

BOOSTING THE JAPANESE TECH STARTUP ECOSYSTEM

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WORLD BANK'S TECHNOLOGY STARTUP ECOSYSTEM SUPPORT

- Advise governments in technology and startup ecosystem policies
- In-depth assessment of 10 startup ecosystems; rapid assessments and policy program in >50 ecosystems
- Two major hubs of technology and startups and partnerships with top ecosystems stakeholders and policymakers
- Developing disruptive technology global network



AGENDA

1. Background:

Relevance and Implications of Technology Startups

2. Start-Up Ecosystems as Policy Focus:

Overview of Key Areas of Ecosystems and Examples of Support Policies

3. Proposed Next Steps:

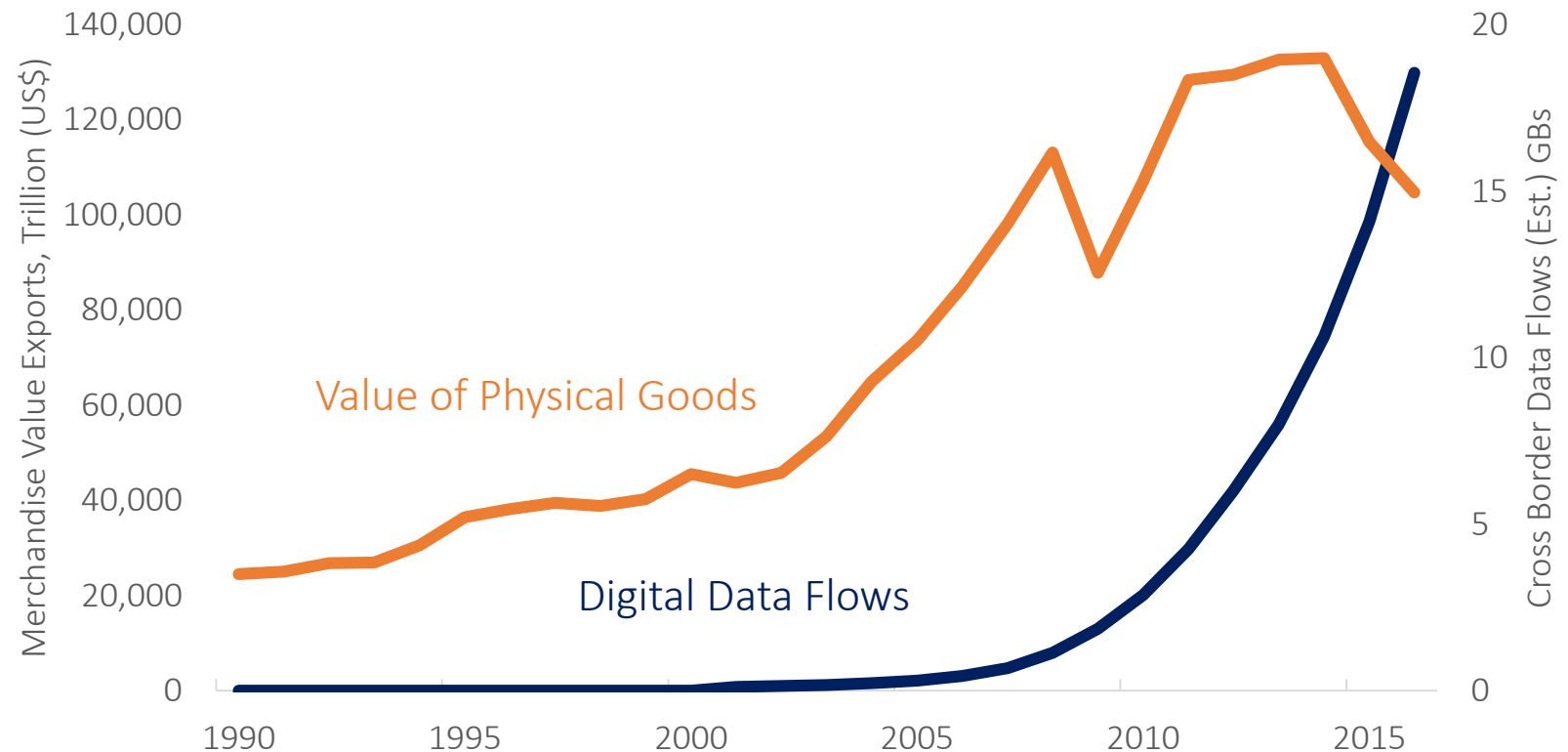
Support to Japanese Startup Ecosystem



WHY TECHNOLOGY STARTUPS?

THE GLOBAL ECONOMY IS CHANGING: VALUE IS MOVING FROM PHYSICAL GOODS TO DIGITAL BUSINESSES

EVOLUTION OF TRADE VALUE OF GOODS AND CROSS-BORDER DATA FLOWS




















Source: World Bank data for Merchandise Value Exports and Telegeography for Cross Border Data Flows.

Notes: 2016 value for Merchandise Value of Exports is estimated based on WTO data reported in September 2017 for volume of trade. Cross-border data flows for years 2000 to 2006 are estimated based on data trends. Cross-border data flows are estimated using yearly average utilization rate of internet international bandwidth

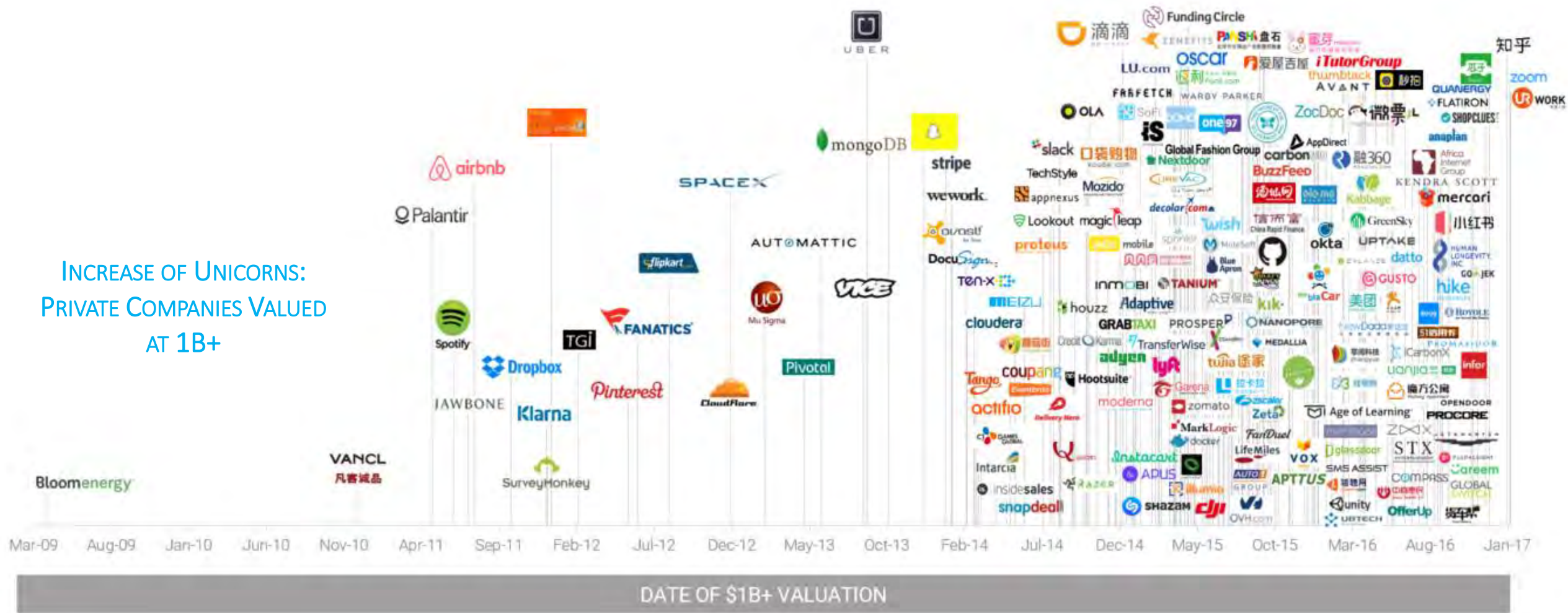
DISRUPTION IS AFFECTING ALL SECTORS IN THE ECONOMY. IT IS NO LONGER A QUESTION OF WHAT IS TECH, BUT OF WHEN IS TECH

ILLUSTRATIVE

Sector	Traditional Model	Tech Model
Tourism	Hotel Chains	 Airbnb
Transportation	Taxis	  Uber/Didi
Entertainment	Radio/Television	  Spotify/Netflix
Education	Vocational Training/Higher Education	  General Assembly/edX
Real Estate	N/A	 WeWork
Finance	Institutional Investment	  Kickstarter/Coinbase
Communications	Phone Calls	 Skype
Retail/Groceries	Hypermarket Chains/Malls	  Amazon/Alibaba
Manufacturing	Big Automakers	  Tesla/Local Motors
Healthcare	N/A	  Editas Med./Organovo

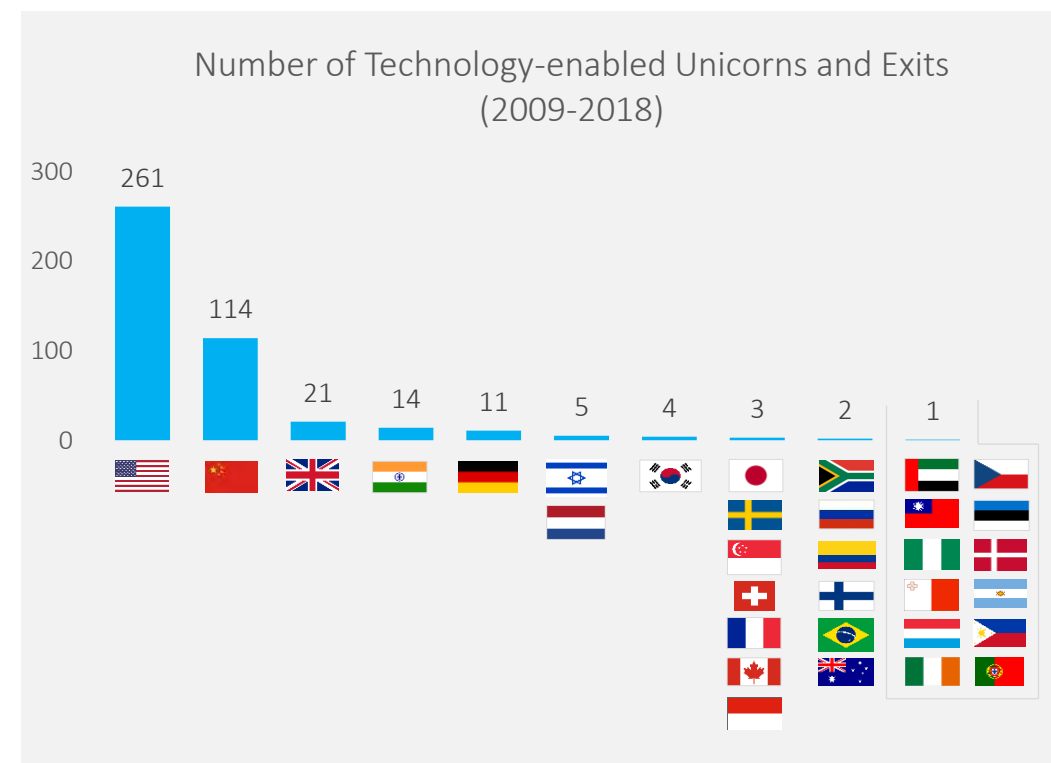
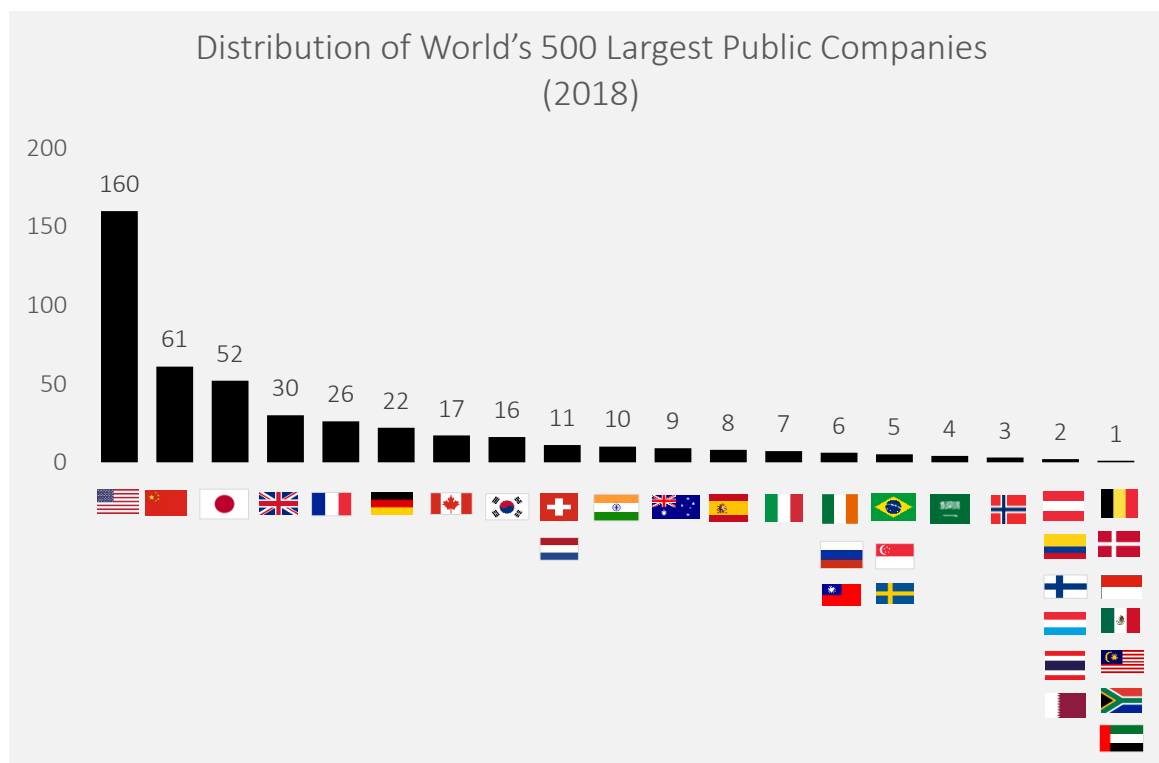
TECH-LED COST REDUCTIONS ARE RESULTING IN THE DEMOCRATIZATION OF INNOVATION AND DISRUPTION BY A GROWING ARMY OF STARTUPS

INCREASE OF UNICORNS:
PRIVATE COMPANIES VALUED
AT 1B+



TECHNOLOGY STARTUPS ARE DRIVERS OF THE INDUSTRY OF THE FUTURE

The United States and China host most of the global private sector of today's industries and those of the future. Leading technology startups are emerging in countries different from where traditional global industries are. In terms of global technology leading companies (e.g., unicorns) countries such as, Colombia, Finland, Israel, Portugal, Singapore, South Korea, or Sweden are outperforming their potential given GDP levels.



CITIES PLAY A KEY ROLE IN CREATING THE ECOSYSTEMS THAT FUEL THE TECH NEW INDUSTRY

- Cities and metropolitan areas play a critical role in providing large-scale ecosystems to create unicorns.
- Unicorns require a critical mass of quality startups, access to networks of talent and knowledge, top-notch experienced mentors, and access to large-scale domestic and international funding that only a few number of ecosystems can provide per country.

PERCENTAGE OF UNICORNS PER COUNTRY ORIGINATED IN ITS MAJOR ECOSYSTEM

