they need to manage cash flows and to save, the mobile money industry is helping eliminate poverty and supporting economic growth.

1 GSMA Intelligence

WHAT THE INDUSTRY HAS ALREADY DONE

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E-LEARNING



DIGITAL LITERACY



EMPOWERING WOMEN



IMPROVING HEALTH OUTCOMES



IMPROVING AGRICULTURAL PRODUCTIVITY



EXPANDING ACCESS TO FINANCIAL SERVICES

BUT THERE IS MUCH MORE TO DO

Both the government of Bangladesh and the mobile industry have demonstrated strong commitment to supporting progress towards the SDGs. By collaborating more closely on win-win opportunities that align with each stakeholder's organisational goals, the government and industry have an exciting opportunity to unlock digital transformation for millions of Bangladeshis. Key areas of opportunity include:



CLOSING THE DIGITAL ACCESS GAP



INCREASING BASIC LITERACY AND DIGITAL LITERACY SKILLS



CLOSING THE GENDER GAP



IMPROVING HEALTH OUTCOMES



INCREASING AGRICULTURAL PRODUCTIVITY



INCREASING FINANCIAL INCLUSION



SUPPORTING INNOVATION

Accelerating impact through closer collaboration

Given the progress Bangladesh has made over the past few years, it is well positioned to advance towards the achievement of the SDGs. However, remaining challenges – such as population growth, poverty and inequality, urbanisation, natural disasters and climate change – need to be addressed for Bangladesh to reach its Vision. The government and the mobile industry have an opportunity to work together to progress towards the Seventh FYP and SDG commitments.

Closing the digital access gap: Mobile operators have invested heavily to bring mobile services to Bangladeshis, with 3G covering 90% of the population. The operators are preparing for further investments in deploying 4G networks. As part of Digital Bangladesh, the government has made significant progress making government services more accessible to its citizens. This has been achieved by integrating online services delivery and use of e-government to provide information and services to citizens. However, mobile internet uptake is still low, at 33% in Q2 2017. The key barriers to mobile internet adoption in Bangladesh are network quality, spectrum availability at affordable prices, taxation, affordability of services, lack of usability and skills, and local relevance. Prioritising efforts that target these barriers will be key to closing the digital access gap.

Increasing basic literacy and digital literacy skills: Making ICT part of the education curriculum is important in preparing the future workforce of the country. A limited number of education institutions currently have access to the internet or computer laboratories, and a limited number of teachers tutor basic computer skills in primary or secondary education. Nearly 30% of the population in Bangladesh are under the age of 19; it is important to prepare them for future jobs in a changing world. Government and mobile operators can work together to initiate digital education programmes for all, bring ICT into the school curriculum and partner with trusted NGOs to deliver hands-on training in digital literacy.

Closing the gender gap: Efforts to help women access mobile services help to catalyse broader gender equality across the social, economic and political dimensions, benefiting not only women themselves but also their communities, businesses and the broader economy. Women face similar

barriers to men in accessing the internet, such as affordability and usability/skills, but more than men face barriers related to safety and harassment issues, and underlying social norms.

To close the gender gap, governments can collect, analyse and track sex-disaggregated data to inform policy, and involve women and relevant local communities from the outset when developing policies, plans and budgets. Mobile operators can introduce more creative and transparent pricing to appeal to women's price sensitivity; can target men in marketing campaigns to reach women in settings where men commonly make decisions about women's access to mobile; and can use marketing campaigns to demonstrate how women's use of mobile can benefit the whole family or household.

Improving health outcomes: In 2015, two-thirds of deaths in Bangladesh were caused by non-communicable diseases (NCDs), 25% by communicable, maternal, perinatal and nutritional conditions, and 8% by injuries.¹ Mobile operators and the government can provide services for patients to help prevent and manage NCDs, develop digital solutions for patient data collection and reporting, and digitise hospitals and clinics. This improves the quality of records and supports remote monitoring and diagnostics. Meanwhile, smart vehicles connected by IoT/M2M mobile technology can reduce congestion and collisions, contributing to improved safety for motorists and pedestrians.

Increasing agricultural productivity: Given the large and growing population, and high prevalence of underweight and stunted children, Bangladesh will potentially have to face the challenge of food security in the coming years. Agricultural productivity will need to increase to help overcome this problem. Mobile operators can help boost productivity by providing farmers with mobile-enabled information services on agricultural inputs and nutrition, prices for crops across markets and accurate weather data.

Increasing financial inclusion: The majority of all payments made in Bangladesh are still in cash: Government entities, businesses and individuals make only 12% of payments by value and 6% of payments by volume electronically.²

Mobile financial services have been live in Bangladesh since 2011, under a model where a bank is required to hold the licence. There is a significant opportunity to build on early mobile money success, and introduce competition: According to Intermedia Financial Inclusion Insights, still more than half of the adult population in Bangladesh – approximately 65 million people – have access to a mobile phone, but remain unbanked.³

Uptake and use of mobile money services can be increased by digitising more payment streams – for example, wage payments in Bangladesh's garment factories or digitising payments to farmers for procuring crops (business to farmer) and for agricultural subsidies (government to farmer). In Bangladesh's agriculture sector, some 18 million new accounts could be added by 2020 from digitising business-to-person (B2P) and government to person (G2P) payments, depending on the number of farmers engaged in formal value chains.

Supporting innovation: Given Bangladesh's large and relatively young population, Bangladesh presents strong opportunities for innovative start-ups and investors. The start-up ecosystem in Bangladesh is still nascent compared to its Silicon Valley counterparts; the mobile industry, wider internet ecosystem and government need to work together to ensure that innovation can flourish. In particular, they can encourage the development of incubators, open up APIs to start-ups in the country to further nurture the local ecosystem, and help close the funding gap by setting up corporate venture-capital funds that invest in local start-ups at seed stage. Further efforts need to be undertaken to develop the human capital that will need to adapt to the new ideas and technologies.

Both the government of Bangladesh and the mobile industry have undertaken to seize the SDG opportunity. By working closely together, the government and industry have the capacity to unlock digital transformation for millions of Bangladeshis, as well as drive strong social and economic growth for the country.

1 World Health Organization

2 Building Digital Bangladesh: The Way Forward for Digitizing Payments, Better Than Cash Alliance, 2016

3 Intermedia Financial Inclusion Insights

How the mobile industry contributes to the SDGs

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE



This graph shows, from top to bottom, which SDGs the mobile industry impacts the most, starting from the most at the top, to the least at the bottom. Read the report for more details: www.gsma.com/Bangladesh-overview

