Agenda

The Situation of Startup Ecosystems in Japan

Japan’s Policy on Startups
Japan’s startup ecosystem is booming
Investment amount to startups in Japan (100M yen/year)

About 10 times (2013→2022)

Source: INITIAL 「Japan Startup Finance 2022」
Japan’s startup investment is strong despite a drop in other countries due to economic stagnation

Percentage increase of startup investment (2021→2022)

- China: -49%
- Germany: -48%
- USA: -37%
- Japan: +3%

Data: Created by JVCA based on CB Insights “State of Venture 2022 Report”, EY “Venture capital and start-ups in Germany 2022”, Axios “China’s venture investing had a rough 2022”, Initial “Japan Startup Finance”
There is more potential especially in the fields of manufacturing, life sciences, etc.

Top 10 growth areas of Japanese startups (2018-2023)

Note: A Pitchbook startup is defined as a company that has received investment from VCs or PEs since its establishment. It does not include corporate data for which Vertical is not registered. Companies established after 2008 are eligible.

Source: Pitchbook
The number of international patent applications filed by Japanese companies is large, indicating evident technology competitiveness.

Nationality breakdown of top 50 international patent applications by companies (2022)

Total: 50

Note: Japan has the greatest number (15 companies) in the top 50 PCT applications companies

Source: WIPO 「Annex 2: PCT Top Applicants」
Japan is globally highly competitive with numerous patents in manufacturing

Number of inventions in the area of manufacturing (2010-2021)

<table>
<thead>
<tr>
<th></th>
<th>Automobile/Storage battery</th>
<th>Shipping</th>
<th>Aircraft</th>
<th>Semiconductor/Info &amp; Communication</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>38,627</td>
<td>14,701</td>
<td>14,460</td>
<td>2,439</td>
</tr>
<tr>
<td>China</td>
<td>10,032</td>
<td>2,513</td>
<td>2,452</td>
<td>726</td>
</tr>
<tr>
<td>South Korea</td>
<td>15,741</td>
<td>3,842</td>
<td>3,794</td>
<td>498</td>
</tr>
<tr>
<td>USA</td>
<td>17,122</td>
<td>9,259</td>
<td>8,913</td>
<td>1,224</td>
</tr>
<tr>
<td>Germany</td>
<td>11,176</td>
<td>6,697</td>
<td>6,573</td>
<td>864</td>
</tr>
<tr>
<td>France</td>
<td>3,037</td>
<td>2,049</td>
<td>1,975</td>
<td>141</td>
</tr>
<tr>
<td>UK</td>
<td>1,329</td>
<td>985</td>
<td>942</td>
<td>155</td>
</tr>
</tbody>
</table>

Note: The number of inventions is the number of inventions that has been developed internationally between 2010-2021, "the number of inventions" filed in multiple countries/regions, and the “number of inventions” filed in EPO/PCT; also known as International Patent Family (IPF)

Source: Japan Patent Office, Patent Information analysis based on GXTI in 2022
Further growth of competitiveness is expected in Japan with numerous Climate tech-related patents

Number of inventions in the area of climate tech (2010-2021)

<table>
<thead>
<tr>
<th></th>
<th>Offshore wind, Solar, geothermal</th>
<th>Hydrogen, Fuel ammonia</th>
<th>Carbon recycle</th>
<th>Resource recycling</th>
</tr>
</thead>
<tbody>
<tr>
<td>Japan</td>
<td>9,515</td>
<td>9,360</td>
<td>2,621</td>
<td>1,653</td>
</tr>
<tr>
<td>China</td>
<td>4,153</td>
<td>1,388</td>
<td>1,549</td>
<td>1,497</td>
</tr>
<tr>
<td>South Korea</td>
<td>4,219</td>
<td>3,581</td>
<td>1,121</td>
<td>842</td>
</tr>
<tr>
<td>United States</td>
<td>8,994</td>
<td>6,799</td>
<td>6,730</td>
<td>6,051</td>
</tr>
<tr>
<td>Germany</td>
<td>3,946</td>
<td>3,043</td>
<td>699</td>
<td>502</td>
</tr>
<tr>
<td>France</td>
<td>1,295</td>
<td>1,313</td>
<td>634</td>
<td>634</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>1,015</td>
<td>858</td>
<td>465</td>
<td>365</td>
</tr>
</tbody>
</table>

Note: The number of inventions is the number of inventions that has been developed internationally between 2010-2021, "the number of inventions" filed in multiple countries/regions, and the “number of inventions” filed in EPO/PCT; also known as International Patent Family (IPF)

Source: Japan Patent Office, Patent information analysis based on GXTI in 2022
Number of university startups is increasing, contributing to the increase of deep tech startups

Number of university startups

Source: [https://www.meti.go.jp/policy/innovation_corp/start-ups/reiwa5_vc_cyousakekka_houkokusyo_r.pdf](https://www.meti.go.jp/policy/innovation_corp/start-ups/reiwa5_vc_cyousakekka_houkokusyo_r.pdf)

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>1,749</td>
</tr>
<tr>
<td>2015</td>
<td>1,773</td>
</tr>
<tr>
<td>2016</td>
<td>1,846</td>
</tr>
<tr>
<td>2017</td>
<td>2,093</td>
</tr>
<tr>
<td>2018</td>
<td>2,278</td>
</tr>
<tr>
<td>2019</td>
<td>2,566</td>
</tr>
<tr>
<td>2020</td>
<td>2,905</td>
</tr>
<tr>
<td>2021</td>
<td>3,305</td>
</tr>
<tr>
<td>2022</td>
<td>3,782</td>
</tr>
<tr>
<td>2023</td>
<td>4,288</td>
</tr>
</tbody>
</table>

About 2.5 times (2014→2023)
Job preference of Japanese students is changing
University students' desire for employment at startups

About half of university students prefer startups to start their career

Students expected to graduate in 2021

Source: Council for Science, Technology and Innovation
Foreign investors have greater expectations on the growth of the Japanese startup ecosystem

Japan is the best country in Asia to live in and entrepreneurs recognize that.
As the government creates a more start-up friendly environment, we expect great things.

Source: Bloomberg
「An Economic Giant Fast-tracks Its Own New Miracle」
Andreessen horowitz: https://a16z.com/author/ben-horowitz/

Ben Horowitz
Co-founder and General Partner
Andreessen Horowitz (a16z)
## Iconic IPO and M&A by Japanese startups since 2018

<table>
<thead>
<tr>
<th>Company</th>
<th>Exit Type</th>
<th>Exit Year</th>
<th>Exit Value (JPY Billion)</th>
<th>Field</th>
</tr>
</thead>
<tbody>
<tr>
<td>mercari</td>
<td>IPO</td>
<td>2018</td>
<td>676.7</td>
<td>Mobile app, SaaS</td>
</tr>
<tr>
<td>payable</td>
<td>M&amp;A</td>
<td>2021</td>
<td>300.0</td>
<td>FinTech, Mobile app</td>
</tr>
<tr>
<td>VISIONAL</td>
<td>IPO</td>
<td>2021</td>
<td>254.5</td>
<td>HR Tech, SaaS</td>
</tr>
<tr>
<td>safie</td>
<td>IPO</td>
<td>2021</td>
<td>164.6</td>
<td>SaaS</td>
</tr>
<tr>
<td>HEROZ</td>
<td>IPO</td>
<td>2018</td>
<td>163.4</td>
<td>Artificial Intelligence</td>
</tr>
</tbody>
</table>

Note: Iconic IPOs and M&As of Japanese startups in the exit market in Japan are extracted in order of size at the time of exit.

Source: INITIAL 「Japan Startup Ecosystem Report 2023 H1」, Startup's official website
Mercari has pursued four elements: “safe and reliable,” “easy for all,” “more fun each time,” and “do good, feel good.” Founded on the strong network formed by our users through our beginnings as the C2C marketplace Mercari, we have since evolved (and continue to evolve) our user experience.

We will continue to draw out undiscovered value in people and things all over the world and help people who need that value to find it. We want to unleash the potential in all people by creating an ecosystem that circulates all forms of value, both tangible and intangible.

Shintaro Yamada
Director, Representative Executive Officer and CEO
Mercari
There has been a great need for BNPL (Buy-Now-Pay-Later) by young women who live in the suburban areas who want to stretch out their payment a little for dressing up and going to an esthetic salon, etc. Financial institutions in Japan have not been able to provide services to these customers. ... The essence of BNPL is to realize smooth shopping for customers with no burden of interest and create as much needs as possible. We will never charge interest.

Riku Sugie
President and CEO
Paidy
Japan’s Policy on Startups
The Japanese government declared its focus on startup policy

I place particular emphasis on startups. Diverse challengers to the status quo are already emerging in Japan

Next TOYOTAs and SONYs will spring from the drive and determination of these challengers

The important thing is to create an ecosystem in Japan where startups will flourish

— Speech by Prime Minister Kishida Fumio at the New York Stock Exchange
September 22, 2022
Tenfold investment in the startups in 5 years

Following the Kishida Administration’s declaration of "The first year for founding startups" in January 2022, a five-year plan was compiled that gives an overall picture of Japan's startup development measures by the public and private sectors.

Building human resources and networks for startup creation

Fostering startup leaders and accelerating entrepreneurship as people are the most important element of startups

Expanding funding provision for startups and diversifying exit strategies

Expanding investment by VCs and individuals to secure funding for the significant growth of startups

Promoting open innovation

Promoting open innovation between large companies and startups. Increasing M&A as an exist strategy
Government actively leads various support measures to strengthen Japan's startup ecosystem

<table>
<thead>
<tr>
<th>Startup support measures (excerpt)</th>
<th>Main targets of support</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Deployment</td>
</tr>
<tr>
<td></td>
<td>Japan</td>
</tr>
<tr>
<td><strong>Creation and Recognition of Role Models</strong></td>
<td></td>
</tr>
<tr>
<td>1 J-Startup: Startup Development Support Program</td>
<td>✓</td>
</tr>
<tr>
<td>2 J-Startup Impact: Impact Startup Support Program</td>
<td>✓</td>
</tr>
<tr>
<td>3 Nippon Startup Awards</td>
<td>✓</td>
</tr>
<tr>
<td><strong>Support for human resource development</strong></td>
<td></td>
</tr>
<tr>
<td>4 J-StarX (Entrepreneur fostering and overseas dispatch program)</td>
<td>✓</td>
</tr>
<tr>
<td>5 Startup Visa</td>
<td>✓</td>
</tr>
<tr>
<td>6 Stock Option Tax Rules</td>
<td>✓</td>
</tr>
<tr>
<td><strong>Fund Provisioning</strong></td>
<td></td>
</tr>
<tr>
<td>7 Startup Support from Japan Investment Corporation</td>
<td>✓</td>
</tr>
<tr>
<td>8 Global Startup Growth Investment Program/LP investment by Organization for SME and Regional Innovation</td>
<td>✓</td>
</tr>
<tr>
<td>9 MOMENT 2023 (Startup event inviting world-class VCs)</td>
<td>✓</td>
</tr>
<tr>
<td>10 Tax Incentive for Angel Investors and Entrepreneurs (Angel investment)</td>
<td>✓</td>
</tr>
<tr>
<td><strong>Support for technology development, etc.</strong></td>
<td></td>
</tr>
<tr>
<td>11 Deep Tech Startup Support Program</td>
<td>✓</td>
</tr>
<tr>
<td>12 Strengthening Program for Pharmaceutical Startup Ecosystem</td>
<td>✓</td>
</tr>
<tr>
<td>13 Deep Tech Startups Support Program in GX Area</td>
<td>✓</td>
</tr>
<tr>
<td><strong>Overseas Expansion Support</strong></td>
<td></td>
</tr>
<tr>
<td>13 Japan Innovation Campus</td>
<td>✓</td>
</tr>
<tr>
<td>16 VIVA TECHNOLOGY Country of the Year 2024</td>
<td>✓</td>
</tr>
<tr>
<td>17 Global Startup EXPO 2025</td>
<td>✓</td>
</tr>
<tr>
<td>18 Global Acceleration Hub</td>
<td>✓</td>
</tr>
</tbody>
</table>
### Purpose
- Create startups that are globally active

### Target
- Companies with potential to go global
  - Selected 243 companies over five years since 2018

### Details
- Implemented preferential treatment in various subsidies and govt procurement, and initiatives such as collaboration with "J-Startup Supporters", a private company

### E.g. of government support
- Participation in government missions abroad
- Support for exhibition at global events around the world
- Use of J-Startup logo
- Support under Global Acceleration Hubs
- Preferential treatment in various subsidies and other support measures
- Business matching
- Support for public procurement, incl. special case for bidding
- Consultation regarding reformation of regulations

### E.g. of private sector support
- Business space offering and preferential rates (Office/Factory/production space, training facilities, etc.)
- Cooperation in demo experiments using robots, products/parts
- Provision of verification environment and analysis equipment
- Acceleration and manufacturing support
- Advice by experts and personnel with expertise
- Intro to clients, affiliated companies, etc.

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Related URL: [J-Startup official website](#)
J-Startup Impact: Impact Startup Support Program

Program to select and play up startups expected to serve as role models for impact startups, and to provide intensive support through public-private partnership

**Purpose**
- Raise awareness and build support momentum for impact startups

**Target**
- Companies that are expected to become role models for impact startups (companies that aim to solve social/environmental issues, realize new visions, and achieve sustainable economic growth together)
  - Already selected 30 coms as “J-Startup Impact” companies

**Details**
- In addition to the support under "J-Startup" program, promote the use of expert consultation service, and provide domestic and int’l communications / PR support to the selected companies

**Selected coms in 2023**

- Gojo & Company, Inc.
- Regional Fish
- Astroscale
- SHIZEN ENERGY
- READY FOR
- WOTA
- FERMENTATION
- ヘラルボニ
- UniFa
- Life is Tech!
- MIRAIRO
- TBM
- BIOME
- instalimb
- Linklusion
- Eco-Pork
- BAA8B
- Synspective
- Elephantechnic
- PLANTX
- Fast DOCTOR
- Sogri
- CureApp
- SHE
- WASSHA

Related URL: “J-Startup Impact” was established!
Nippon Startup Awards

Awards by the Prime Minister and other ministers for entrepreneurs and startups serving as a role model

Purpose
- Raise awareness of entrepreneurship in society as a whole

Target
- Entrepreneurs and startups that have created impactful new businesses that can become role models for young people etc.

Details
- Awarded directly by the Prime Minister at the Prime Minister’s Office
- "Nippon Startup awards 2023" selected as follows
  - Prime Minister’s Award (Nippon Startup Awards): SmartNews, Inc.
  - METI Minister’s award: Gojo and Company, Inc. / MeetsMore Inc.
  - MAFF Minister’s award: vividgarden Inc.
  - MEXT minister’s award: Microwave Chemical Co., Ltd.
  - MHLW Minister’s award: Miraio Inc.
  - MLIT Minister’s award: ANDPAD Inc.
  - Special Jury awards: ispace, inc. / CureApp, Inc. / Tsubota Laboratory Incorporated

Related URL: Application for “Nippon Startup Award 2024”
J-StarX, a program to dispatch young entrepreneurs and students to startup ecosystems in Europe, the U.S. and Asia

**Purpose**
- To produce entrepreneurs who are active on the global stage, provide seminars and mentoring programs in cooperation with VCs, entrepreneurs, univs, and support orgs, and also support the formation of networks useful for startup/overseas expansion

**Target**
- Entrepreneurs/managers, and employees at each stage (seed, early, middle, and later)

**Details**
- Provide mentoring from venture capitalists and accelerators and networking opportunities with local key players such as investors and supporters to encourage Japanese entrepreneurs/startups to take on the challenge
- Radically expanded the “Sido Next Innovator” that has been in place since 2015. dispatched a total of 370 pax. to the U.S., U.K., France, India, Singapore, Indonesia, etc.
  - Aim to dispatch 1,000 people in five years starting in FY2023

Related URL: https://j-starx.jp/
5 Startup Visa

Visa for foreign entrepreneurs to enter and stay for up to one year until they receive a Business Manager Visa.

Local governments and private organizations approved by Minister of Economy, Trade and Industry can support the visa issuance.

**Purpose**
- Attract excellent foreign entrepreneurs through support for startup preparation activities in Japan

**Target**
- Foreign entrepreneurs

**Details**
- Support startup preparation activities in Japan by allowing entrepreneurs to enter and stay for up to one year until they meet the requirements of Business Manager Visa.
  - Planned to extend the maximum period of stay to two years
  - Not only local governments, but also private organizations such as venture capitals and accelerators approved by METI Minister also began to support visa from October 2023

Related URL: Announcement regarding startup visa

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**Scheme/requirements**

1. Submit support plan for foreign entrepreneurs
2. Approve the support plan
3. Submit a start-up preparation activity plan
4. Issue a certificate
5. Apply visa with certificate
6. Issue visa

- Local governments
- Private organizations
- Foreign entrepreneur
- Immigration Service agency

**Minister of Economy, Trade and Industry**
1. Approve the support plan
2. Approve the support plan

Approved local governments etc.
(18 organizations in total as of January 2024)

Stock Option Tax Rules

The stock option tax rules is a scheme that ease the excise of stock options by deferring taxation until the shares are sold as capital gain.

### Purpose
- To attract prospective employees to startups & motivate employees

### Target
- Directors & Employees

### Details
- Deferring taxation until the shares are sold and only Capital gain tax (flat rate of 20.315%) is imposed; non Qualified stock option is imposed Tax on salary (progressive tax rate of up to 55%)
- In the 2024 tax reform, the following efforts were made to ease the excise of stock options
  - Tripling annual exercise price up to 36 million yen
  - Establishment of a share management scheme by companies issuing stock options
  - Easement of the grant requirements and certification procedures for external talent

### Related URL
Startup Support from Japan Investment Corporation

Startup support from the standpoint of public-private funds that provide LP investment to private VC

### Purpose
- Secure funds and talents to create a virtuous cycle of risk money
- Strengthen ties with domestic VCs and startups

### Target
- (Mainly LP investments in private VC)

### Details
- Established a second fund in January 2023, managed by Venture Growth Investments (VGI), a subsidiary of Japan Investment Corporation (JIC) (Fund size 200B yen)
- In addition, established JIC VGI Opportunity Fund No. 1 (40B yen) in September 2023 to provide funding mainly for secondary market and listed startups
- Also, JIC invested in overseas VCs to strengthen ties with domestic VCs and startups, etc.

### Number of investments and Investment amount

| JIC VGF No.1 | 47 | 75.34B yen |
| JIC VGF No.2 | 9  | 4.44B yen  |
| JIC VGI Opportunity Fund (As of Dec 2023) | 2 | About 12B yen |

| LP investment from JIC to private VCs (As of Dec 20, 2023) | 32 | 134.9B yen |

Related URL: [JIC VGI](#)
Source: Japan Investment Corporation press conference materials (Dec 20, 2023)
Global Startup Growth Investment Program/LP Investment by Organization for SME and Regional Innovation

Make LP investments in VCs to promote startups of SMEs, new business developments, etc.

Purpose
- Promote supply of funds to domestic risk money market (as catalyst)

Target
- (Investment in global venture capital (VC) funds, etc., in Japan and overseas that have financial strength and overseas development know-how)

Details
- Establish a business to invest in global VC funds in Japan and overseas that have financial strength and overseas development know-how in FY2022 supplementary budget
  - In March 2023, we began publicly recruiting fund managers and have already concluded a partnership agreement to invest in one company. In addition, a fund of funds (FoF) operator was selected in March and a limited partnership agreement was concluded in July 2023.

Results of investee venture-type funds
- Investment amount: 629.2B yen
- Companies invested: 5,697
- Number of IPO: 302

Investment results of venture-type funds
- Number of investees: 229 funds
- Capital commitments: 289.8B yen

*As of the end of FY2022

Related URL: https://www.smrj.go.jp/sme/funding/fund/news/ve2jp700000078uj.html

※Logos are from each company's website and more...
"MOMENT 2023" was held as a startup event inviting world-leading VCs (Hosted by: METI)

<table>
<thead>
<tr>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Provide world-class viewpoint, new insights, and networking opportunities for startups and VCs in Japan</td>
</tr>
<tr>
<td>• Deepen understanding of Japan’s startup ecosystem from world’s leading VCs</td>
</tr>
<tr>
<td>• Thru the above, activate foreign investment in Japan and globalize Japan’s startup ecosystem</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Startups and entrepreneurs in Japan, etc.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>• More than 2,000 people attended the two-day events held on October 10 and 11, 2023 both on-site and via online broadcast</td>
</tr>
<tr>
<td>- Main speakers</td>
</tr>
<tr>
<td>- Ben Horowitz (Andreessen Horowitz)</td>
</tr>
<tr>
<td>- Gen Isayama (WiL)</td>
</tr>
<tr>
<td>- Jeff Wang (Sequoia)</td>
</tr>
</tbody>
</table>

Related URL: [https://j-starx.jp/report/1559/](https://j-starx.jp/report/1559/)
The tax incentive for angel investors allows startup investors to receive a tax incentivizes when investing in stocks and selling the stocks.

**Purpose**
- To promote investment in startups by providing tax incentives to individual investors

**Target**
- Entrepreneurs
- Individual investors

**Details**
- The FY2023 Tax Reform Act introduced a tax exemption incentives when capital gain is reinvested in startups
- From FY 2024, investors can also use this tax treatment for investing in stock acquisition rights and buying stocks through a certain type of trust

**Schemes & requirements**

<table>
<thead>
<tr>
<th>At the time of investment</th>
<th>At the time of sale of capital</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>One of the following incentives is available</strong></td>
<td><strong>Losses on investments can offset capital gains in the year of loss</strong></td>
</tr>
<tr>
<td><strong>Tax incentive A</strong></td>
<td><strong>(Losses can be carried forward for 3 years)</strong></td>
</tr>
<tr>
<td>(Investment amount - 2,000 yen) is deducted from gross income of the investment year and deferred from taxation</td>
<td></td>
</tr>
<tr>
<td>The maximum deduction is either 8 million yen or 40% of gross income</td>
<td></td>
</tr>
<tr>
<td><strong>Tax incentive B</strong></td>
<td></td>
</tr>
<tr>
<td>Investment amount is deducted from capital gain of the investment year and deferred from taxation</td>
<td></td>
</tr>
<tr>
<td>No maximum deduction limit</td>
<td></td>
</tr>
<tr>
<td><strong>Tax exemption for pre-seed &amp; seed investment</strong></td>
<td></td>
</tr>
<tr>
<td>Investment amount is deducted and exempted from capital gain of the investment year</td>
<td></td>
</tr>
<tr>
<td>No maximum deduction limit (Limit of exemption is 2 billion yen)</td>
<td></td>
</tr>
<tr>
<td><strong>Tax exemption for entrepreneurs</strong></td>
<td></td>
</tr>
<tr>
<td>Investment amount is deducted and exempted from capital gain of the investment year</td>
<td></td>
</tr>
<tr>
<td>No maximum deduction limit (Limit of exemption is 2 billion yen)</td>
<td></td>
</tr>
</tbody>
</table>

Deep Tech Startup Support Program

Project to subsidize R&D of deep tech startups for up to 6 years & 3 billion yen (budgeted amount 100B yen)

**Purpose**
- Significantly promote investment in startups and the creation of unicorns in the deep tech sector
- Accelerate the business growth of deep tech startups and the establishment, commercialization, and social implementation of their innovative techs, with a view to global market, and the creation of new value-added associated with these techs

**Target**
- Deep tech startup

**Details**
- Support R&D for practical use, mass production/overseas tech demos, etc., from a long-term perspective by incorporating cooperation with VCs and the use of stage-gate audits into the system

**Scheme**

- **R&D stage**
  - Support for practical application R&D
  - Mass production demo support

- **Commercialization stage**
  - Overseas tech demo

- **Business dev stage**
  - Seed
  - Early
  - Middle
  - Later
  - IPO · M&A

**Details**
- Prototype dev
- Initial stage production (lab/bench scale)
- Mass production demo (pilot scale or higher)

Related URL: Deep tech startups support program
Project to provide subsidies to pharmaceutical startups for development of pharmaceutical products for practical use (budgeted amount 350B yen)

**Purpose**
- Achieve sufficient sales and growth of pharmaceutical startups
- Support commercialization in internal/external markets

**Target**
- Pharmaceutical Startup

**Details**
- Project subsided by Japan Agency for Medical Research and Dev (AMED) for the dev of drugs for practical use by pharmaceutical startups, in which more than 1/3 of the subsidized costs are funded by registered VCs providing hands-on commercialization support specialized in drug discovery
- In particular, AMED supports pharmaceutical startups actively in their plans to commercialize in overseas markets in addition to Japan in order to achieve sufficient sales and growth
- For pharmaceutical startup, selected 11 companies in the past 3 rounds of public solicitation, and plan to conduct public solicitations on a periodic basis in the future. For registered VC, selected 23 coms in the past 3 rounds of public solicitation (including overseas VCs)

Related URL: Strengthening Program for Pharmaceutical Startup Ecosystem
### Deep Tech Startups Support Program in GX Area

Multi-year support for startups and business growth in the GX area, from the pre-startup stage to the scaling stage, including R&D and capital investment (budgeted at 41 billion yen)

<table>
<thead>
<tr>
<th>Purpose</th>
</tr>
</thead>
<tbody>
<tr>
<td>To support R&amp;D of innovative technologies in the GX area that may also contribute to solving economic and social issues that our country and the world as a whole should address</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entrepreneurs &amp; directors</td>
</tr>
<tr>
<td>Deep tech startups, etc. in the GX area with many challenges in developing their technology &amp; business</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Support for deep tech startups in the GX area that are engaged in developing innovative technologies that require long-term R&amp;D and significant investment to commercialize and implement it in society to contribute to solving economic and social issues that should be addressed by our country and the world as a whole, despite the high risk involved</td>
</tr>
<tr>
<td>Long-term support for R&amp;D for practical application, demonstration for mass production, and overseas technology demonstration by incorporating collaboration with VCs, businesses and the use of stage-gate assessment into the system</td>
</tr>
</tbody>
</table>

**Schemes & requirements**

- **Japanese Government**
- **Grant**
- **New Energy and Industrial Technology Development Organization (NEDO)**
- **Subsidy (2/3 etc.)**
- **Startups etc.**

Related URL: [https://www.nedo.go.jp/koubo/CA1_100454.html](https://www.nedo.go.jp/koubo/CA1_100454.html)
Support for feasibility studies (FS) and pilot demonstrations for commercialization of overseas projects of Japanese startups in Global South countries

**Purpose**
- To promote the overseas expansion of Japanese companies, including startups, in Global South countries by leveraging their mutual strengths with local companies

**Target**
- Operating company
  - Japanese companies including startups related to future industries that are expected to grow in the future (DX, GX, healthcare, etc.)

**Details**
- Support for Japanese companies, including startups, to expand overseas in the Global South countries, while leveraging their mutual strengths with local companies, with a view to reverse innovation in Japan
- Support for feasibility studies (FS) and pilot demonstrations for commercialization of overseas projects in future industries (DX, GX, healthcare, etc.) that are expected to grow in the future
  - FS: Up to JPY 100M/project
  - Minor pilot demonstrations: Up to JPY 500M/project
  - Major pilot demonstrations: From JPY 500M to 4B/project

**Schemes & requirements**

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Japanese Government</strong></td>
<td>Commission, subsidy (fixed amount)</td>
</tr>
<tr>
<td><strong>Private companies, etc.</strong></td>
<td>Commission, subsidy (1/2, 2/3)</td>
</tr>
<tr>
<td><strong>AMEICC Office※</strong>, etc.</td>
<td>Large-scale demonstration</td>
</tr>
<tr>
<td><strong>Private companies, etc.</strong></td>
<td>Master plan development FS, small-scale demonstration</td>
</tr>
</tbody>
</table>

※ AMEICC : Japan-ASEAN Economic and Industrial Cooperation Committee
# Japan Innovation Campus

"Japan Innovation Campus", a startup support hub established in Silicon Valley in the U.S.

## Purpose
- Establish a hub of startup ecosystems in Japan and the U.S./overseas

## Target
- Startups, Entrepreneurs, Local VCs, accelerators, universities, etc.

## Details
- Japan Innovation Campus is an innovation hub in Silicon Valley established by METI in November 2023
- Support for Japanese startups aiming to expand overseas in collaboration with local VCs, accelerators, and industry-academia-govt, incl. world-class universities
- ADDRESS: 212-214 Homer Ave, Palo Alto, CA 94301

Related URL: [Japan Innovation Campus HP](#)
Japan Pavilion to be exhibited as a "Country of the Year" at VIVA TECHNOLOGY 2024

**Purpose**
- Share knowledge and explore paths to the future by bringing together companies and startups leading innovation, accelerate startup investment from international investors

**Target**
- J-Startup selected companies, other Japanese startups, etc.
  - 36 startups and 6 large coms will exhibit

**Details**
- "VIVA TECHNOLOGY" is one of the world’s top-class tech events that gathers major companies promoting open innovation worldwide, such as Google and LVMH group, leading startups from each country, and key persons in innovation, under the strong support of the French government, with the French president taking the stage every year
- Japan Pavilion will be located in the area that attracts the most visitors (exhibition area will be approx. 10 times larger than in 2023), and PR will be possible through the official website, which is expected to be viewed more than 6 billion times

**Related URL:** [JETRO WEB site](#)
GSE 2025 aims to communicate the role and importance of promising startups and ecosystems in solving global issues.

**Purpose**
- Communicating the followings to the World through Dialogue/Exchange
  - the role and importance of startups
  - Potential for creating startups in Japan (especially Kansai region)

**Target**
- Startups
- VCs etc.

**Details**
- GSE2025 will be held as part of the EXPO 2025 Osaka-Kansai on September 17 and 18, 2025, and will gather startups and related organizations from Japan and around the world.
- Following sessions will be held to promote dialogue and exchange among the participants.
  - Exhibitions
  - Pitch events
  - Talk sessions by VCs and others

**Global Issues**
- Climate change
- Infectious Diseases
- Food problems
- Resources/Energy
- Medical/Health
- Population issues etc.

**Startups**
- Generative AI
- Nuclear fusion
- Genome Editing
- New Materials
- Drug discovery technology
- Robotics etc.

**Global Startup EXPO 2025**

**Dates**
September 17 and 18, 2025

**Location**
EXPO Messe (WASSE), Osaka, Japan

**Contents**
Talk sessions, pitch events, booth exhibitions, etc.

**Exhibitions**
150 startups

**Attendance target**
10,000 people

**Organizer**
Ministry of Economy, Trade and Industry
**Global Acceleration Hub**

Provide services such as briefings, mentoring, introductions to local partners/VCs, etc., and co-working space free of charge for startups seeking to expand overseas or raise funds overseas

**Purpose**
- To support global expansion of Japanese startups by partnering with local leading accelerators, etc.

**Target**
- Entrepreneurs / managers
- Employees

**Details**
- Japan External Trade Organization (JETRO) operates “Global Acceleration Hub” in 30 cities around the world in partnership with local accelerators
- For startups seeking to expand overseas or raise funds overseas, JETRO provides services such as briefings, mentoring, introductions to local partners /VCs, etc., as well as co-working spaces, etc., free of charge
- Used by more than 900 companies annually, with approximately 1,600 mentoring cases and approximately 800 matching events (FY2023)

Related URL: [https://www.jetro.go.jp/services/jhub/](https://www.jetro.go.jp/services/jhub/)

Number of hubs worldwide: **30**

Supporting business in North America, South America, Asia, Europe, the Middle East, Africa, and Oceania

Number of hubs worldwide: 30