

The Future of Asian Startup Ecosystem

Jeju Special Self-Governing Province / Bigbang Angels

Moderator	KIM Seok-ki Partner, Bigbang Angels
Presenter	Joeri GIANOTTEN Partner, AccelerAsia Jeffrey LIM Head, Google Campus Seoul David LI Director, Shenzhen Open Innovation Lab JEONG Ji-hoon Managing Partner, Bigbang Angels
Discussant	HWANG Byung-sun CEO, Bigbang Angels
Rapporteur	SOHN U-rim Communication Manager, Bigbang Angels

Joeri GIANOTTEN

In Southeast Asia including Singapore, Thailand and Vietnam, about 600 million people actively use social media. As 480 million more people in the region are expected to use the Internet by 2020, there could be many business opportunities in the Southeast Asian market. Startup businesses have to realize their potential and overcome obstacles at the same time. When I started AccelerAsia six years ago, it was hard even to find talented people, but now, we have secured many promising enterprises worthy of investment and expanded funding sources on top of Series A Funding. Most of the CEOs of the enterprises are not Singaporean nationals. Redmart was founded by a Briton, and Grab by a Chinese person. I think that the Singaporean government made a good decision in inviting foreign entrepreneurs.

Jeffrey LIM

Google Campus Seoul, which opened last year, is a place where business entrepreneurs gather to develop their businesses. Google Campus Seoul

regards community as an important factor for business opportunity and has arranged a space for exchanges among these entrepreneurs. It is making efforts to give them substantial support and help them advance into the global market. The number of those who have joined the Google Campus Seoul surpassed 13,000 for the last year, and it has offered more than 450 programs and events. Nine entrepreneurs have graduated from the campus so far, and seven startups are nestled in it. They have succeeded in attracting 12.1 billion Korean Won in investments and have graduated from the campus after increasing their business size by 2.3 times. There are six Google Campuses around the world, and another one is to open in Sao Paulo.

David LI

According to a Gartner report, 5 billion devices are connected to the IoT(Internet of Things), and 25 billion connected things are expected to be in use by 2050. What counts here is that half of the connected things will be produced by new enterprises to be created in the next two years. It is intriguing to



imagine what kinds of new IoT companies will be born. People are exploring new fields of business with new visions. As they can share many things through the Internet, many more people joined it, achieving huge growth in the industry. The older operators of Internet businesses know that failures in market entry have been vastly reduced. Startups are open to everyone, and all of them can accomplish something.

JEONG Ji-hoon

Korea does not have favorable conditions for starting new businesses. As there is little risk capital, unlike the case of Silicon Valley, startups are locked

in a vicious circle. There are many steps startups have to take in order to grow. A task lying ahead is to redress malpractices and assist the promising businesses. It might be rational to assist the larger scale ventures to advance to the global market and help smaller ones to survive the startup ecosystem. The incubators of startups, D. Camp, MARU 180 and Google Campus Seoul have helped them a lot, with other accelerators supporting them. Venture capital is starting to produce meaningful results, and there are more cases of entry of foreign venture capital into Korea. The industry is expecting a second venture business boom.

[Q & A]

Q. Please tell us what merits and demerits your countries have from the perspective of a startup ecosystem.

A. Jeffrey LIM The merits of Korea are as follows. First, it has a market favorable to startups. I think the application, content and commerce markets are big enough. They have an environment for a startup to survive, at least. Second, it has good conditions to start a business. Third, the startups have willingness to go abroad, with some trying to advance to Chinese and European markets.

A. Joeri GIANOTTEN I think Singapore has merit, in that they have an outstanding infrastructure and communicate in English. It is the best place for startups, as it has technological experts and mentors.

A. David LI China's merit is that there are many of those hungry. This explains why the entrepreneurship emerges in China. There are many startups which do not receive supports of venture capital in China, and only 0.05 percent of the startups strive to grow into a dominant company.

A. JEONG Ji-hoon The market size of Korea is neither big, nor small. It is not a small market for those who prepare for entry into the global major market, but it is a small market for those who target niche items. The current policies for the ecosystem should be improved, as there are too many regulations on the market. A new business should create greater value by destroying the existing one. It is important to create an Asian or global startup ecosystem for those who have good business items but have to make a direct advance to the global market due to the adverse conditions of the local market.

Q. Please explain about the business conditions and environment of each country.

A. David LI In the past, attention was focused on the American and European markets but there are now more opportunities in Africa and the Middle East. In the past, the startups had to go abroad, but the situation has changed much. As the barriers in the international market have

been removed, it is the time to consider how to cooperate.

A. JEONG Ji-hoon There are many international students in Korea, but they have very limited space to play their roles. Everything depends on people, after all. If the people with different nationalities make exchanges and share ideas with each other, it would expand the market. It is necessary to activate the human exchanges and provide more exchange programs for the startup industry. In this respect, the central and local governments have much to do for the startups.

Policy Implications

- So far, attention has been focused on the entry of Korean startups into foreign markets, but from now on, Korea should be a hub of startups that can attract foreign entrepreneurs.
- To produce global-level startup company, all of those in the startup ecosystem should make a consorted effort. Now that the barriers in the international market have been removed, we should consider measures for international cooperation. Startups should also examine how the older generation made economic development and learn lessons from this.

National Action Plan on Business and Human Rights

National Human Rights Commission of Korea (NHRCK)

Moderator	CHO Young-ho Director, Human Rights Policy Division, NHRCK
Opening Remarks	LEE Sung-ho Chairperson, NHRCK
Presenter	SHIM Sang-don Director-General, Policy and Education Bureau, NHRCK
Discussant	LEE Sung-hoon Executive Director, Korea Human Rights Foundation JE Cheol-ung Professor, Hanyang University School of Law Ana Beatriz MARTINS Vice Ambassador, Delegation of the EU to the ROK Lea Stubbe TEALBJAERG First Secretary, Embassy of Denmark to the ROK
Rapporteur	JO Gyeong-jae NAP Officer, NHRCK

■ Background of Establishing NAP and Its Necessity

As the social influence of business enterprises grows and more attention is given to human rights management, there are increasing calls on businesses worldwide to protect and respect these rights. At the same time, countries around the world are institutionalizing human rights-oriented business operations, acting on a consensus on the universal value of the respect and protection of human rights, and on the necessity of measures to address risks that compromise them. Business enterprises also declare their will to practice human rights management under their own human rights policies.

Especially after the UN announced guidelines on National Action Plans (NAP) on Business and Human Rights in 2011, governments, corporate enterprises, civic groups and international organizations accepted them, thus settling it as an international norm on business and human rights. As a result, the attention of international society and advanced countries were directed to how the guidelines will be implemented.

It was suggested that countries develop the NAP

program and implement it as a measure to put the guidelines into practice and spread them. In 2013, the EU advised its member countries to introduce their own NAP on businesses and human rights, and in 2014 the UN issued guidance on the development of national action plans. Since then, many countries have set up NAP on businesses and human rights or plan to do so. Thus, it has become an obligation to comply with the norm of international society.

The G-7 meeting (in Germany on June 7-8, 2015) issued a statement that supported NAP on businesses and human rights, after acknowledging the efforts to introduce it.

Previously, Korean governments have initiated various policies on businesses and human rights through revisions of the laws on commerce, labor, labor unions, consumers and the National Commission of Human Rights of Korea, but failed to maintain consistency in their policies. The NAP on businesses and human rights was designed to assist countries in maintaining consistency and improving the effectiveness of their policies on businesses