



BANGLADESH'S \$500M INDUSTRY

GROWTH, GAPS, AND THE NEED FOR
SOCIAL SAFETY NETS

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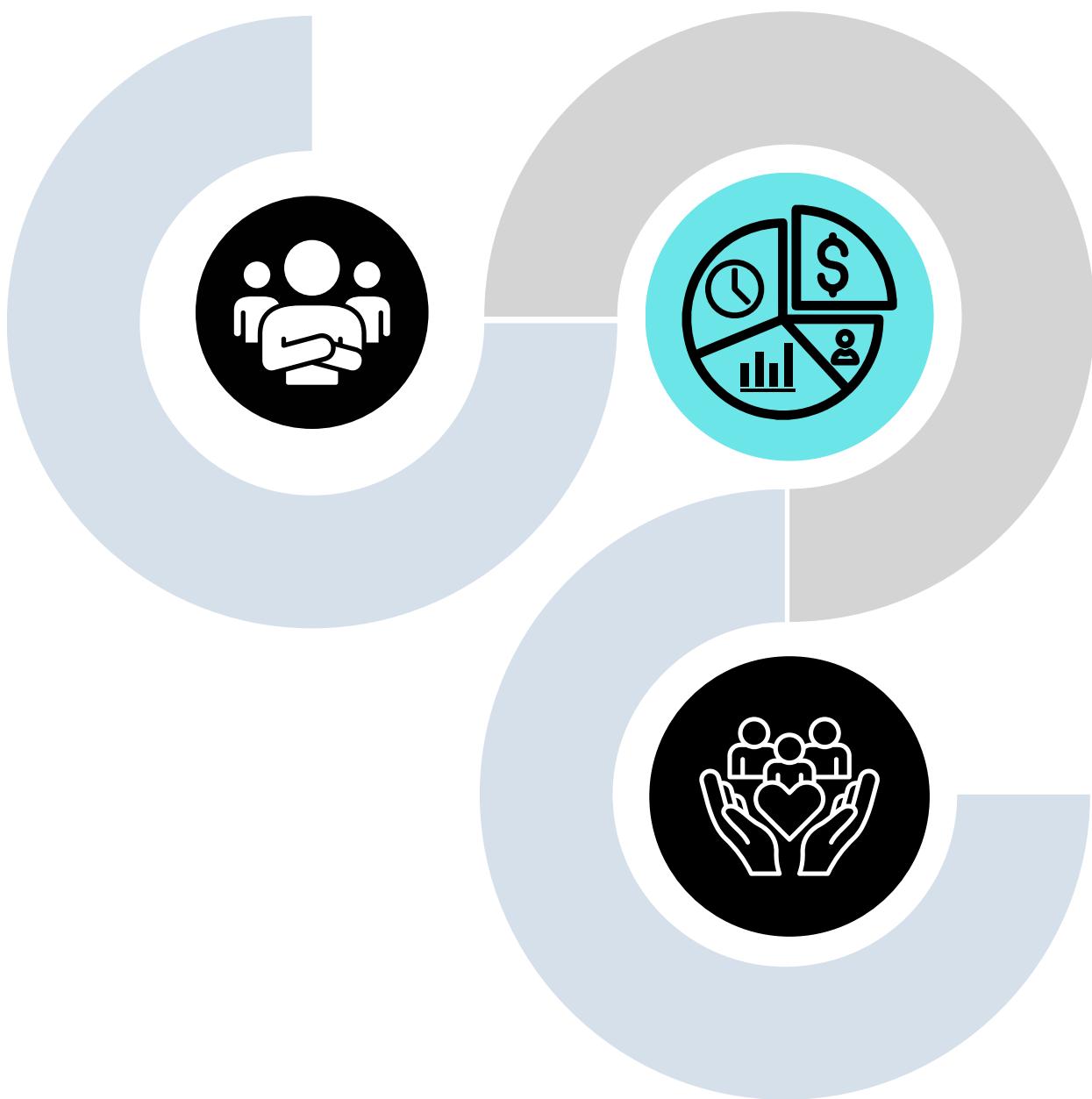


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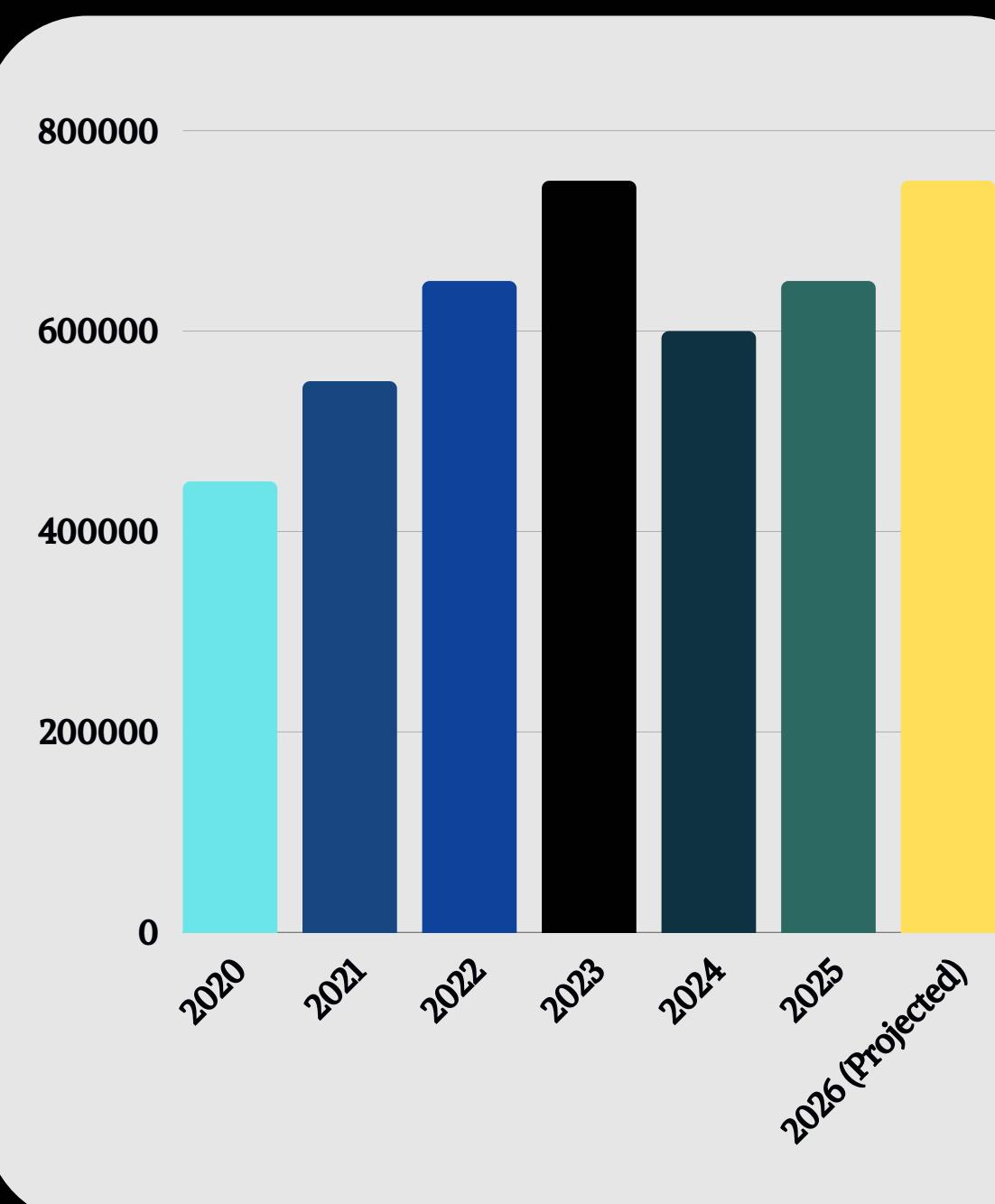
THE SCALE AND STAKES OF BANGLADESH'S DIGITAL LABOR

- 01** Bangladesh is officially the world's 2nd largest supplier of online labor as of the latest Oxford Internet Institute (OII) Online Labour Index.
- 02** While there are over 1,000,000 registered accounts across platforms like Upwork and Fiverr, the ICT Division identifies approximately 650,000 as "active" freelancers
- 03** In Bangladesh, informal sector workers, including freelancers, are often excluded from conventional social security frameworks

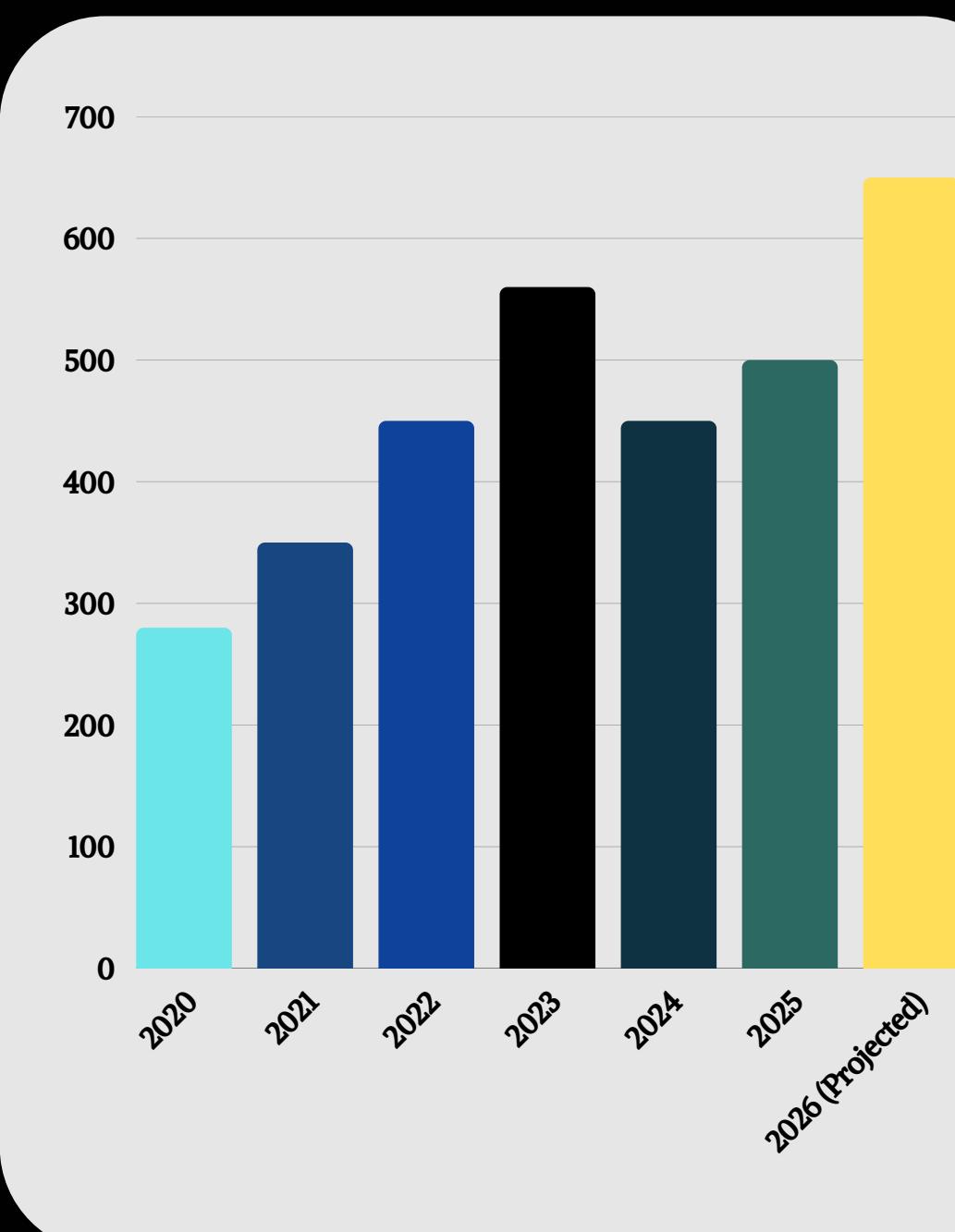


BANGLADESH'S FREELANCING GROWTH: MARKET STATISTICS

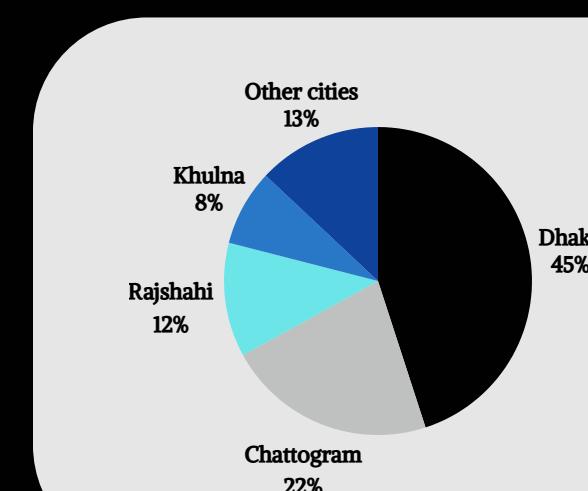
No of Active Freelancers over the Year:



Annual Earnings over the Year:



Workforce Share by Location:



The pie chart shows strong urban concentration, with **Dhaka** leading at **45%** of the total workforce and averaging **\$850 monthly earnings**. **Chittagong** follows with **22%** (**\$720 average monthly earnings**), while **Rajshahi** (12%), **Khulna** (8%), and other cities (13%) show growing participation with average monthly earnings ranging from **\$500-650**.

Economic Impact:

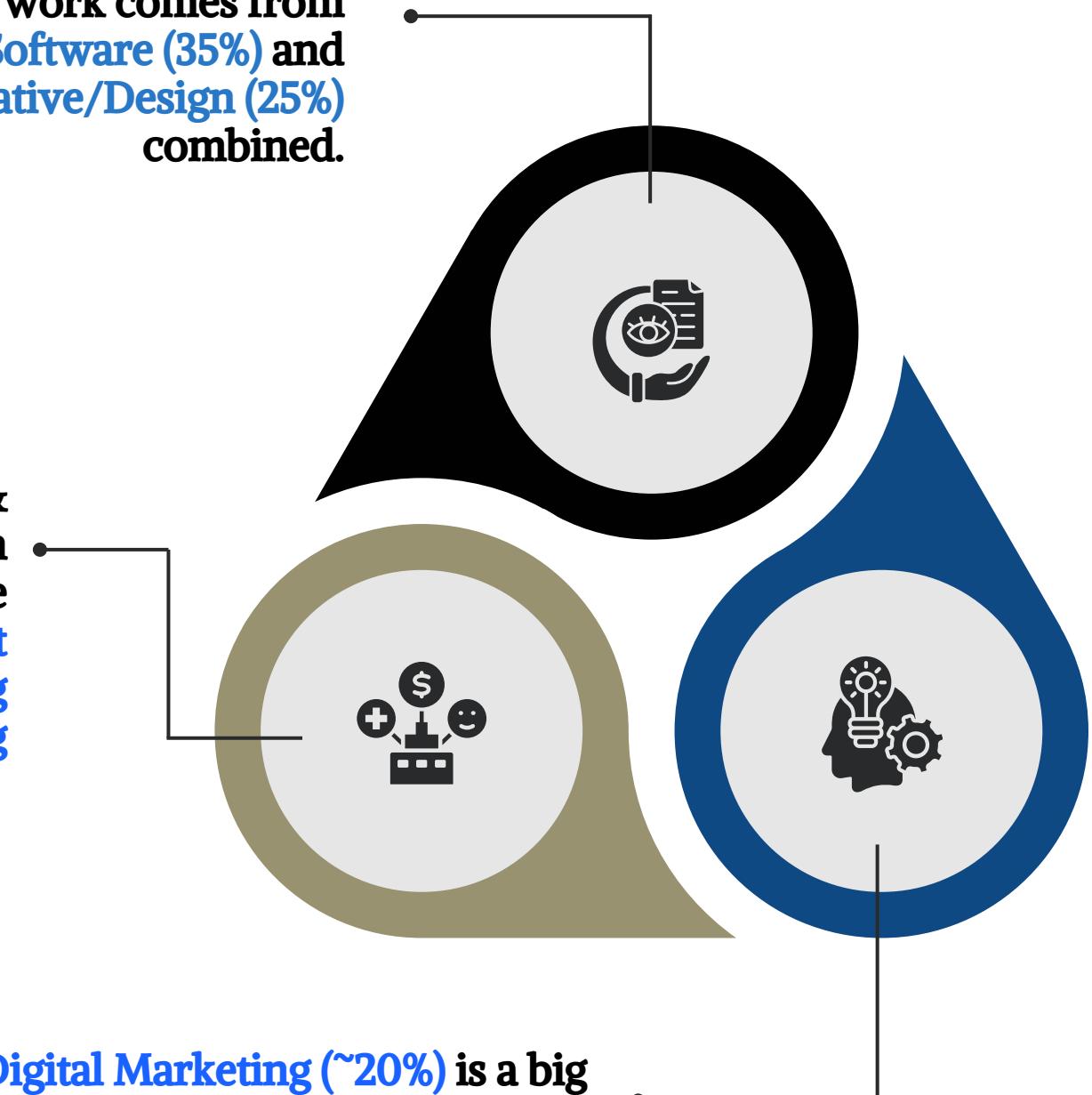
- **500,000+ jobs created** in the digital economy
- **\$500 million+ in remittance** equivalent income
- **3.5% contribution** to Bangladesh's total **IT export revenue**
- **150,000+ students enrolled** in freelancing courses annually

FREELANCING MARKET LANDSCAPE: SECTORS, SKILLS, AND EARNING POTENTIALS

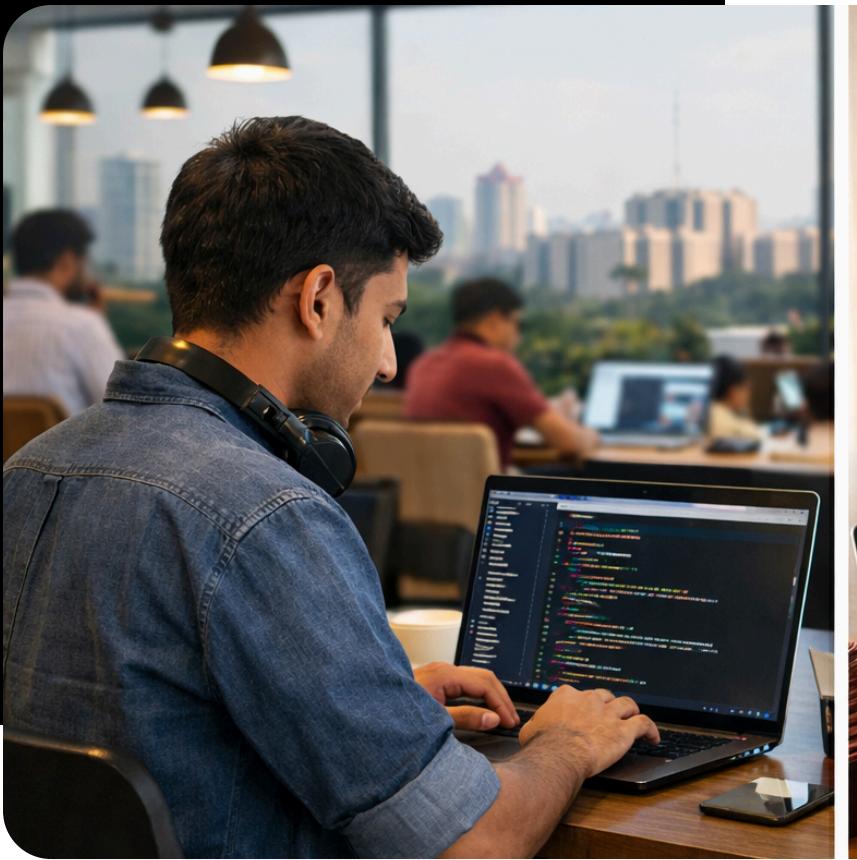
Sector	Key Skills / Tools	Market Share (Est.)	Earning Potential	Source
Web & Software Dev	JavaScript, React, Python, PHP	35%	High (\$20–\$100/hr)	Full Stack Developers on Upwork
Creative & Design	Figma, Adobe Creative Suite, UI/UX	25%	Medium - High	Graphic Designers on Upwork
Digital Marketing	SEO, SEM, Social Media, Content	20%	Medium	Upwork freelancer hourly rates
AI & Automation	Prompt engineering, ML, Zapier/Make	12%	Very High (\$35–\$150/hr)	Price to hire a machine learning expert on Upwork.
Admin & Data Entry	Lead gen, Virtual assistance	8%	Low-Medium	Data Entry Specialists on Upwork

About 60% of freelancing work comes from **Web/Software (35%)** and **Creative/Design (25%)** combined.

AI & Automation shows the strongest earning ceiling



Digital Marketing (~20%) is a big share of work, typically steady mid-tier income, and often acts as the entry pathway for new freelancers (SEO, social media, content).



66% AGED 20–29

THE "YOUTH REVOLUTION"

Bangladesh's median age is 26.0 years. Every year, 2 million youth enter the workforce, but the traditional industrial and formal sectors can only absorb about 1 million. Unemployment among the educated class is estimated at nearly 30%. Freelancing has become the "**emergency exit**" for university graduates who cannot find government or corporate jobs. This age group grew up during the "Digital Bangladesh" initiative (2009–2023).

Education

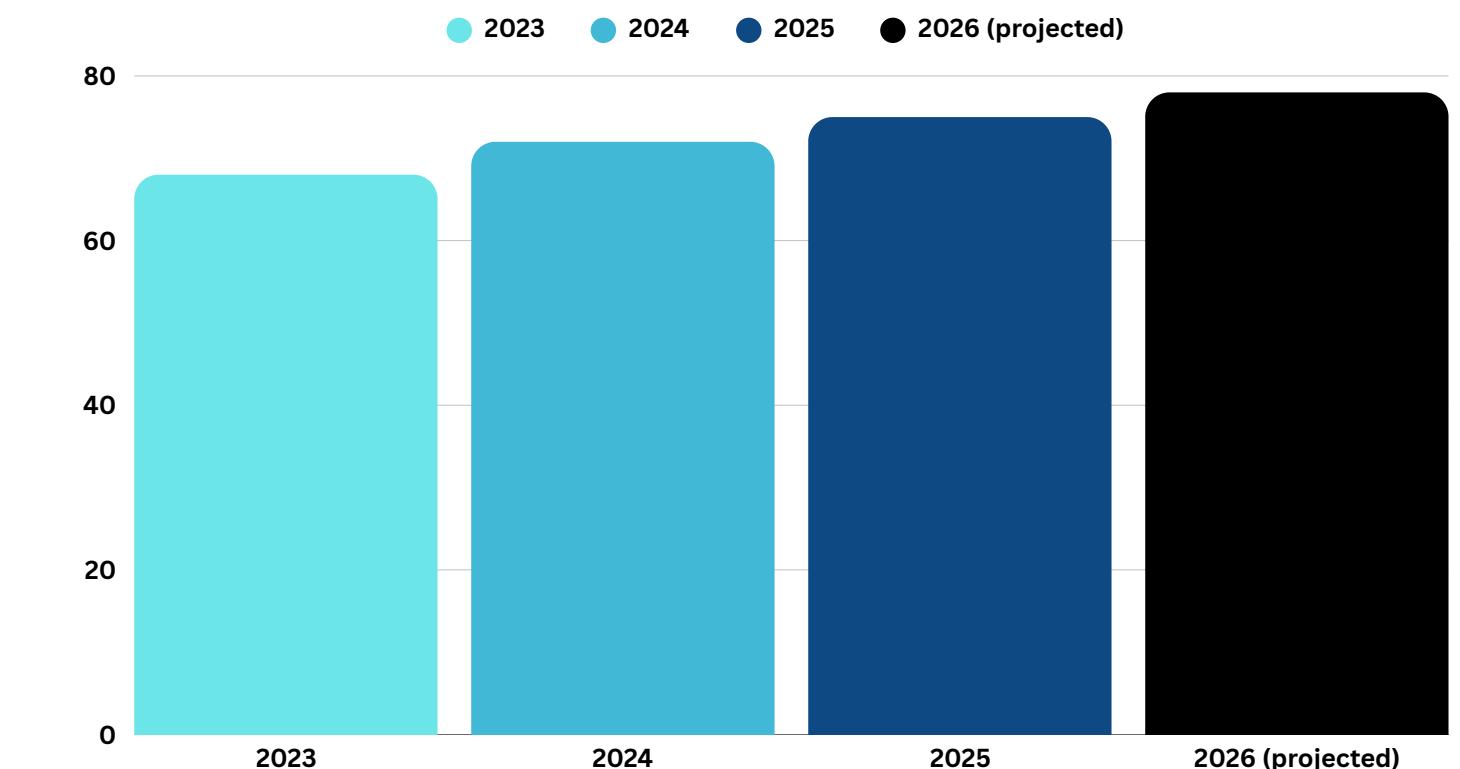
- Roughly 80.8% of active freelancers have completed tertiary education. ([Source](#))
- 50% of freelancers have undergone specialized training through govt initiatives like [LEDP Project](#) and private IT institutes.

Age Group

- 96.2% of freelancers are under the age of 35. ([Source](#))
- The core bracket is 18–30, making up nearly 78% of the workforce. ([Source](#))

Percentage of Youth Participation (2023–2026)

According to Payoneer's Global Freelancer Income Report and BASIS Annual Reports



THE GENDER GAP

The "Maternal Wall": Qualitative studies show that women often enter freelancing for "flexibility," but cultural expectations of household management and childcare (the "Double Burden") often force them into low-volume, part-time work, or cause them to quit entirely. ([Source](#))

The Night-Shift Safety Paradox: Much of the high-paying work follows US/EU time zones (10 PM – 6 AM BST). In many traditional Bangladeshi households, staying awake and working through the night is socially discouraged or viewed with suspicion for women, creating a "psychological barrier" to entry. ([Source](#))

Access to Finance: Women still face higher hurdles in opening independent bank accounts or getting "Freelancer IDs" without a male co-signer in many rural areas, limiting their financial independence. ([Source](#))



Women represent roughly **10% or less** of the active freelancing workforce.



Only **13% (among 25% enrollment)** join the ICT or freelancing workforce after graduation



Women in South Asia **earn 34% less** than their male counterparts for comparable work.



The gender gap in financial inclusion in Bangladesh stands at **6.9%**.



Gendered Infrastructural Gap

“

The government provides high-speed internet (Physical Infrastructure), but we lack the Social Infrastructure (Childcare, Gender-Sensitive Banking, and Social Acceptance of Night-Shift work) required for women to thrive. To move from a \$500M to a \$1B industry, we must fix the 'Maternal Wall' through policy-driven social protection.

SOCIAL PROTECTION FOR FREELANCERS & INFORMAL WORKERS

The latest framework for social protection in Bangladesh is the National Social Security Strategy (NSSS) Action Plan Phase II (2021–2026). While the original NSSS (2015) was primarily focused on "safety nets" for the extreme poor, the current edition has shifted toward a lifecycle-based approach that increasingly integrates informal and "gig" workers, including freelancers and remote professionals.

Programme	Lead Ministry / Authority	Key Activities	Current Progress (Jan 2026)	Gaps & Challenges	Recommended Initiatives
Universal Pension (Surokkha)	Finance Division (National Pension Authority)	State-backed monthly pension for the self-employed (contributions: 1k–5k BDT).	Surpassed 100,000 registrations; digital portal (upension.gov.bd) is fully operational.	High inflation makes fixed pension amounts look less attractive; general trust in long-term state funds.	Introduce Inflation-Indexed pension payouts to preserve purchasing power.
National Freelancer ID	ICT Division (Dept. of ICT)	Providing a government-certified digital ID for bank loans, credit cards, and visas.	Launched new official platform (freelancers.gov.bd) in Jan 2026; card is now free of charge.	Many commercial banks still demand manual "earning certificates" despite the digital ID.	Full API integration between the ID portal and the Bangladesh Bank's "NID Verification" service for banks.
Export Cash Incentives	Bangladesh Bank / Ministry of Finance	Providing cash bonuses (now 2.50%) on foreign currency earned through freelancing.	Extended until June 30, 2026; 43 sectors (including ITES) are covered.	Rates were reduced from 4% to 2.5% due to LDC graduation requirements; complex audit trails.	Create a "Fast Track" remittance channel for small earners (below \$500) with zero documentation.
NSIS (Social Insurance)	Cabinet Division / Ministry of Labour	Piloting insurance for sickness, injury, and maternity for informal workers.	Currently in pilot phase; mostly focused on RMG workers but framework for informal work is finalized.	No specific "Unemployment Insurance" exists yet for freelancers who lose their main contract/gig.	Introduce a Gig-Worker Insurance Fund where a small % of platform fees go toward health coverage.
Promotional Training (LEDP/EDC)	ICT Division	Advanced training in AI, Blockchain, and Digital Marketing for the youth.	Integration with NSSS Human Development cluster; over 150,000 annual enrollments in 2025.	Training often lacks quality control; mismatch between course curriculum and current market AI demands.	Partner with global platforms (e.g., Coursera/Upwork) for industry-standard certification.

Formalizing the Digital Workforce: Identity & Skill Ecosystem

Government Initiatives



The Freelancer ID

The first-ever government-led and completely free Freelancer ID portal (freelancers.gov.bd) was officially inaugurated on January 13, 2026. It serves as a national database to track skills and market trends, helping the government design targeted social protection schemes.

Banking Integration

This ID is now a mandatory document for opening Standard Chartered or City Bank Freelancer Accounts, which allow for 100% USD retention in ERQ (Exporter's Retention Quota) accounts.



Learning & E-earning (LEDP)

An initiative by the Bangladesh ICT Division, launched to equip young people with essential skills for freelancing and digital work, aims to create opportunities for the youth by providing training in areas such as web development, graphic design, and digital marketing.



The Scale of LEDP

It has trained over 40,000+ individuals across all 64 districts in specialized tracks like Graphic Design, Web Development, and Digital Marketing.



Formalizing the Digital Workforce: Identity & Skill Ecosystem

Private Sector & Public Private Partnership

BASIS & BITM



The Bangladesh Association of Software and Information Services (BASIS) through its training wing, BITM, focuses on "Advanced" skillsets (Blockchain, Cybersecurity) rather than entry-level work.

BACCO (Freelance Focus)



The Bangladesh Association of Contact Center and Outsourcing (BACCO) has launched programs like "Freelancer to Entrepreneur."

The Goal of BACCO



It focuses on growing Bangladesh's BPO/freelancing sector by creating youth jobs, building skills, improving policies and incentives, connecting industry stakeholders and strengthening freelancers' formal recognition and access to banking.

Industry-Academia Gap

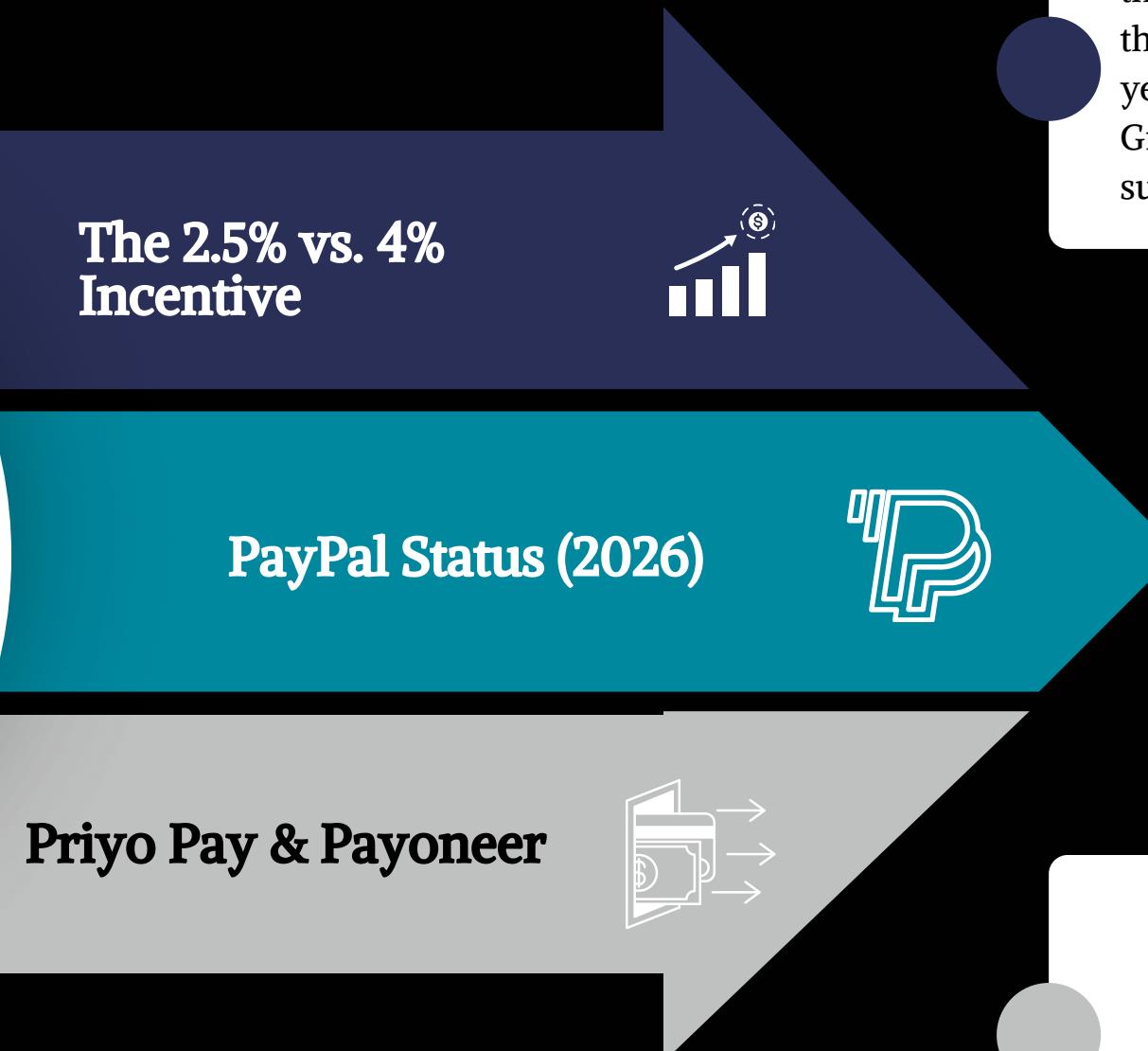


Private companies are now collaborating with universities (like DU and BUET) to ensure curricula include "Freelance Business Management," not just technical coding.

Formalizing the Digital Workforce: Identity & Skill Ecosystem

The Payment Ecosystem: Incentives & Reality

Payment Gateways



While the government historically offered a 4% cash incentive, the latest Bangladesh Bank circular (January 2026) has adjusted the rate for individual freelancers to 2.5% for the 2025–2026 fiscal year, while ITES companies remain at 6%. This is part of the "LDC Graduation" transition strategy to move away from direct cash subsidies toward indirect support.

High-level meetings at the World Economic Forum (WEF) confirmed that PayPal has shown formal interest in entering Bangladesh. However, they are currently in the "internal board deliberation" stage, and an immediate launch is not expected until later in the year.

These remain the dominant "Real-time" payment methods. Local banks now allow instant transfers from global wallets directly into bKash or local BDT accounts, often within 5 minutes.

SECURING A \$1B DIGITAL ECONOMY

01

Institutional Foundation (2026–2027)

Universal Recognition: Mandate the Freelancer ID as a valid professional document for all financial and legal transactions, including mortgage applications and visas.

02

Social Protection & Inclusion (2027–2028)

Digital Social Security: Link the Freelancer ID to the Universal Pension Scheme (UPS) and launch a contributory health insurance model specifically for the self-employed.

03

Scaling & Global Leadership (2029–2030)

Freelance to Agency Transformation: Provide seed funding and "Micro-Enterprise" tax breaks for high-earning freelancers who transition into

The PayPal Integration: Finalize the entry of global payment gateways (like PayPal) to reduce transaction costs and increase the sector's transparency.

Bridging the Gender Gap: Launch "Women in Tech" bootcamps with a target of 30% female participation in high-value IT sectors by 2028.

Sovereign AI & Data Autonomy: Invest in local High-Performance Computing (HPC) and "Sovereign Cloud" infrastructure to store sensitive national data and train Bengali-language LLMs locally.

AI Resilience Training: Pivot the national curriculum (LEDP) from "entry-level tasks" to Applied AI Engineering and Data Stewardship to avoid displacement by automation.

Mental Wellness Infrastructure: Establish Digital Mental Health Hubs and peer-led support networks to combat the "isolation and burnout" reported by 48% of solo workers.

Exporting "Digital Governance": Position Bangladesh as a consultant for other Global South nations on how to formalize a gig economy using the Freelancer ID and NSSS integration model.

Thank you!