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Startup & Social Innovation Ecosystem in Asia

8 September 2021



**The Asia Foundation**

# Agenda

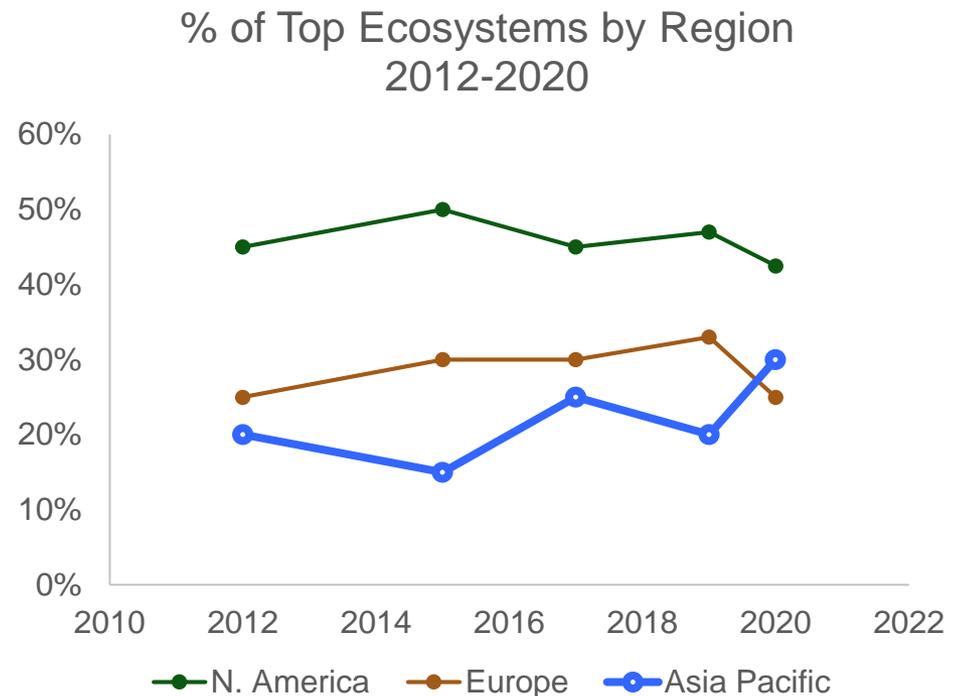
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- 1. Overview of Asia's Start-up Ecosystem**
2. China's Startup & Social Innovation Ecosystem
3. Korea's Startup & Social & Innovation Ecosystem
4. A Way Forward



# Overview of Asia's Start-up Ecosystem

Ranking	City / Region
#1	Silicon Valley
#2 (tie)	New York City
#2 (tie)	London
#3	Beijing
#8	Shanghai
#15	Tokyo
#17	Singapore
<b>#20</b>	<b>Seoul</b>
#22	Shenzhen
#26	Bangalore
#28	Hangzhou
#29	Hong Kong



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# Chinas Startup & Social Innovation Ecosystem

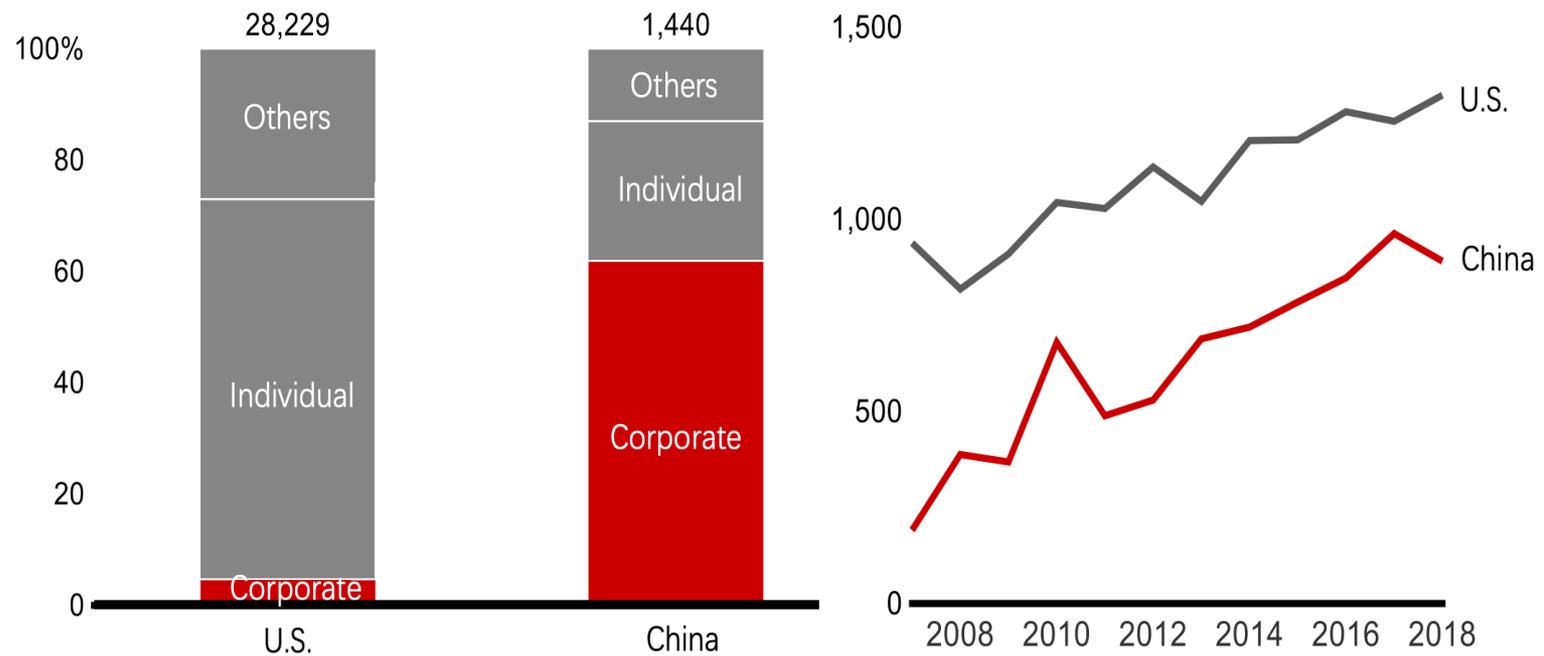
## Startup Ecosystem Key Figures

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- **6 million firms** in China are established every year (x 60 Korea's), 164 unicorns (as of 2018), 2,000 accelerators
- **Key city clusters:** Beijing and Shanghai
- **Anchor investors:** Baidu, Alibaba, Tencent, IDG, Sequoia China, etc
- **Active in Asia:**
  - In Korea, investments from China include Fintech (*Kakao Pay*, 230 billion KRW), [sector] (*Netmarble*, 500 billion KRW), and Media (*YG Entertainment*, 400 billion KRW)
  - In Southeast Asia, billions of USD has been invested mainly in retail & distribution, tourism
- **Role of University-led enterprises.** Led by Peking U y & Tsinghua U (53% of \$60 billion holdings)

# Chinas Startup & Social Innovation Ecosystem

## Social Innovation Ecosystem



Donations by donor (RMB 100 million million)

Corp. donation (RMB 100 million)

Source: The Natural Conservancy, Bain & Company

# Chinas Startup & Social Innovation Ecosystem

## Social Innovation Ecosystem

LGT Group (family office), Fortunate Capital, China Alliance of Social Value Investment

**Impact Investors**

**Traditional VCs**

Yuhong Asset Management  
(Yuhe Fund 50M RMB)

**Corporations**

Coca Cola (Clear Water 24)  
Ant Finance (Ant Forest)  
Tencent (99 Charity Day)

**Government**

Central government:  
ESG and green finance

Interest by Municipal gov't

**Philanthropy**

Leping Foundation  
Yifang Foundation  
British Council

Asia Foundation research (2020). Expert interviews. N=4. Research led by Prof. Guo Peiyuan, Tsinghua University

### Key Challenges & Opportunities

Awareness among large firms  
Human Capital  
Business-NGO partnerships  
Impact Investment  
Engage policy-makers

**Conventional Startups**

**Social Entrepreneurs**

ShanPin GongShe (social enterprise/rural products)  
Clear Plate Initiative  
China's Women Dev Foundation

**Intermediaries**

Incubators / Accelerators:

Startup Hub Shanghai

CASBI  
B-Lab

Universities

U of Electronic Science & Tech CSEIF  
Capital U of Econ & Business ESG Institute

# Agenda

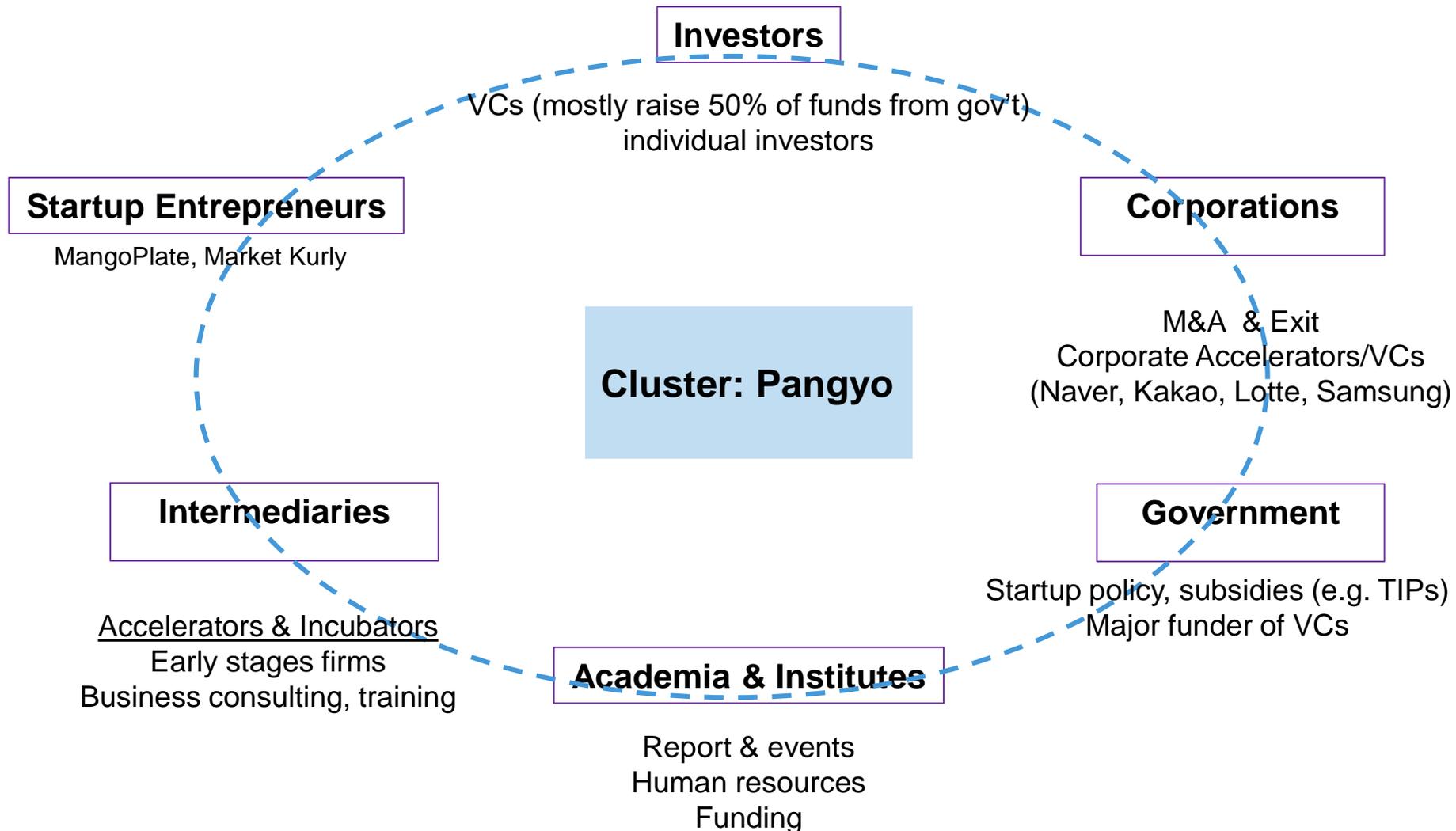
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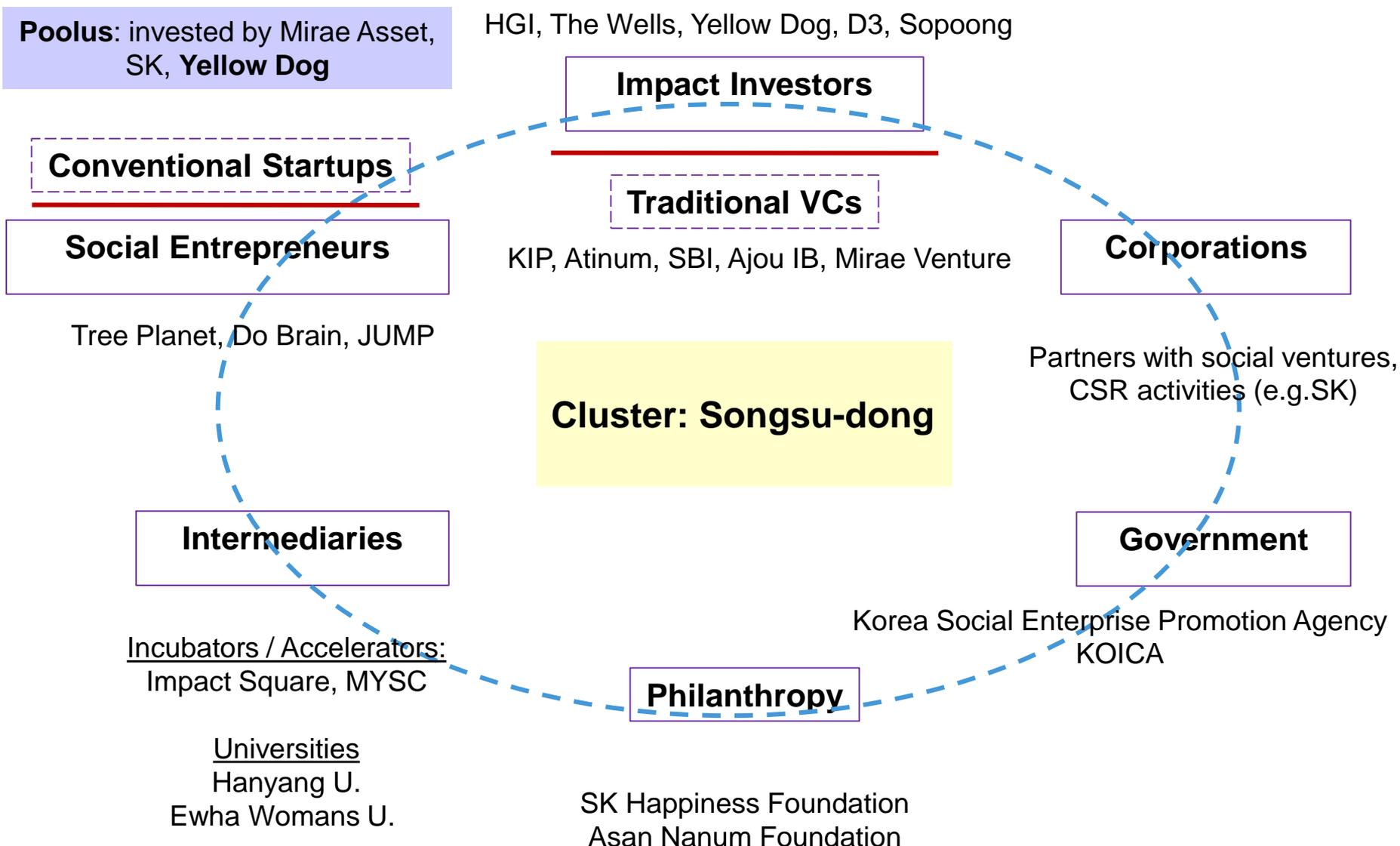
# Startup Ecosystem: Korea Case

## Overview – Key Stakeholders (Summary)



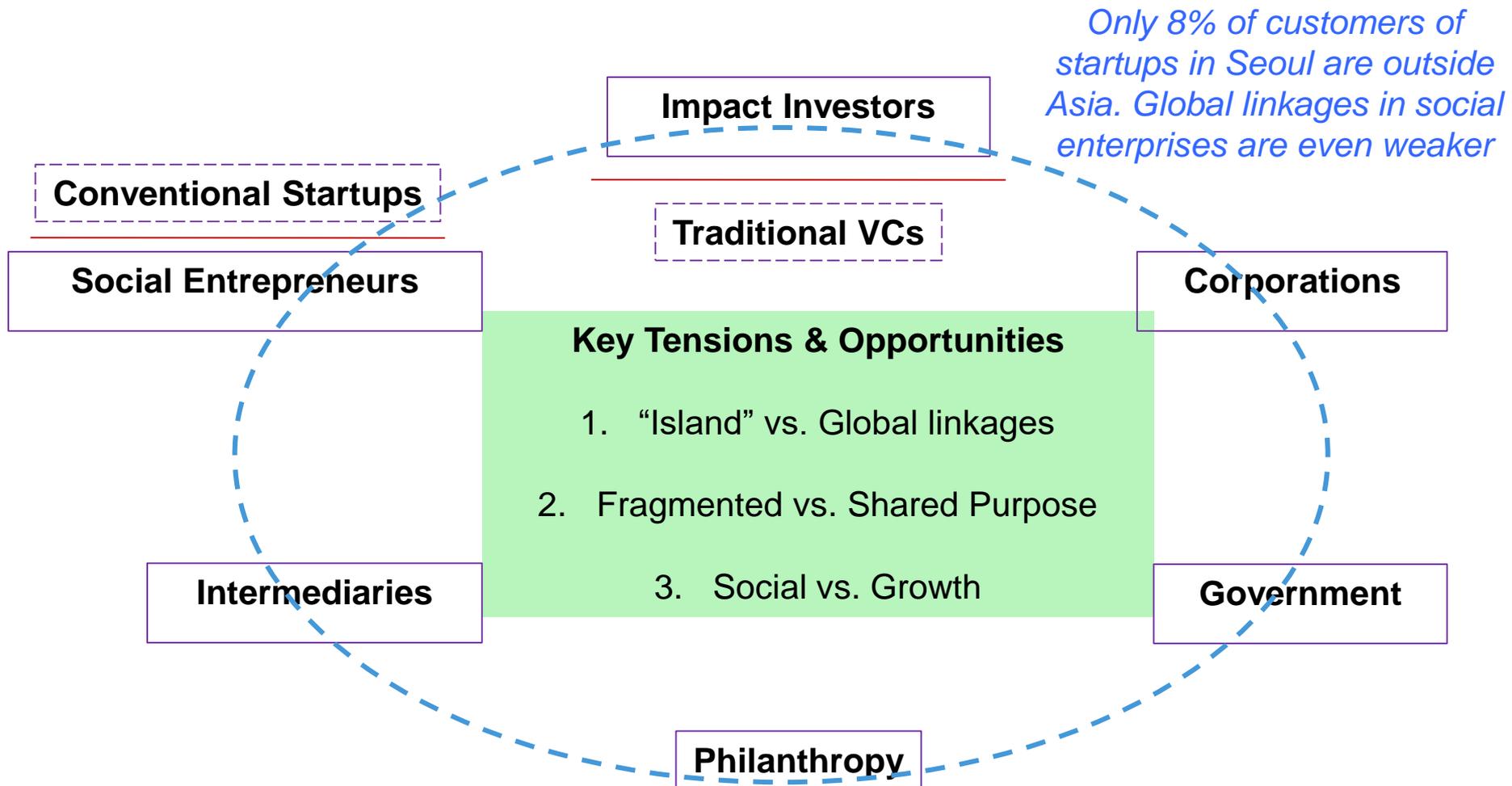
# Social Innovation Ecosystem: Korea Case

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# Social Innovation Ecosystem

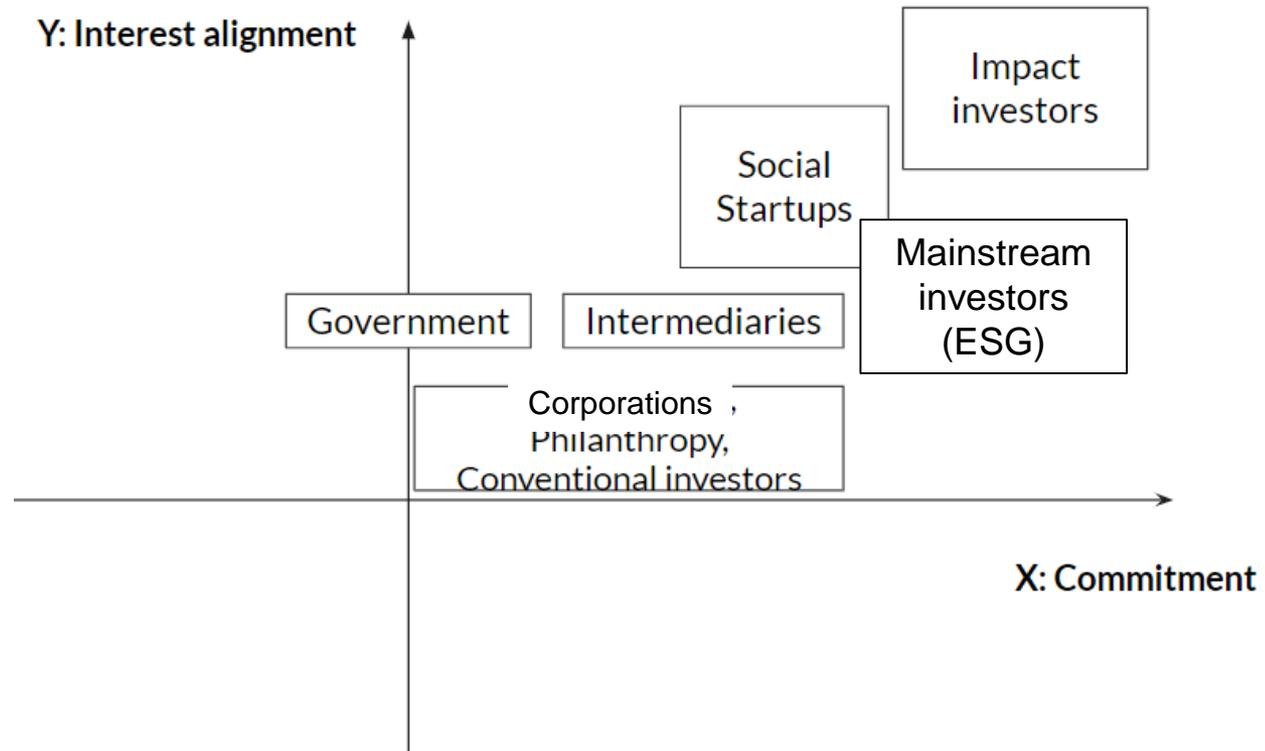
## Key Tensions & Opportunities in the Ecosystem



# Social Innovation Ecosystem

## A Way Forward: Sequencing an Agenda for Change

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**END OF PRESENTATION**

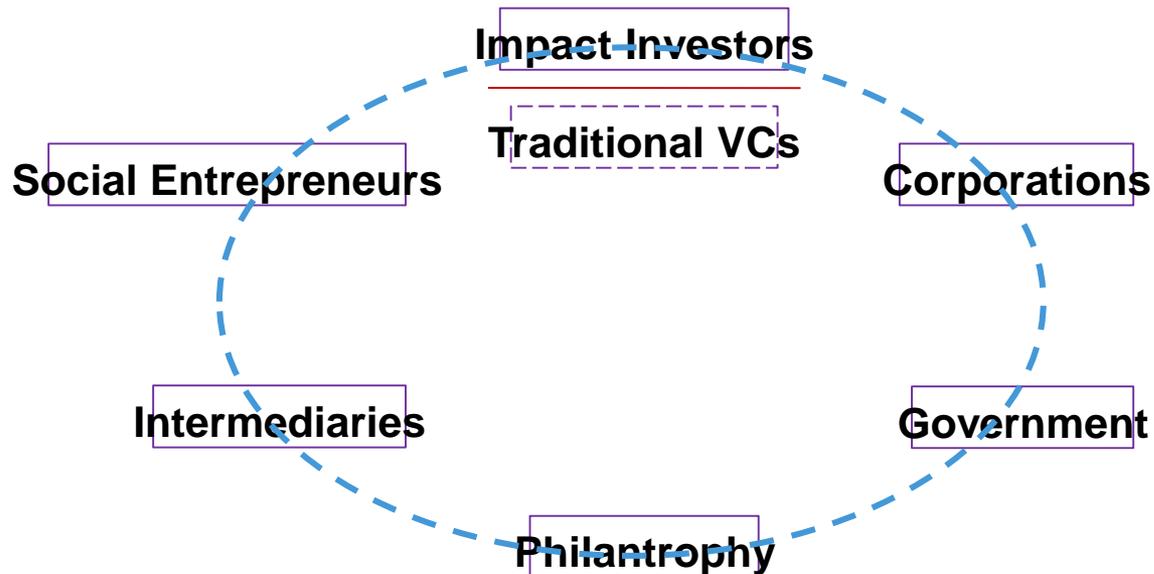
# Social Innovation Ecosystem

## Key Challenge & Opportunity

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### Key Challenges & Opportunities

1. Internationalization
2. Shared Purpose
3. Separation growth & inclusion



# Regional & Country Snapshot

Singapore

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# Regional & Country Snapshot

## Southeast Asia: Vietnam

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