

Background Note

Capturing and supporting growth-potential entrepreneurs, and new innovative (startups) or existing businesses (SMEs) is key to any economy. Creating a greater number of fast-growing (in terms of wealth and employment generation) innovative entrepreneurs is seen as vital for accelerating economic growth and effecting structural transformation in Nepal. The importance of growth entrepreneurs can also be seen in light of Nepal's huge untapped export potential.

Orienting startups and business towards a growth path requires a certain ecosystem and holistic support. Growth-potential enterprises could be supported by helping them to innovate to overcome the constraints faced by these businesses. Although the role of the entrepreneurial ecosystem in Nepal is highly emphasized in policy documents, actual support measures leave a lot to be desired. Small ventures thus have a hard time innovating to take a growth path in a short period of time.

Recognizing the need to have a discourse related to the innovation and entrepreneurial ecosystem, SAWTEE is conducting a roundtable to bring together various stakeholders and policymakers to examine the existing state of and gaps in the ecosystem. The objectives of the discussion are:

- to examine the **present state of and gaps in the support system** in Nepal for startups and growth-potential existing businesses, including those eyeing export markets (network, finance, mentorship, technology, marketing, logistics, etc.);
- to identify the **types of focused support needed by** startups and how different support agencies (public and private) should be engaged to **build a well-connected ecosystem** to help startups to grow.