



## Exclusive Interview



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### Asim Shahryar Husain Chief Executive Officer Ignite (National Technology Fund)

**ICMA:** What motivated you to join Ignite, and what do you expect to accomplish as CEO?

**Asim Shahryar Husain:** With over 100 million individuals under 30 years old, Pakistan's youth population is significant. However, the public and private sectors cannot provide employment for all of them. To address this issue, the focus should be on empowering young people to become entrepreneurs or freelancers, which would allow them to create their own jobs. Ignite is dedicated to funding and promoting tech innovation and entrepreneurship in Pakistan through its incubation centers and online training platform. By joining Ignite, I hope to contribute to the development of Pakistan's startup and freelancing ecosystems. In the past two years, Pakistani startups have secured over \$700 million in investments, and annual freelancing exports have exceeded \$400 million. Our goal is to increase annual investments in Pakistani startups to at least half a billion dollars, and freelancing exports to at least \$500 million,

resulting in a contribution of more than a billion dollars to Pakistan's GDP.

**ICMA:** Please tell us about the Ignite national network of incubators across Pakistan for nurturing startups.

**Asim Shahryar Husain:** So far, Ignite has established eight incubation centers in different cities in Pakistan, including Islamabad, Lahore, Karachi, Peshawar, Quetta, Faisalabad, Hyderabad, and Rawalpindi. Last year, we launched a vertical incubator in agritech in Faisalabad, and this year, we have launched a second vertical incubator in aerospace technologies in Rawalpindi. Over the last five years, these incubators have incubated more than 1200 startups, which have created more than 117,000 jobs, generated cumulative revenue of Rs. 9.1 billion, and raised funding of Rs. 21.1 billion. Ignite has spent Rs. 2.5 billion on the capital and operational expenditures of these incubators over the last five years. Hence, the return on investment on these incubators has been more than eight times.

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**ICMA:** What are the biggest challenges for early-stage startups in Pakistan? How is Ignite addressing these challenges?

**Asim Shahryar Husain:** Early-stage startups face several obstacles, including the need for effective coaching in areas such as business planning, product development, marketing, and pitching. Fortunately, Ignite's incubation program addresses these challenges by providing startups with a comprehensive curriculum that includes instruction in market research, design thinking, business planning, and product development. Additionally, our incubators offer access to prominent mentors, local chambers, and both local and global investors.

**ICMA:** Ignite has been instrumental in launching a number of successful startups in Pakistan. Can you share some of the most successful investments made by Ignite and how they have impacted Pakistan's technology landscape?

**Asim Shahryar Husain:** Over the last five years, NIC startups have raised more than \$73.7 million (roughly Rs. 21 billion) in investments and funding. These investments have been made by local and foreign angels and VCs, but not by Ignite. Ignite funds incubation centres. Some success stories include Bykea (ride sharing and delivery services), PakVitae (water filtration solution), MyTM (fintech), Integrity (application integration), Digikhata (fintech), Ezbike (electric bikes), etc.

**ICMA:** Ignite has also contributed to the advancement of new technologies such as artificial intelligence and blockchain. How do you see these tools influencing Pakistan's economy in the future?

**Asim Shahryar Husain:** Ignite's incubation centers have incubated many startups that have used technologies such as artificial intelligence and blockchain to develop

their solutions. For example, Slosh is a healthtech startup from NIC Islamabad that has used artificial intelligence and data mining for cancer detection using x-ray and MRI images. BlockshipPro from NIC Hyderabad provides a Web3 learning and recruiting platform consisting of self-paced programs where Web3 developers can start learning blockchain from scratch, develop expertise, and get connected to recruiters from all over the world. Then Verbue is another startup that provides a smart contract audit service that helps people maintain the security of their blockchain applications. Artificial intelligence, which can be used for automating many business processes within both the public and private sectors, will lead to improvements in efficiency, accuracy, and transparency. Blockchain is used to improve the security and integrity of financial transactions, thereby reducing fraud and improving trust for clients.

**ICMA:** How do you see Pakistan's startup and freelancing ecosystems in comparison to other countries?

**Asim Shahryar Husain:** According to the Oxford Internet Institute's Online Labour Index (OLI), Pakistan has been ranked as the 4th most popular destination in the global online freelancing market behind India, Bangladesh, and the USA, providing 9% of the global freelance workforce. According to startupranking.com, Pakistan has the 13th highest number of startups globally, with the USA, India, and UK being the top three countries in terms of startup ecosystems. Pakistani startups have raised more than \$700 million in 2021 and 2022. However, investments have slowed down in 2023 because of the global recession, local instability, and currency volatility. Pakistani startups have many good ideas but have not been able to scale and expand globally because of access to capital and funding issues.

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**ICMA:** How can young graduates and professionals benefit from the Innovation and Acceleration Funds recently launched by Ignite?

**Asim Shahryar Husain:** Last year, Ignite introduced the Challenge Innovation Fund to finance R&D projects in various thematic areas that use 4IR technologies, such as Smart Cities, Smart Energy, and Digital Industry. We received over 800 proposal outlines and have short-listed over 100 for presentations by review panels. Ultimately, 20-25 projects will be chosen for funding each year, with the goal of supporting products with commercial potential. Additionally, an acceleration fund will be launched later this year to provide pre-seed funding for early-stage startups in Pakistan. After a competitive selection process, 20-30 startups will be chosen annually and funded for product development and marketing, enabling them to generate revenue and become self-sufficient.

**ICMA:** What are your future plans and goals for Ignite, and how do you see Ignite evolving over the next few years?

**Asim Shahryar Husain:** Ignite is committed to further advancing Pakistan's innovation and entrepreneurial ecosystem through a range of programs. By 2025, we aim to expand our incubation network to 15 cities and establish vertical incubators based on the needs of startups. This year, we will launch a national startup portal, serving as a networking hub for Pakistani startups and investors. An accelerator for pre-seed funding, boot camps focused on five programming languages, and training for 10,000 graduates in programming skills needed by industry will also be launched. In addition to the innovation fund, we will introduce a technology transition fund to support the commercialization of prototypes and products. Our ultimate objective is to

promote indigenization, encouraging the development of tech products locally and reducing dependence on imports.

**ICMA:** Looking ahead, what do you see as the next major opportunities for Pakistan's technology sector, and how can Ignite contribute to capitalizing on them?

**Asim Shahryar Husain:** Ignite has identified three global opportunities for Pakistan. Firstly, there is a shortage of 3-4 million cybersecurity professionals globally. Ignite has been conducting national cybersecurity hackathons to raise awareness and will now offer proper courses in cybersecurity to build the capacity of graduates and professionals. Secondly, Ignite has launched its eighth incubation center in aerospace technologies (NICAT) to incubate more than 125 startups. Thirdly, Ignite will establish a center of excellence in gaming and animation in Karachi and Lahore to train at least 10,000 graduates and professionals, with a goal of boosting Pakistan's exports in gaming and animation to a billion dollars within the next 5 to 6 years.

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**ICMA:** What advice would you give to aspiring Pakistani entrepreneurs seeking to start their own businesses?

**Asim Shahryar Husain:** Although Pakistani startups attracted a lot of investment during the last two years, in 2021 and 2022, investments in startups have slowed down this year because of the global recession as well as local instability. Hence, Pakistani entrepreneurs should focus more this year on customer acquisition and revenue generation for organic growth. Once, they have achieved sufficient revenue to cover their operating costs, they will be able to attract investors for scaling up their operations through local and global expansion.

*The Editorial Board thanks Mr. Asim Shahryar Husain, Chief Executive Officer, Ignite (National Technology Fund) for sparing from his precious time to give exclusive interview for Chartered Management Accountant Journal.*