

Startups promotion in Thailand

Startup Thailand Center, National Innovation Agency, Thailand

<https://www.startupthailand.org>

Founded as a national agency to support the startup businesses and its ecosystem based on the policy of the National Startup Committee (NSC), Startup Thailand operates under the Ministry of Science and Technology in collaboration with related organizations, helping startups to utilize local resources for their product and service development, and local employment and revenue distribution, leading to new target industries in driving the country forward.

The NSC was initiated by Prime Minister General Prayut Chan-ocha, who is reorganizing the country's economic system by fostering an environment that promotes the development of startups so that they can serve as the "new economic warrior" (NEW). Thailand therefore is set to play a pivotal role in the growth of Asean. The startups promotions are as follows:

Open for talent

To increase the competitiveness of Thai startups in the global market, Thailand needs to draw talented people who have experience and capability, and who understand global business development.

Open for business growth

The promotion of innovation and entrepreneurship beginning even at the university level is crucial to creating a climate where startups can successfully develop their products and services. In

Thailand, startups can take part in an acceleration program that prepares them for international fundraising so that they can expand their business overseas and compete in the global marketplace.

Open for investment

At every stage of growth, startups require new or additional funding for their innovative products and service development and for business expansion abroad. Thailand can link startups to a host of local and international investors including individual investors, joint venture capitalists, organizations and public funding, while also offering an innovative financial sector that provides material support for the expansion of startups to the global market.

Open for ecosystem

To maintain a sustainable startup ecosystem, Thailand needs to implement the "area-based innovation economy", in where key urban areas, or "clusters", are developed and set aside as "innovation districts". These communities become a sort of one-stop shop dedicated to the development of startup businesses. These areas are focused on the well-being of the business and its talent, promoting a high quality of life and connecting startups to the resources needed for these businesses to thrive. It also should have a system of privileges supporting every related party in the startup ecosystem.

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The startups promotions in Thailand are as follows:

- **Open for talent:** To draw talented people who have experience and capability, and who understand global business development.
- **Open for business growth:** The promotion of innovation and entrepreneurship beginning even at the university level is crucial to creating a climate where startups can successfully develop their products and services.
- **Open for investment:** At every stage of growth, startups require new or additional funding for their innovative products and service development and for business expansion abroad.
- **Open for Ecosystem:** To maintain a sustainable startup ecosystem, Thailand needs to implement the "area-based innovation economy", in where key urban areas, or "clusters", are developed and set aside as "innovation districts".

For more information, access:

<https://www.startupthailand.org>

Supporting entrepreneurs in India

Small Industries Development Bank of India

<http://www.sidbi.in>

With a strong purpose to support, develop and nurture ideas of modern entrepreneurs that are instrumental in transforming the Indian economy, the Small Industries Development Bank of India (SIDBI) has been playing an important role in developing the Venture Capital (VC) eco-system in the country. Through its holistic offerings comprising of credit and support ecosystem with tailor-made initiatives, SIDBI operates thoughtfully designed initiatives that meet the requirements of a modern entrepreneur at every stage of his journey, from idea generation to venture formation to scaling up a business. SIDBI's initiatives have been instrumental in creating a vibrant entrepreneurial support ecosystem where a strong capital flow is made available along with relevant handholding to ventures. To provide financial resources for Start-ups / MSMEs, SIDBI has been contributing to corpus of various Alternative Investment Funds (AIFs) / Venture Capital Funds (VCFs) for over two decades, which in turn invest at both early & growth stages in Start-ups / MSMEs. SIDBI has committed cumulatively more than INR 3600 crores to over 110 funds under its Fund of Funds operations.

SIDBI does not invest directly in Start-ups, but participates in the capital of Alternative Investment Funds (AIF) registered with Securities and Exchange Board of India (SEBI). SIDBI, thus, contributes to the corpus of Alternative Investment Funds (AIFs) for investing in equity and equity-linked instruments of various Start-ups at early stage, seed stage and growth stage.

SIDBI has been managing the following Funds and programmes for start-ups:

Fund of Funds for Start-ups

In line with the Start-up India Action Plan unveiled by the Hon'ble Prime Minister on the January 16, 2016, the Cabinet approved the establishment of 'Fund of Funds for Start-ups (FFS) at SIDBI for contribution to various Alternative Investment Funds (AIFs) with a corpus of INR 10,000 crore. Introduced with a focussed objective of supporting development and growth of innovation driven enterprises, the Fund of Funds (FFS) facilitates funding needs for Start-ups through participation in capital of SEBI registered Venture Funds.

Aspire Fund

A Scheme for Promotion of Innovation, Rural Industry and Entrepreneurship [ASPIRE FUND]

The Hon'ble Finance Minister in his budget speech 2014-15, proposed allocation of funds of INR200 crore under 'A Scheme for Promotion of Innovation, Rural Industry and Entrepreneurship

[ASPIRE] programme which inter-alia, aims at creating technology centre network, business incubators including Fund of Funds operations for promoting start-up ventures in the agro Industry. In line with above, ASPIRE Fund was set up with SIDBI for carrying out Fund of Funds operations with a corpus of INR60 crore for investments in agri and rural focused enterprises. The Aspire fund provides support to various Angel / Venture Capital Funds (VCFs) for investing in start-ups / early stage enterprises in the areas of innovation, entrepreneurship, forward backward linkage with multiple value chain of manufacturing and service delivery, accelerator support in the agro-based Industry verticals and sectors which would galvanize the rural economy.

India Aspiration Fund

India Aspiration Fund set up SIDBI with the support of RBI pursuant to a budget announcement is an INR2000 crore fund introduced by SIDBI with a vision to promote and accelerate equity and equity linked investments in Start-ups and MSMEs. IAF contributes to the corpus of SEBI registered Alternative Investment Funds (AIFs), with sector agnostic investments specifically involving MSMEs as key strategic investment sectors.

SIDBI Startup Mitra

SIDBI Start-Up Mitra is a digital initiative that address gaps in the start-up ecosystem. The portal was launched by the Hon'ble President of India on March 17th, 2016. It acts as a virtual platform to bring together all stakeholders, start-up entrepreneurs, incubators, investors (Angel networks / Venture Capital Funds), industry bodies, mentors /advisors and banks to meet the financing and developmental needs of the early stage start-ups and enterprises.

The portal also facilitates entrepreneurs to engage with incubators, investors, mentors and spreads awareness about the government schemes for start-ups in India by becoming the knowledge partner for State and Central Governments. The portal is supported by the Department of Science and Technology [DST], Govt. of India and currently boasts of more than 10,245 start-ups, 118 incubators and 90 investors as registered members on the platform

Incubation Centres

SIDBI in collaboration with premier educational institutions in the country has set up incubators to help entrepreneurs solve the problems commonly associated with running a Start-up by providing workspace, seed funding, mentoring, and training, etc. These centres support and nurture budding

entrepreneurs by empowering them with business and technological know-how and to eventually help develop the overall SME enterprises. Currently, SIDBI supported innovation and incubation centres include the SIDBI Innovation & Incubation Centre (SIIC) at IIT Kanpur, KIIT Technology Business Incubator at Kalinga Institute of Industrial Technology (KIIT) University, Bhubaneswar and SIDBI Centre for Innovations in Financial Inclusion (Sci-FI) at IIM, Lucknow, which was set up under the Poorest States Inclusive Growth Programme being implemented by SIDBI.

The SIIC at IIT Kanpur has so far incubated 69 start-ups in diverse areas of state-of-the-art technologies, out of which 42 have graduated.

TIFAC-SRIJAN Scheme

TIFAC_SRIJAN Scheme, a collaborative programme of TIFAC & SIDBI launched on November 01, 2010, aims at facilitating development, demonstration and commercialization of technology innovation projects pertaining to new product or process development to encourage and promote development of capabilities in MSMEs to innovate and to bring high-risk innovations to the market for opening up opportunities for business linked with innovations. The programme supports MSMEs towards development, up-scaling, demonstration and commercialization of innovative technology based projects by providing developmental loans at flexible terms & interest rate to encourage / promote development / innovation of new technology / process / product and its commercialization.

Startup India

Startup India is a flagship initiative of the Government of India (launched January 2016), intended to build a strong eco-system for nurturing innovation and Startups in the country that will drive sustainable economic growth and generate large scale employment opportunities.

The Government through this initiative aims to empower Startups to grow through innovation and design. In order to meet the objectives of the initiative, Government of India announced Startup India Action Plan that addresses all aspects of the Startup ecosystem. With this Action Plan the Government hopes to accelerate spreading of the Startup movement.

The Action Plan is divided across the following areas:

- Simplification and handholding
- Funding support and incentives
- Industry-Academia partnership and incubation

Following are the 19 Action Points under the Startup India initiative:

Simplification and handholding

1. Compliance Regime based on Self-certification
2. Startup India Hub
3. Rolling out of Mobile App and Portal
4. Legal Support and Fast-tracking Patent Examination at Lower Costs
5. Relaxed Norms of Public Procurement for Startups
6. Faster Exit for Startups

Funding support and incentives

7. Providing Funding Support through a Fund of Funds with a Corpus of INR 10,000 crore
8. Credit Guarantee Fund for Startups
9. Tax Exemption on Capital Gains
10. Tax Exemption to Startups for 3 years
11. Tax Exemption on Investments above Fair Market Value
12. Organizing Startup Fests for Showcasing Innovation and Providing a Collaboration Platform

Industry-academia partnership and incubation

13. Launch of Atal Innovation Mission (AIM) with Self-Employment and Talent Utilization (SETU) Program
14. Harnessing Private Sector Expertise for Incubator Setup
15. Building Innovation Centres at National Institutes
16. Setting up of 7 New Research Parks Modeled on the Research Park Setup at IIT Madras
17. Promoting Startups in the Biotechnology Sector
18. Launching of Innovation Focused Programs for Students
19. Annual Incubator Grand Challenge

Salient Features in Bullet Form

- Easier access to funds for Startups
- Easier compliance norms for Startups
- Simpler regulations to help Startups register and stay in India
- Easier access to infrastructure and mentorship through wider industry-academia collaboration

For more information, access:

<https://dipp.gov.in/programmes-and-schemes/industrial-promotion/startup-india>