

# Comparative Study on Government Schemes and Policy Frameworks for Promoting Entrepreneurship in the BIMSTEC Region

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## **Abstract:**

*Adequate legal and policy frameworks are essential elements that can promote the growth of entrepreneurship in markets. This paper focuses on a comparative study of these government schemes, regulatory, and policy frameworks to identify potential obstacles among many of the frameworks in India, Bangladesh, Thailand, Sri Lanka, Nepal, Bhutan, and Myanmar. However, there are differences in the frameworks that may contribute to various developmental stages in entrepreneurship in the BIMSTEC region. The study demonstrates how governments in various nations implement similar laws and policies to encourage the emergence of entrepreneurial opportunities. The frameworks of those seven nations are compared in the article to the BIMSTEC agenda. The research also demonstrates that the laws and rules governing enterprises face difficulties in the BIMSTEC region, “1.68 billion people, or 22% of the world's population, reside in the BIMSTEC region, and its member countries' yearly GDP totals US\$3.697 trillion” (ABOUT BIMSTEC – Home-The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), n.d.). This paper offers some suggestions for India to take to encourage entrepreneurship using the comparison.*

**Keywords:** *BIMSTEC, Public Policy, Government Schemes, Entrepreneurship*

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## **Introduction:**

Entrepreneurship is one of the major forces behind inventive and economic developments. Countries focus on developing and executing policies and government schemes that support and provide incentives for the growth of entrepreneurship. There are numerous programmes available to entrepreneurs that can promote broader economic growth. The majority of firms are run by entrepreneurs, who can significantly contribute to economic growth (*OECD SME and Entrepreneurship Outlook 2019*, 2019). In a market economy, entrepreneurs are essential for engaging with communities and developing cutting-edge goods and services for consumers. This is because, when an economy digitises, entrepreneurship activities are the catalysts for change in a current market toward a new market structure. Governments must ensure that schemes, regulations, and policies encourage the development of enterprises. As a result, most nations adopt their schemes, laws, and policies to support entrepreneurs.

To increase overall economic productivity and creativity, the governments in the BIMSTEC region implement rules and policies that support their entrepreneurs. There are some contrasts and similarities across these seven nations' regulatory and policy approaches to promoting entrepreneurs. By concentrating on a comparison of the schemes and policy frameworks, these contrasts and similarities serve as the paper's main topic. The goal of the comparison study is to improve understanding of the programmes and regulations for entrepreneurs in the BIMSTEC region. Regarding the BIMSTEC region and its trade agenda concerning the Programs and policies for Entrepreneurs, the paper also offers some recommendations for India to enhance and expand its current schemes. There are four sections to the paper. This section serves as the paper's introduction. The second section covers general concepts regarding BIMSTEC and its assistance to entrepreneurs. The government initiatives and frameworks for a policy that supports entrepreneurship in the BIMSTEC region are described in the third section of the paper. In the fourth section, viewpoints on government programmes and legal frameworks from seven different nations are compared. It also looks at some of the schemes and frameworks for a policy that other nations have adopted that can be implemented in India. The paper's last section offers policy recommendations for the creation of programmes and regulations for entrepreneurs in these nations.

## **BIMSTEC & Its Role:**

Seven nations, including Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka, and Thailand, are a part of the BIMSTEC cooperation project. The region has a combined GDP of about USD 3.7 trillion annually and is home to about 22% of the world's population. If used wisely, the region's rich human and natural capital reserves may dramatically and sustainably increase its social and physical capital. The region's capacity for growth and development is significantly impacted by this (*25 Years of BIMSTEC*, 2022).

This paper aims to highlight, even if in the initial steps, the time is now for BIMSTEC to move forward. Due in large part to the failure of the SAARC story, the notion of BIMSTEC

is appealing to be a link between Southeast and South Asia. The Bay of Bengal grouping was established in 1997, but it remained dormant since it lacked the vital components that could have sped up the integration process. The grouping is now garnering more interest from foreign investors outside of the region, even for smaller nations like Bangladesh and Myanmar (Mohan, 2016).

“The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) fifth summit, virtually held in Colombo, set common goals and stated that BIMSTEC should concentrate more on new areas in the future, such as the blue economy, the digital economy, and promotion of exchanges and links among start-ups and Micro, Small, and Medium Enterprises” (MSME) (MSMEs) (*5th BIMSTEC Summit, 2022*).

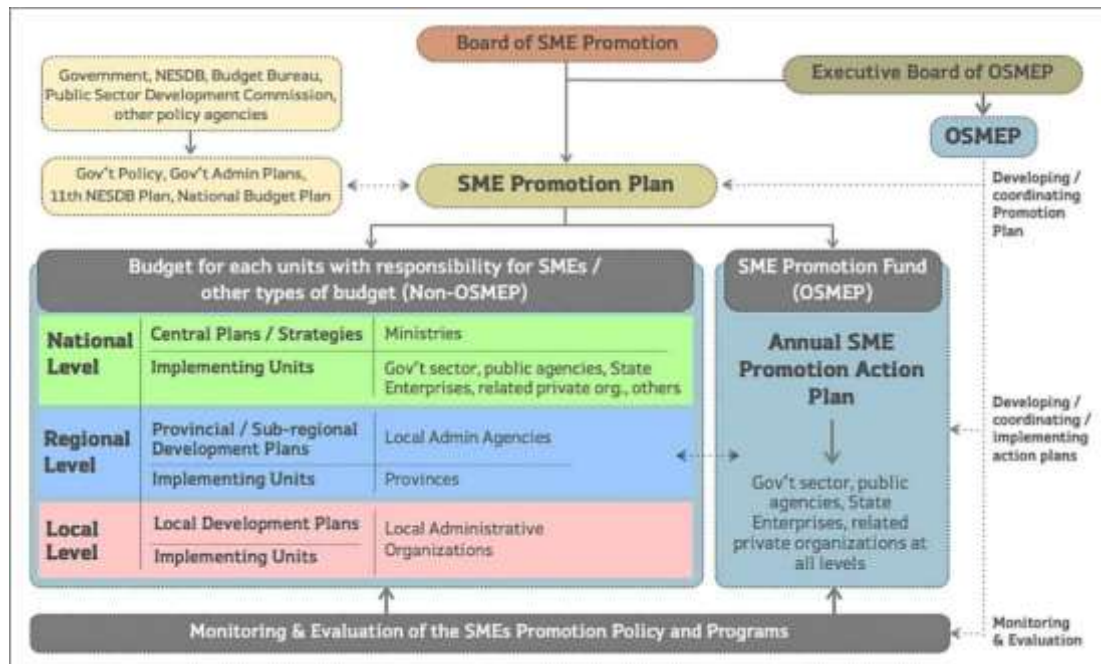
### **Government Schemes and Policies for the Promotions of Entrepreneurship in the BIMSTEC region:**

#### **Thailand:**

Thailand implemented laws and regulations during the early stages of its development, from the 1940s to the 1960s, to encourage an expansion of the agricultural sector and micro-enterprises. The government changed its economic strategies between the 1970s and the 1990s to become an export-led nation (Jansen, 2002). Due to the government's export facilitation, there was growth in entrepreneurship and manufacturing with these economic policies. The export-led policy increased the export of produced goods while supporting business expansion (Nidhiprabha, 2017). The government is concentrating on assisting business owners who want to produce goods for export and has not yet created a policy specifically for the promotion of entrepreneurship. The corporate failures in Thailand from 1997–1998 caused an economic catastrophe.

Due to this crisis, the government passed the Small and Medium Enterprises Promotion Act B.E. 2543 (2000) and established the OSMEP as the primary agency to promote SMEs after realising the significance of SMEs in economic development. The SMEs Act was developed as a crucial legislative tool promoting SME development (OSMEP, 2017). According to the Act, SMEs must assist OSMEP and be granted money to help them become more effective and capable. To develop and promote SMEs, the fund is also utilised to encourage joint venture investment. The SMEs Act mandates that OSMEP create a suitable "Action Plan on Small and Medium Enterprises Promotion" and suggests the Prime Minister take the helm of the National Board of SMEs Promotion. The board adopted policies under the prime minister's direction that will speed up the expansion of SMEs in Thailand. Planning and strategy for the development of SMEs were created as a consequence of the board's policy proposal to the government (OSMEP, 2017). The majority of SME promotion programmes align with national economic development initiatives. The strategy for regional and local economic development in Thailand is linked to the promotion plan. SMEs have flourished and attracted both domestic and foreign investors since the introduction of the particular rules for SME development and the creation of OSMEP. The implementation of the SME

promotion policy with associated policies for economic development and reform is shown in the Figure below.



(OSMEP, 2016)

The National Board of SMEs' current 4th SME Promotion Master Plan identifies key promotion initiatives for SMEs, such as IT development programmes for SMEs, free access to financing and investment, encouragement of entrepreneurship, changes to regulations that promote SMEs, promotion of SME clusters, and the growth of startups that provide value (OSMEP, 2016). The strategy increases funding for SMEs while giving creative startups more thought. In addition to this strategy, the government has also founded the SME Bank of Thailand, an important financial institution for SMEs. SMEs can ask the SME Bank for business assistance and special loans with lower interest rates (ข้อมูลธนาคาร, 2020). Through bank credit guarantees and tax advantages for new beginning enterprises, the Thai government additionally supports SMEs. The credit assurances make it very sure that SMEs can seek OSMEP to guarantee their loans from Thai banks and their credit scores to the government. Based on the Figure, more funding will be provided to SMEs that are just getting started.



(OSMEP, 2016)

Additionally, the Thai government offers tax breaks, exemptions, and incentives to startups and SMEs. The National Science and Technology Development (NSTDA) Agency-approved technical startups are the primary beneficiaries of the tax advantages. The following industries have technical startups that are eligible to apply for tax incentives: The industries listed include advanced materials, textiles and decorations, vehicles and parts, electronics, computers, software, information services, biotechnology, energy conservation, healthcare and public policy, tourism, services, and the creative economy. Thailand has developed regulatory and policy frameworks that aid SMEs and has refocused these frameworks on startups and SMEs using new technology.

### **India:**

India has a long history of entrepreneurship. “Its entrepreneurial and business tradition was shaped by traders, handicraftsman, potters, handloom & silk makers-weavers, leather, agro-focused manufacturers, a variety of artisan entrepreneurs, diamond and precious stone businesspeople, and many others” (Roy, 2009). Traditional village economies suffered during colonial rule as a result of growing worldwide exposure. Therefore, one of the goals pursued during Gandhi's period was the improvement of local economies (GHITRA, 1949). It became fashionable to wear Charkka and Khadi, which stand for economic independence and business.

The goal of policy throughout the post-independence era was to create a state-owned economy. The new business owner was called Indian State. There were many new public sector organisations created. A different set of regulations, based on licensing requirements, inspector authority, and corrupt bureaucracy, applied to the private sector and over time helped to form India's business environment. Except for those who came from entrepreneurial backgrounds, starting a firm was practically a difficult endeavour (Rao, 2017).

The resolutions relating to the industrial policy included the entrepreneurship policy. The Industrial Policy was first implemented by the government in 1948, right after Independence (*Industrial Policy Resolutions*, 2021). The Industrial Policy was extensively amended and enacted in 1956, following the introduction of the Constitution and the

socioeconomic objectives. It was occasionally amended through declarations made in 1973, 1977, and 1980 to address fresh concerns (*Industrial Policy Resolutions*, 2021).

In the 1990s, there was a significant change in how entrepreneurship was encouraged. In 1991, the government implemented new industrial and economic policies (*GoI*, 1991). The importance of the private sector, especially the small-scale sector, has been stressed. A one-window system for obtaining licences, permits, and approvals was started, easing the regulatory load. Such actions helped millions of entrepreneurs realise their potential and unleash their energy.

India has made considerable strides in enhancing its startup and entrepreneurial ecosystem in the twenty-first century. The ecosystem of today includes institutions, entrepreneurial cells to promote awareness in universities, supporting mechanisms, incubators, and funding programmes that make credit simpler for firms (Rao, 2017). Both at the national and regional levels, promotional activities and startup initiatives could be observed. Huge modifications were made to the policy framework (Kazmin, 2014). India's standing in the rankings for business ease improved. Rules and regulations that are superfluous are being abolished. The process of obtaining clarity to establish a firm is quite effective (World Bank, 2019). Technology-focused academic institutions, businesses created in labs, and entrepreneurship aimed at eradicating poverty are all given similar weight. The government of India initiated many schemes in Startup India, The government of India's Start-up India project aims to create a strong startup ecosystem in the nation to foster innovation and give aspiring business owners opportunities. State startup missions, seed funding provided by incubators and accelerators, and regional networks of angel investors and individuals are all part of the state government's startup promotional initiatives at the state level. States are graded according to a variety of factors to urge them to develop an environment that will support new businesses, inventions, and the emergence of an entrepreneurial culture. The government has developed many programmes and institutions to support and facilitate access to financing for startups and business owners.

The MUDRA scheme was created by the government to assist entrepreneurs in obtaining funding. According to specified qualifying criteria, it restructures financial organisations that lend to businesses up to INR 1 million. Since they provide capital in the form of debt or shares, angel investors are an essential source of funding. There are many angel networks and venture funds in India, and their investment portfolios mostly target industries with a high concentration of technology, such as IT, AI, robotics, FMCG, and high-tech (*Genesis and Role of MUDRA*, n.d.). The government has prioritised fostering entrepreneurship among non-traditional business communities and entrepreneurial classes because it recognises the importance of potential entrepreneurial talent for creating jobs, reducing poverty, and achieving sustainable development goals (*Relevant SDG Targets Related to Enterprise Development*, n.d.).

Development of skills, mentoring, and other forms of assistance: There are systems for skill development, training, and mentoring that can further support the prospects of new businesses and initiatives. Business accelerators and incubators An additional component of

the startup programme is business incubators. In India, there are numerous incubators of various types. Many tech startups have come from academic institutions. “A few examples of incubation programmes in this context include Atal Incubation Centers (AICs), ASPIRE: Livelihood Business Incubators, and incubators under the TIDE Scheme of the Ministry of Electronics and Information Technology” (*Startup India*, n.d.).

### **Bangladesh:**

With a young population that is 62% digital savvy, Bangladesh's economy is quickly moving in the direction of a robust startup ecosystem (*BHTPA*, 2021). The government of Bangladesh's (GoB) backing has been one of the factors fueling startup growth. The National ICT Policy from 2009 and the Digital Bangladesh Agenda from 2021 both had a significant impact on the development of the startup ecosystem. Additionally, the government's ICT Division unveiled several beneficial regulations and initiatives, including the Innovation Design Entrepreneurship Academy (iDEA) Project and Startup Bangladesh Limited (SBL), where USD 65 million has been set aside to enhance the regional startup environment. In addition, the GoB is establishing more than 28+ hi-tech parks, complete with infrastructure like data centres, to support innovative firms. For it to continue to play a significant role in the creation of self-employment for economic growth and prosperity, The GoB is also creating new programmes to promote the expansion of startups and create a long-term pipeline (*Bangladesh Startup Ecosystem Assessment Report*, 2022). Through the ICT Division, the government of Bangladesh has also implemented numerous initiatives to promote startups. One of these initiatives is Startup Bangladesh Limited, the government's own public startup support organisation that was started with USD 65 million money to stimulate (*Startup Bangladesh Limited*, n.d.). The government has also made numerous efforts to boost the ecosystem, establishing funding possibilities, incubation centres, and mentorship programmes and some schemes like BIG 2020, The Bangabandhu Innovation Grant 2020 (BIG) event has been introduced by the Information and Communication Technology (ICT) Division to commemorate the 100th birthday of Bangabandhu Sheikh Mujibur Rahman, the nation's founding father. The competition attracted more than 7,000 businesses and inventors from 56 nations, including Bangladesh. A total of 36 startups will receive \$12,000 apiece, and the winning startup will receive \$100,000, GoB (*BIG: BANGABANDHU INNOVATION GRANT*, n.d.) & The Entrepreneurship & Skill Development Project (ESDP) launched by the Bangladesh Development Authority (BIDA), is an investment initiative focused on job creation rather than job seeking. The ESDP aims to develop skilled entrepreneurs for supplier and linkage development industries by educating potential young people on the regulatory framework and business procedure. The Sustainable Development Goal 8 (decent work and economic growth) and the target of private investment are both goals of the programme (34 percent of GDP). The initiative was implemented in 64 regions and taught 24,000 young entrepreneurs. (*BIDA*, n.d.), The government is fostering new ideas in the fields of education, agriculture, health, financial services, e-commerce, e-governance, environment, transportation, and infrastructure through the iDEA Accelerator. Consider proposals' potential impact, execution strategy, and public benefit when evaluating them. Startups can receive pre-seed (idea) funding from iDEA. Startups in the pre-seed or

idea-stage are eligible to apply for grants worth up to 10 Lakh BDT also (*IDEA Bangladesh*, n.d.), Through the expansion and development of high-tech businesses in the nation, the Bangladesh Hi-Tech Park Authority was founded by the "Bangladesh Hi-Tech Park Authority Act-2010" with the goals of fostering investment-friendly conditions and generating jobs. Through the expansion and development of high-tech businesses in the nation, the Bangladesh Hi-Tech Park Authority was founded following the "Bangladesh Hi-Tech Park Authority Act-2010" with the goals of fostering investment-friendly conditions and generating jobs. 28 IT Training and Incubation Centers, Software Technology Parks, and Hi-Tech Parks have been established across the nation by the Bangladesh Hi-Tech Park Authority. Through national entrepreneurship promotion and encouragement, BHTPA has taken steps to foster the growth of new businesses (*BHIPTA*, 2021).

### **Myanmar:**

Agriculture has historically contributed significantly to GDP (up to 38%) and employed up to 60% of the labour force. Along with farm exports, the demand for locally produced clothing has recently increased, which has been crucial for the economy's health since unfavourable weather conditions including drought, floods, and sea level rise in 2016 and 2017 had a detrimental impact on returns in the agriculture sector (*Myanmar: Entrepreneurial Ecosystem Snapshot*, 2019).

The Southeast Asian nation, sometimes referred to as "the last frontier," is benefiting from economic change, despite its delayed implementation. The Myanmar Investment Law was passed by the government of Myanmar in 2016 to encourage both domestic and foreign investment. On a scale of "ease of starting a business in the country," Myanmar placed equal with India in 2018 and just below the regional average. Myanmar, which now ranks 165th in the World Bank's Ease of Doing Business Ranking, needs to make some progress, though, before it can move up the list. The time and expense involved in starting a business is a significant obstacle dragging down Myanmar's rating. With advice from international experts and attorneys, the Myanmar Investment Law specifically addresses this, intending to streamline the guidelines for investing in the nation. To encourage further economic growth in Myanmar, the United States also withdrew the sanctions it had imposed on the nation in 1997.

However, compared to US\$7.8 billion in 2016, the Directorate of Investment and Company Administration (DICA) only authorised US\$5.6 billion in new foreign direct investments (FDI) in 2017. Despite this decline, Myanmar's outlook is still favourable. The Companies Law was enacted to reduce obstacles and limitations for foreigners doing business in Myanmar, and it became effective in August 2018. Many industries have been liberalised as a result of the legislative change, which also enables domestic companies to expand by partnering with international companies to access their cash and experience. It opens up trading on the Yangon Stock Exchange to non-Myanmar citizens and permits foreign entities to acquire up to a 35 per cent interest in domestic enterprises. The company registration procedure has also just been digitalized, and the registration fee has been cut in half (*DICA Issues Myanmar Companies Regulations Implementing the Myanmar Companies Law and Requiring Companies to Re-Register Online*, 2018). Additionally, the Central Bank of



Myanmar (CBM) authorised Myanmar Credit Bureau Limited to open a credit bureau in the nation in 2018. This will facilitate borrowers' access to financing and enhance risk assessment processes. In the end, it will make it possible for many business owners and small and medium-sized organisations (SMEs) to be approved for loans. Along with economic progress, the government of Myanmar is finalising its national Sustainable Development Plan, which some employees of the World Bank Group in Myanmar are hoping will address the issue of the slow adoption of economic reform and move the country closer to inclusive and sustained growth (*Myanmar: Entrepreneurial Ecosystem Snapshot*, 2019).

### **Sri Lanka:**

Sri Lanka's advantageous geographic position offers geopolitical advantages, serves as a centre for global logistics, and enables companies to communicate with customers who are located in various time zones. The government has made efforts to draw FDI and make business the primary driver of economic growth.

The Sri Lankan government has recently implemented many initiatives to strengthen the startup environment. Since 2018, a web-based platform delivering a faster and more convenient service has been introduced, and the company registration procedure is now entirely automated. The "Enterprise Sri Lanka" project of the Export Development Board provides youth with subsidised loans to assist them start their enterprises more quickly. Government-sponsored events "Spiralation" and "Disrupt Asia," which are administered by the ICT Agency of Sri Lanka, introduce businesses to lenders, accelerators, and mentors. Investors, academics, students, businesses, and entrepreneurs come together at the startup conference and exhibition known as Disrupt Asia. A programme called Spiralation helps entrepreneurs with capacity building, market access, and early capital (*Startup Bangladesh Limited*, n.d.).

### **Bhutan:**

“Bhutan's entrepreneurial initiatives have a lot of promise if efforts are made to promote the consumption of its indigenous products and to restrict or discourage imports. These efforts must also include systems to support these indigenous products” (Sharma & Gautam, 2020). To improve more domestically produced goods in place of imported goods and create nearly 2000 job opportunities as part of the government's "Narrowing the Gap" initiatives, the policy launched the Nu. 1.2 billion Cottage and Small-scale Industries (CSI) and startup flagship programme (Bhonsale, 2020). The growth of CSI in Bhutan is the goal of the Department of Cottage and Small Industry, which was established in 2010.

Bhutan has developed a "CSI Policy 2019" along with six major domains of focus for the ecosystem of entrepreneurship. These policy-level measures are considered necessary at this moment to provide the country with favourable platforms for the creation and development of CSIs. Cottage, Small and Medium-Sized Industries (CSMI), which account for over 98% of all industries in Bhutan and many other nations around the world and are a significant

economic driver (GNHC & RGoB, 2021), were registered as 95% in Bhutan in 2019 (MoEA & RGoB, 2019) . The report also emphasised CSIs as the most advantageous economic elements due to country geography and settlement patterns, and as a result, it has been one of RGoB's main flagship programmes in its 12th Five Year Plan, making it a crucial area of emphasis, afterwards, Bhutan has also released a new version of its "Cottage and Small Industry Policy 2019" to support and develop CSIs and make them a significant part of the country's economy. As a result, this policy is geared toward encouraging the creation of CSIs and serving as a support system for enhancing the general effectiveness and competitiveness of the CSIs that are currently in place. Bhutan's government has developed several programmes over the years and has taken part in events like the EDP Training With Dzongkhags, NGOs, and Other Institutions, Student Business Seedling Program, Training of Trainers in New Business Creation, Counselling, and Mentoring, Start-Up Weekend, Startup Innovation Tech Week, Startup Acceleration Programme, Global Entrepreneurship Week, Business Idea Competition of Bhutan (BICOB), Loden Entrepreneurship Program (LEP), and others (*What Are the Entrepreneurship Programmes and Initiatives Available in Bhutan?*, 2021).

### **Nepal:**

Throughout its planned development that started in 1956, the Government of Nepal has consistently worked to encourage industrialization. The government passed the first Industrial Enterprise Act in 1961 to achieve this goal. Incentives and concessions are outlined in this Act for starting and running small businesses in the Kingdom. It gave industrial marketing a bigger boost, especially for small and medium-sized businesses. The government pledged numerous tax benefits, extension services, free licensing, training facilities, etc. to the cottage and small companies in 1974 to hasten the industrial policy process. Despite these generous incentives and exemptions, the rate of industrial development lagged what was expected. It was discovered that to hasten industrial expansion, more focus should be placed on the application of policies and the supply of a suite of integrated services. The 1980 revision of the 1974 new industrial policy considered this (Pokhrel, n.d.).

Programs for the development of entrepreneurs offer a range of services to both aspiring and established business owners, as well as to the auxiliary groups that support them. The organization's main activities include, among others, training for trainers, business start-up and improvement training, microenterprise creation, business counselling, production management, and productivity improvement. Other major activities include marketing, financial management, business management, business expansion/growth, business identification and selection, business planning, and feasibility study and research (Karki, 2014). Currently, there are a few sizeable funds that are involved, either directly or indirectly, in entrepreneurship and company growth in addition to the official finance sector (Shreshtha, 1981). Some of these include the 2009-launched Youth and Self-Employment Fund (YSEF). Surath Giri (2014) claims that despite investing a significant amount of money, "YSEF scarcely had any impact in boosting entrepreneurship in Nepal since a substantial volume of the low-interest loans was granted to speculative business instead of new ventures that create employment possibilities." The Poverty Alleviation Fund (Rural Self Reliance Fund (RSRF),

Economic Rehabilitation Fund (ERF), Women Entrepreneurship Development Fund (WEDF), Technology Development Fund (TDF), and Challenge Fund) are additional funds available to combat poverty.

The Industrial Policy 2010's Number 21.11, which states that "A distinct women's entrepreneurship fund must be developed for the promotion of women's entrepreneurship," is where the Women Entrepreneurship Development Fund (WEDF) got its start (Adhikari, 2017). As of right now, the Technology Development Fund has not been active since its creation in 2013. (K.C. & D., 2017). The Youth Self-Employment and Small Enterprise Fund, which aims to make investment more accessible, is unduly politicised, with little to no ties to other significant entrepreneurship strategies, claims a 2013 World Bank report. The Nepalese government has started to recognise the many advantages of encouraging entrepreneurship as part of its post-conflict and national economic development policies, with a focus on youth. These recent government initiatives have opened up new opportunities for young entrepreneurship and employment while beginning to set the groundwork for increased national engagement with youth (World Bank, 2013). Particularly, social entrepreneurship significantly contributes to the triple-bottom-line aspects of community development (Khatiwada, 2014). The government will invest between Rs. 500,000 and Rs. 1 million in each of thousands of youths without requesting collateral to encourage youth entrepreneurship (RSS, 2018). The government declared in 2018–19 that it would offer loans to young people using their educational certificates as collateral. The government announced a financial incentive for prospective new firms in 2019–20 of up to Rs5 million. It began putting together a work method. The government established a Rs 500 million startup fund in 2020–2021 to provide loans with an interest rate of 2% to support creative entrepreneurs affected by the pandemic (Prasain, 2022).

### **Comparative Perspectives:**

The adoption of frameworks for supporting entrepreneurship is of critical interest to the seven countries from the Bimstec region. The general pattern across all nations is that first frameworks focus on encouraging entrepreneurship, with later adaptations geared toward startups that create value through technological improvement. The framework for promoting entrepreneurship shares many commonalities, however, there are some distinctions between the frameworks and how they are put into practice. The policy/legal frameworks of the seven nations are briefly compared in the table below.

| <b>No.</b> | <b>Parameters of Comparison</b>                      | <b>Countries</b>  |
|------------|--|---|
| 1          | Specific Law/Policies for entrepreneurship promotion | All seven countries issue specific laws/Policies for promotion of entrepreneurship  |
| 2          | Government Grant for Enterprises                     | All seven countries provide government grants for start-ups to the residents of the respective countries citizens that too vary with sector and geography |
| 3          | Financial Support for                                | All seven countries establish financial programmes that promote   |

|   |                              |  |
|---|------------------------------|--|
|   | Enterprises                  | businesses, such as low-interest loans and credit guarantees.  |
| 4 | Tax Incentives               | India, Bangladesh, Sri Lanka, Myanmar, Nepal, Thailand Establish enterprise tax exemptions and other tax perks as tax regulatory incentives for businesses.<br>Bhutan provide very certain tax benefits which are also limited   |
| 5 | Overseas Start-up Incentives | Bangladesh and Myanmar provides effective benefits to foreign investors to attract international investments<br>India provide certain benefits for overseas enterprises that varying with sectors<br>Shri Lanka, Nepal, Bhutan, Thailand lacks a harmonized schemes or incentives for overseas enterprises |

### **Conclusion:**

Frameworks for legislation and policy are essential to the growth of entrepreneurship. Broadly speaking, The frameworks give enterprises preferential assistance in the form of tax relief, related regulations, workshops, start-up funding, and investment matching. The frameworks support the expansion and stability of enterprises. This study analyses the BIMSTEC region's legislative and regulatory frameworks supporting entrepreneurship. To encourage the growth of entrepreneurship, the seven nations keep similar frameworks. The nations have created laws and policies to support the expansion of enterprises. Frameworks have recently changed, with governments increasingly giving value-added thoughts and ideas priority. The study analyzes the variations among the components and the efficiency of execution in boosting economic growth. The study also looks at how government laws and policies have changed over time. With cooperation from the BIMSTEC region, many issues can be resolved, and the region's nations can create a unique ecosystem for the growth of entrepreneurship in a set of seven countries.

Governments in the BIMSTEC region would need to concentrate on evaluating the current frameworks for entrepreneurship promotion and take into account effective variables in enabling the growth of firms as well as ways to streamline the request for support process. Additionally, governments must ensure that their frameworks adhere to the needs of the entrepreneurial sector. The connectedness of regional firms among the seven nations is facilitated by international and regional collaboration on entrepreneurship legislation and policies.

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