

10 November 2025, Takamatsu, Japan



## Start-up Asia

Chasing the Innovation Frontier



Presentation for the  
7th ASEAN-Japan Smart Cities Network High  
Level Meeting

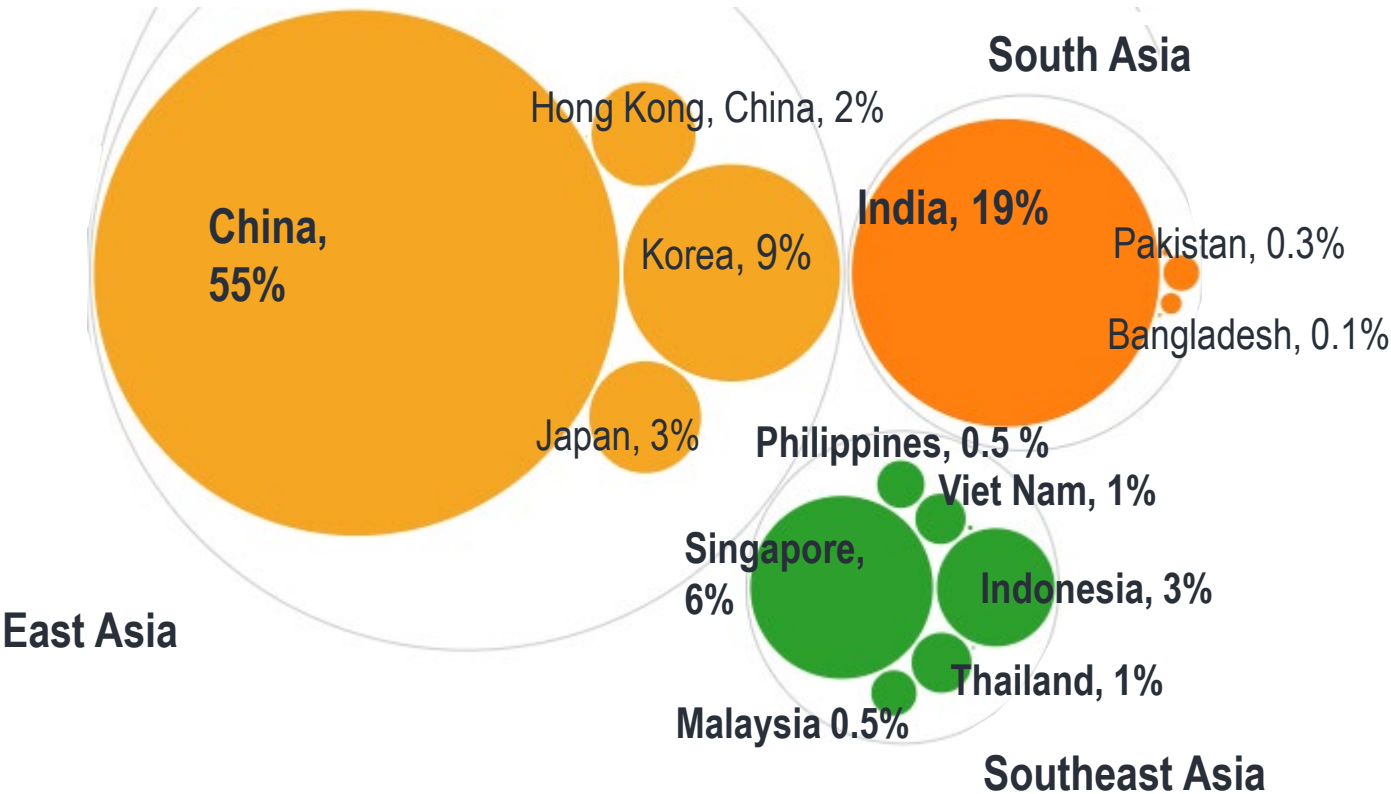
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# Overview of Start-ups in Asia

Asia has become the world's second largest hub for start-ups by venture capital and the third one by total start-ups

Venture capital investments in Asia, by region and economy, 2021-23, share of total in Asia, %



Venture capital as a % of GDP (2020-22)



	Asia	OECD
	0.2%	0.3%

Start-ups per 100 000 inhabitants, 2023

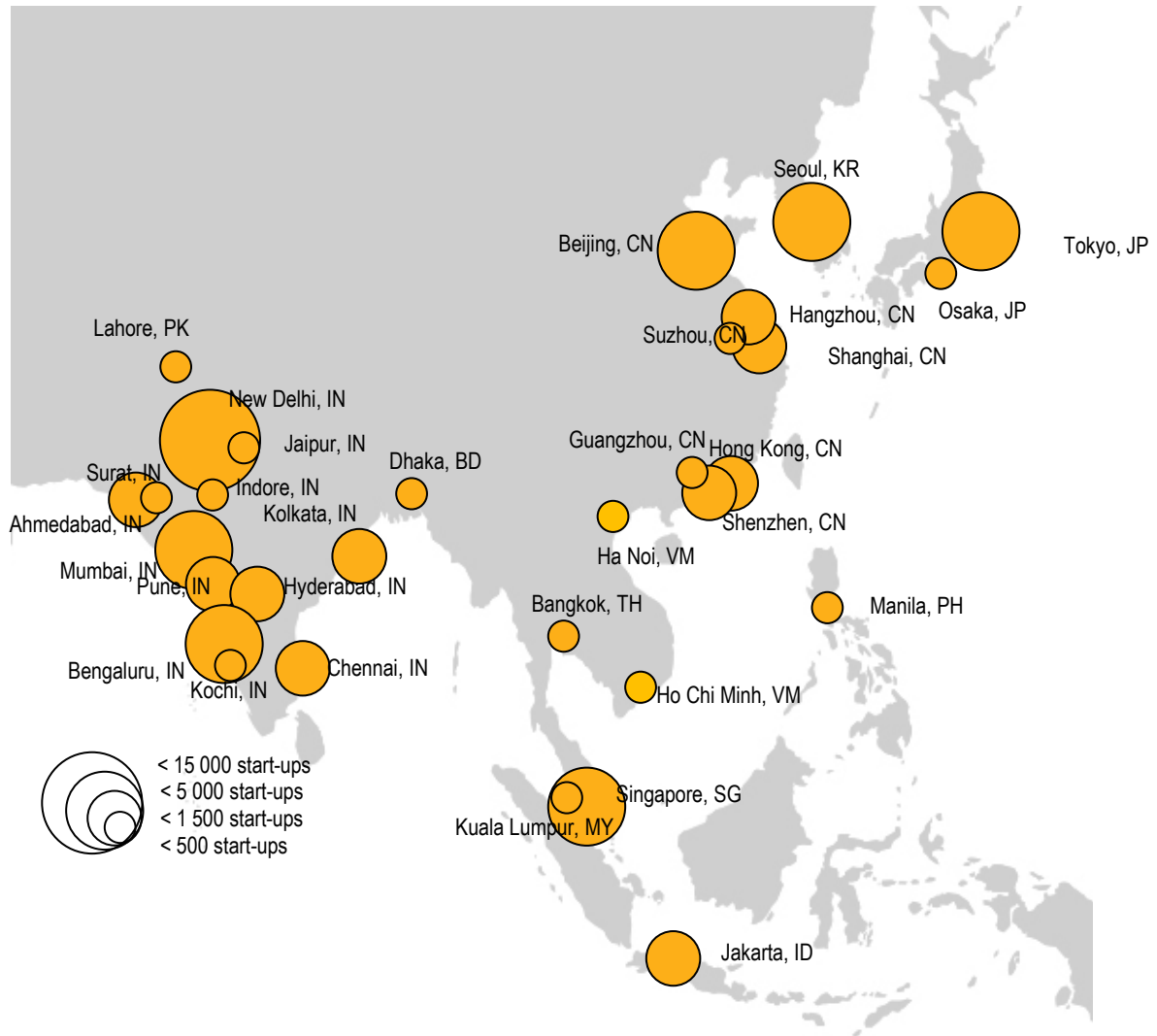


	Asia	OECD
	3	40

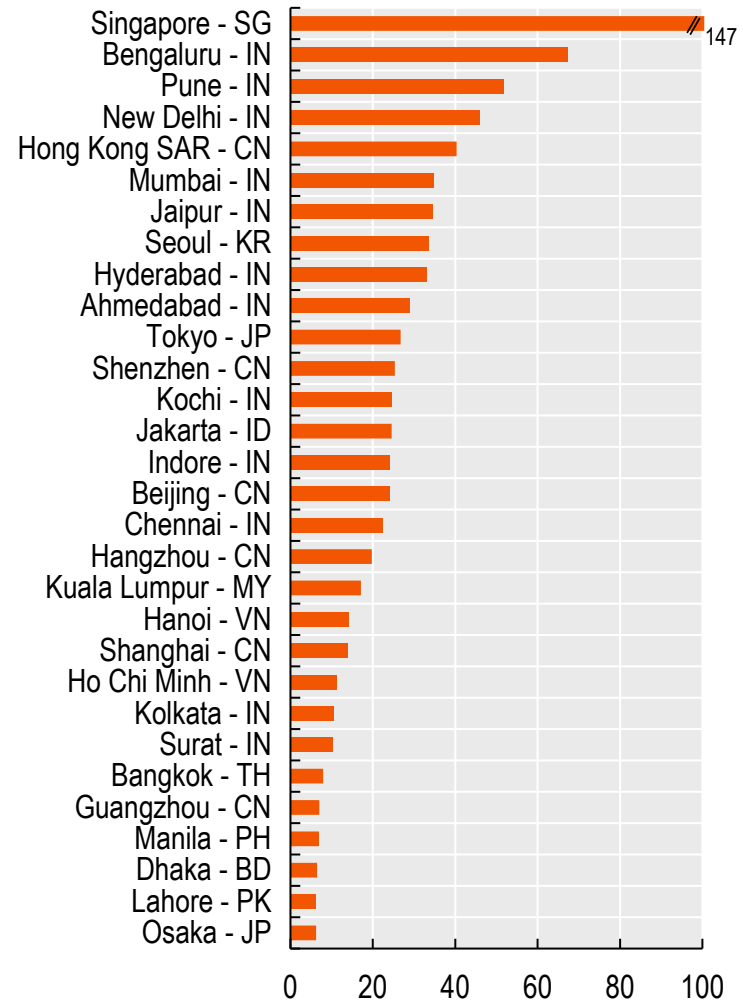
Note: Based on USD current values.  
Source: OECD (2025), [Start-up Asia: Chasing the Innovation Frontier](#), Development Centre Studies, OECD Publishing

# Fostering development beyond capital cities in Asia

Top 30 hubs in Asia by number of start-ups, 2023



Start-ups per 100 000 inhabitants, top 30 hubs in Asia, 2023



Source: OECD (2025), [Start-up Asia: Chasing the Innovation Frontier](#), Development Centre Studies, OECD Publishing

# Targeted policies are contributing to foster start-up development in Asia

	India	Indonesia	Thailand	Viet Nam
Providing financing				
Seed grant	●		●	
Seed loan or convertible instrument			●	
Venture capital		●	●	
Fund of funds	●			
Interest rates & credit guarantees	●		●	●
Facilitating connections and providing businesses				
Incubators	●	●	●	
Accelerators		●	●	
Information portals	●			●
Training, consulting and mentoring	●	●	●	●
Creating markets				
Public procurement	●	●	●	
Hackathons, challenges	●	●	●	
Transforming mindsets				
Events and festivals	●		●	●
Awareness programmes in schools	●	●		●
Reforming regulatory frameworks				
Tax deductions and exemptions	●		●	●
Reduced compliance rules	●			
Legal framework for starting, expanding and closing businesses	●	●		
Regulatory sandboxes	●	●		
Special visas for start-ups			●	

Start-up policies have gained ground in all countries



# Policy recommendations for ASEAN countries

- ❑ Update and diversify the policy mix:
  - ✓ Allow a targeted use of conditionalities and address specific challenges(e.g. territorial disparities, traditionally underrepresented entrepreneurs, more advanced technologies)
- ❑ Mobilise financing that is in line with innovation ambitions:
  - ✓ Avoid duplication of tools and increase the size.
- ❑ Leverage partnerships to foster learning and pool resources:
  - ✓ Regional co-operation is key!

# Get in touch with us!



We are open to discuss the implementation of the framework and country dialogues in more countries and cities in Asia, Africa and Latin America.

Contact us:

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Access the Start-up Asia report here:



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