

# **Data Collection Survey for Strengthening Partnership with Startups and Private Sector in Developing Countries**

## **Final report**

February 2022

**Japan International Cooperation Agency (JICA)**

**McKinsey & Company Japan**

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# 1. Survey Overview

In recent years, it has become more important to apply private-sector funds in addition to conventional Official Development Assistance (ODA) toward achieving economic and social development in developing countries and the UN Sustainable Development Goals (SDGs). At the same time, the global spread of computerization and digital technology, and greater monetary easing, are accompanied by the founding, growth, and worldwide expansion of startups that deal with all kinds of social and economic issues; this trend is notable from the perspective of international development. With the innovative ideas and technologies they possess, these startups are expected to make major lasting changes in the quality of life and the state of society in developing countries, and moreover contribute to achieving SDGs. In the light of this, in January 2020, JICA launched Project NINJA (Next Innovation with Japan) with the objective of supporting entrepreneurs in emerging nations and developing innovative solutions.

Based on experience gained in the NINJA Accelerator 2020 that took place in Kenya, the “Data Collection Survey for Strengthening Partnership with Startups and Private Sector in Developing Countries” (hereinafter referred to as “the Survey”) offers holistic support from grants to technical expertise for local startups that develop products and services which in turn contribute to the achievement of SDGs in Indonesia, Malaysia, Thailand, the Philippines, and Bangladesh through running the JICA NINJA Accelerator 2021 (hereinafter referred to as “the Accelerator Program”). The aim of the Survey included validating effective approaches and initiatives to foster economic and social development and achievement of SDGs in developing countries with the involvement of two main stakeholders: (1) local startups in Indonesia, Malaysia, Thailand, Philippines and Bangladesh, and (2) Japanese companies.

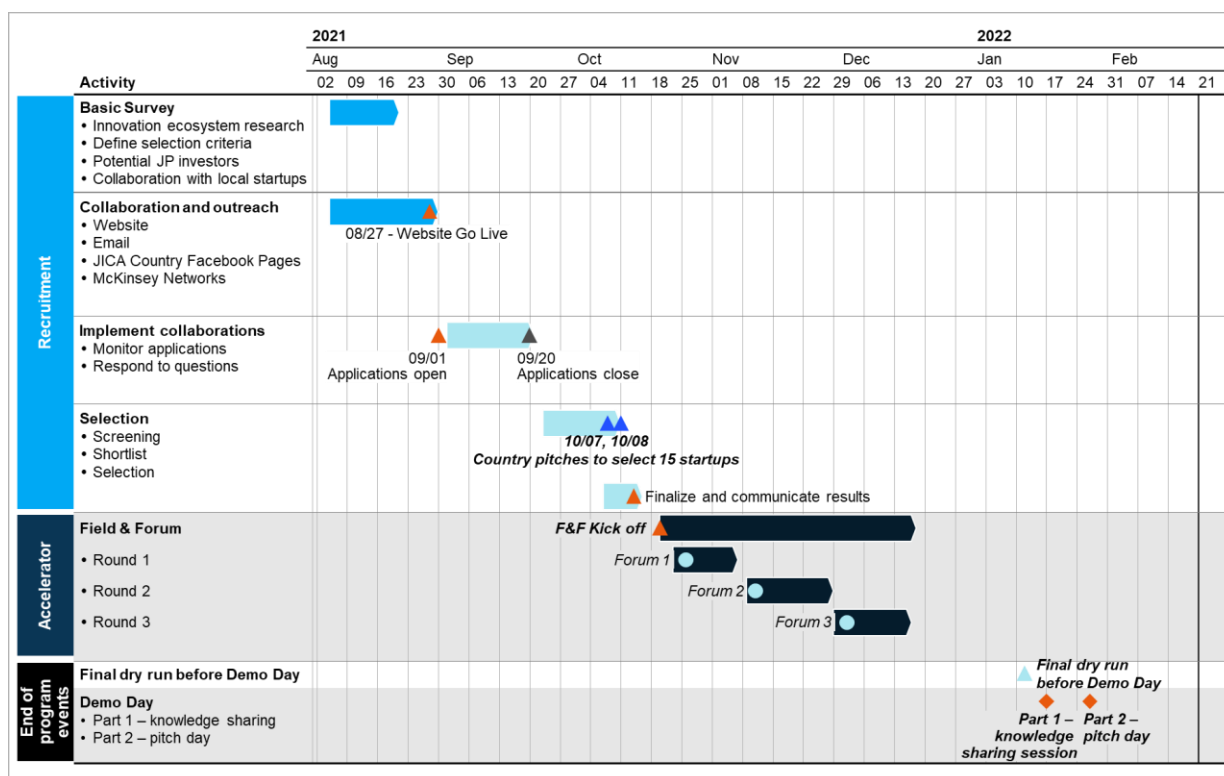


Exhibit 1. Survey Schedule

## **2. Conducting Basic Research**

For each of the five target countries, we conducted research via literature, publications, and statistical data, as well as interviewing related companies and experts in order to gain knowledge of their startup landscape. The survey overview for each country is shown in the following paragraphs. Overall, the ecosystem surrounding startups is found to be most mature in Indonesia, a country that stands out for its large number of startups as well as for the fundraising amount. In terms of the number of startups, Indonesia is followed by Malaysia and then the Philippines. While Thailand and Bangladesh are still in an earlier stage of startup ecosystem development, their market environments are likely to improve in the foreseeable future given their strong economic performances.

### **Indonesia**

- Its startup ecosystem consists of startups in all growth stages, and support ranges from R&D support to some large-scale financing. A few internationally renowned accelerators such as Plug & Play are also present in the market. Although a rich ecosystem is in place, the competition to receive necessary support and funding is still fierce as the number of startups is large and increasing.
- Since there are several existing accelerators, it is necessary for the Accelerator Program to have a clear value proposition to attract interest from startups and investors

### **Malaysia**

- While there is only limited support available for late-stage startups, Malaysia has an attractive environment for seed/early-stage startups given its geographical proximity to Singapore and Indonesia and the active support and incentives provided by the government
- The Accelerator Program is well-positioned to meet the demand of startups seeking to expand their scale through entering other Southeast Asian countries and the Japanese market

### **Thailand**

- The startup ecosystem is at a nascent stage as the number of incubators and accelerators is still highly limited, and most investment and support is mainly from corporate-backed venture funds and currently targeted at specific industries and sectors
- The Accelerator Program is well-positioned to meet the demand of startups seeking to expand their scale through entering other Southeast Asian countries and the Japanese market

### **Philippines**

- Most investments in startups are concentrated in the seed stage, and there is a white space in the startup ecosystem for support or investment in middle- to late-stage startups
- As conglomerates play a central role in the startup ecosystem, the Accelerator Program could attract much attention from startups by clearly distinguishing itself from those run by these conglomerates

## Bangladesh

- Although its startup ecosystem is still at the nascent stage, the government has been making significant progress in improving the business environment for startups with a number of initiatives implemented recently
- It is necessary for the Accelerator Program to select startups with product-market-fit and a highly capable team to run a fruitful accelerator program

Moreover, to better understand the market situations of the target countries in depth, we have set up several meetings with investors from Japan and overseas. There were three main categories of suggestions provided by these investors and we incorporated them when designing the process and contents of the Accelerator Program.

Exhibit 2 Suggestions provided by investors on collaboration with local startups, and actual collaboration policy

Suggestions provided by investors	Actual collaboration policy
The "team" and "market" are always the key factors of the evaluation. A good team can maintain high momentum and produce many results in a short period of time.	The team's ability to collaborate and the degree of relevant experience and background among team members were added to the evaluation criteria for the primary examination.
Indonesia, Vietnam, and Thailand are promising markets, given the availability of human resources in each country. Bangladesh is not currently an investment target and we are not fully aware of local laws and regulations. (Japanese Investor)	In order to promote investors' understanding of the local investment environment and regulatory situation, we held a knowledge sharing session prior to the pitch presentations.
The population and the number of unicorns is viewed as an approximate indicator of the market size of each country and the maturity of the startup ecosystem. Based on these indicators, we are focusing on investment in Indonesia, Singapore, and Vietnam. (Japanese Investor)	We showcased the high investment potential of all target countries to investors who are interested in other markets to promote their future investment.
The three main points to look at when investing are how much time it takes for startups to make an investment return and exit, the current traction of investees and their investment risk. This is why we look at the current sales, potential for growth and productivity improvement, and potential risks when deciding investees. (Japanese Investor)	We added traction, sales and growth rates of startups to the primary assessment criteria.

## 3. Recruiting and Selecting Startups

In starting the recruiting process, we attempted to establish a clear value proposition of the Program to differentiate it from other programs. The Program was designed to have the following six unique value propositions:


















- 1) Dedicated mentorship from experienced industry experts to help stress-test and create pitch-readiness to support startups that are ready to scale
- 2) Exposure and access to Japanese market through Demo Day to identify potential future investors and fundraising opportunities
- 3) Structured learning on key business fundamentals (e.g., go to market, underlying business case etc., and sharing from industry experts and other startup builders via classroom sessions)
- 4) Up to USD 30k provided per startup to help cover expenses during the accelerator program to support development of features or scale up plan
- 5) Opportunity to get connected to other startups in the local market and SEA for market expansion
- 6) Easy application online for an equity-free, non-fee program




From 1<sup>st</sup> to 20<sup>th</sup> September 2021, we held the application period to look for potential participating startups to the Accelerator Program through the Internet. In order to organize an effective accelerator program, we formed collaborative agreements with local startup ecosystem players, planned and held networking sessions, and established a working model for the entire Survey including collaboration with JICA Country Offices. Specific activities conducted are as follows.

- Reached out to more than 50 local incubators and accelerators, and out of which we received program support from 20 incubators and accelerators
- During the application period, we received a total of 4.6 million unique views from five countries from advertisement on social media
- During the application period, over 4,500 unique visitors accessed the official website of the Accelerator Program
- Exchanged views with domestic and international investors to obtain their feedback on the overall Survey, and five of them made a commitment to join the Accelerator Program's Demo Day

All these efforts put into the recruitment process culminated in 216 applications from the target countries. For Indonesia, Malaysia, Thailand, and the Philippines, approximately 20 to 40 applications were received. For Bangladesh, the number of applications made was particularly high at over 100 most likely due to the lack of incubator and accelerator programs in the country. Based on both the selection criteria and the startup's pitch quality, three startups were chosen from each country to participate in the Program. In the first selection round, the candidates were narrowed down to 32 based on the relevance of business model to SDGs, maturity of business model and business, and maturity as a company. In the second selection round, the candidates were narrowed down to three from each country based on the said criteria and the quality of their selection pitch.

Exhibit 3. Overview of 15 finalists

Country	Company	Business Overview
<b>Indonesia</b> 	 FishLog	Manages a B2B marketplace enabling nationwide fisheries cold chain network through activities to build better local community and technology
	 Sampangan	Converts waste into resources for agriculture, construction, sanitation, and energy by using their environmentally sustainable, no pollution waste processing system
	 Plepah	Provides biodegradable packaging solution which is made from areca palm leaf sheath
<b>Malaysia</b> 	 Clickncare	Manages a digital healthcare platform for migrant workers from any country to consult with their native doctors at an affordable price irrespective of their legal status
	 #DemiLaut	Improves traditional fishers' fishing conditions to produce marketable and reachable goods for fish retails and consumers to procure digitally
	 Naglus Industries	Provides a vehicle fuel saver made by nanotechnology of biomass nanofluids
<b>Thailand</b> 	 Ira	Provides biodegradable and organic sanitary products
	 Eden Agritech	Provides breakthrough biotechnology with innovative abilities to prolong the shelf-life of fresh fruits and vegetables up to five times
	 Socialgiver	Manages e-commerce platform to sell and reserve unfilled hotel rooms, unserved seats at concerts and others where a portion of profits generated is to be donated to charities
<b>Philippines</b> 	 Plentina	Enables customers of large retailers in emerging markets to buy on credit for the 97% that do not have access to a credit card
	 Mayani	Boosts rural incomes for smallholder farmers by building e-commerce platform which connects them to consumers and B2B buyers and consequently minimize post-harvest crop loss
	 Packworks	Provides a mobile ERP app to millions of mostly female led Filipino micro entrepreneurs who own their microstores
		Makes educational books, learning toys and contents to develop future skills of early grade children.

Country	Company	Business Overview
<b>Bangladesh</b> 	Light of Hope	
	 Moner Bondhu	Provides affordable, accessible, and confidential counselling to people from all age groups
	 Women In Digital	Provides women learning contents and training to improve their digital skill and career-related support to assist users in becoming a digital worker

#### 4. Implementing collaboration with local startups

From mid-October 2021 to late-January 2022, we conducted the Accelerator Program for approximately three months. Based on our analysis of other learning programs, we confirmed the effectiveness of combining the field (practice field) and the forum (study session) in acquiring new abilities. Therefore, we decided to provide a field program where startups carry out their PoC while receiving support from an assigned mentor for each startup, practice their pitch in front of business experts, and attend special sessions with various experts with a forum program where the 15 startups jointly participate in various sessions. The Accelerator Program provided a total of three sets of forums and fields, and subsequently required the participating startups to prepare for their pitch for the Demo Day Part 2 (Pitch Presentation) while continuing to work on their PoC. In addition, four pitch practice opportunities were given to each startup where they presented their pitch in front of experts with investment experience during each field period and right before the Demo Day as an opportunity for them to improve their pitch skills and content.

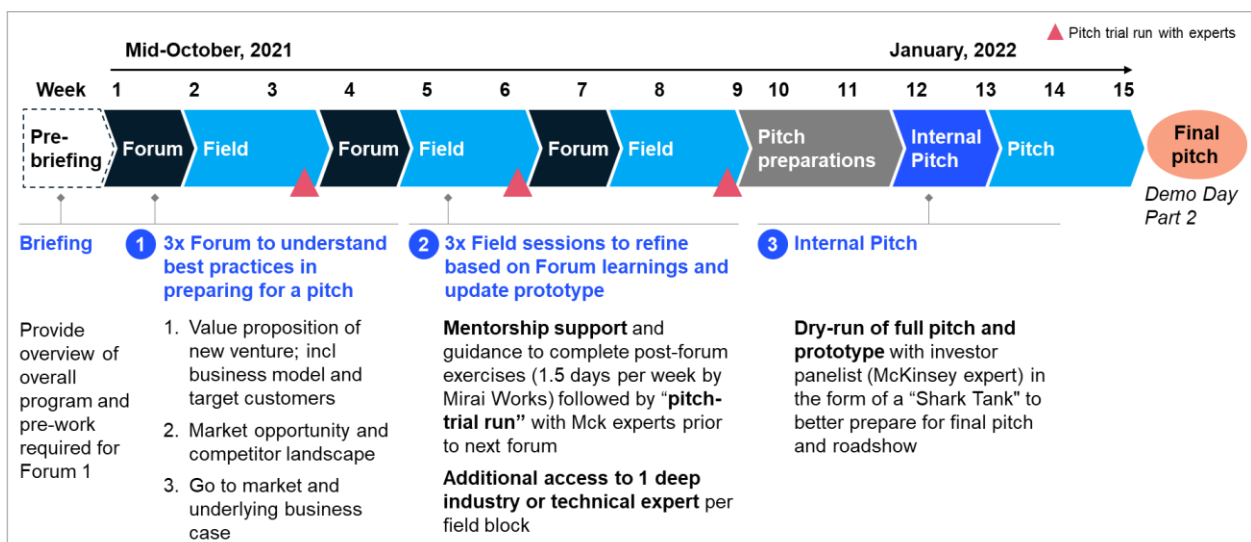
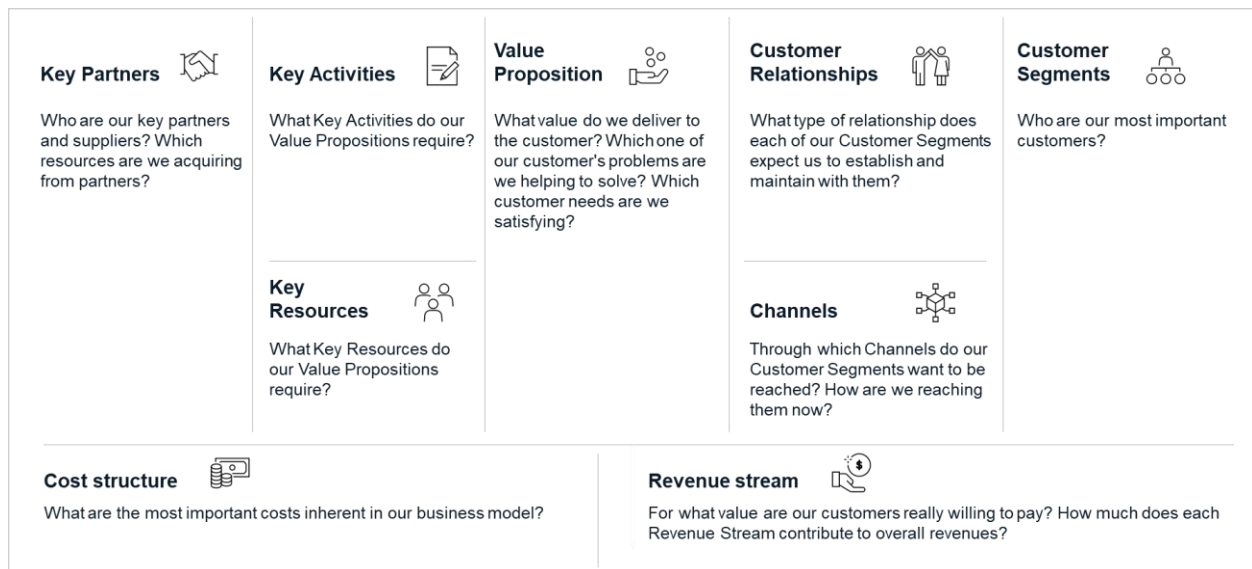


Exhibit 4. Overview and schedule of the Accelerator Program

Throughout the Accelerator Program, the framework of "business model canvas" was utilized. The business model canvas is used to organize important business ideas and assumptions in a structured way

and to clarify the business model of a company. As shown in Exhibit 5, it generally has nine components. The purpose of utilizing the framework for the Accelerator Program is to visualize the current business model of each startup and to build a common understanding of its strengths and weaknesses which are not necessarily fully recognized across the company by deriving answers to important questions illustrated in each component. Based on the knowledge gained through the creation of business model canvases, the startups conducted research on their competitors and customers, as a means to further foster their strengths, and overcome their weaknesses. This process resulted in developing businesses that are even more attractive to potential investors and customers. In sum, this is a meaningful framework for startups which aim to scale their businesses to utilize.



**Exhibit 5. Components of Business Model Canvas**

In this program, the startups acquired a basic understanding of each business model canvas component and its application method through forum sessions and mentoring. Based on this understanding, each company reviewed its business model for Demo Day Part 2 (Pitch Presentation). In order to fully utilize the business model canvas, we encouraged the startups to work on each session and topic with the following in mind: (1) value proposition to be offered to customers, (2) segments of target customers, (3) resources, partners, and channels to be utilized, and (4) economic models and commercial viability of their businesses.

Through three forums, the startups have gained an understanding of frameworks that could be used to establish their business models, products, and services. Startups which have never participated in other accelerators and had few team members with business experience testified that the comprehensive learning of useful frameworks including business model canvas provided them with the opportunity to start a concrete study on important topics that they had never thought about before (e.g., clarifying the value proposition and creating partnerships with other companies). In addition, startups with extensive experience in participating in other accelerators and business expertise have also highly praised the opportunity to relearn and discuss business framework in a systematic manner. The following is a list of sessions (key notes, plenary session) held for each forum:



### **Forum 1**

- Introduction to funding methods (keynote by VC fund manager)
- What is scaling product-market fit (keynote by expert with much experience in scaling up startups)
- Introduction to business model canvas (plenary session by organizer, breakout session)
- How to refine value proposition (plenary session by organizer, breakout session)
- Competitor landscape research and analysis (plenary session by organizer, breakout session)
- Importance of customer testing (keynote by expert with much experience in tech-industry)
- Customer survey methods (plenary session by organizer, breakout session)

### **Forum 2**

- Balancing social impact and business sustainability (keynote by expert with much experience in assisting startups in Southeast Asia)
- Pricing strategy in the B2C/B2B market (plenary session by organizer)
- How to seek and build a partnership based on internal capability (plenary session by organizer, breakout session)
- How to build a Go-To-Market strategy which is about how to deliver product/service to customers with competitive advantages established (keynote by founder of tech-startup in Southeast Asia)
- How to identify sales and marketing strategy (plenary session by organizer, breakout session)

### **Forum 3**

- Funding method (keynote by expert with much experience in scaling up startups)
- How to build culture in a startup (keynote by expert with much entrepreneurial experience)
- How to create implementation plans and business case (plenary session by organizer, breakout session)

Through four pitch practice opportunities, startups established more attractive pitch styles and built pitch content tailored for an investor's perspective. Startups appreciated the opportunity to receive direct feedback from business experts on their pitch and business models and highly valued this opportunity. In addition, we also provided additional direct feedback to startups which had a significant room for improvement based on their performance during pitch practices, by holding separate meetings.

Close mentoring throughout the field period serves as an essential factor for the success of accelerator programs. In the Accelerator Program, 15 members were selected through the process as indicated in Exhibit 6. By selecting and assigning a mentor whose specialized business areas and expertise matched the startup, the mentor was able to provide advice to the startup with an in depth understanding of its context. We defined the mentoring objectives as (1) to deal with the concerns of the startups and encourage them to reflect the lessons from the above forum sessions into their business models, and work on their PoC effectively, and (2) to improve the quality of the startups' pitches in preparation for the Demo Day Part 2 (Pitch Presentation), and required a close collaboration between the startups and their assigned mentors throughout the Accelerator Program.

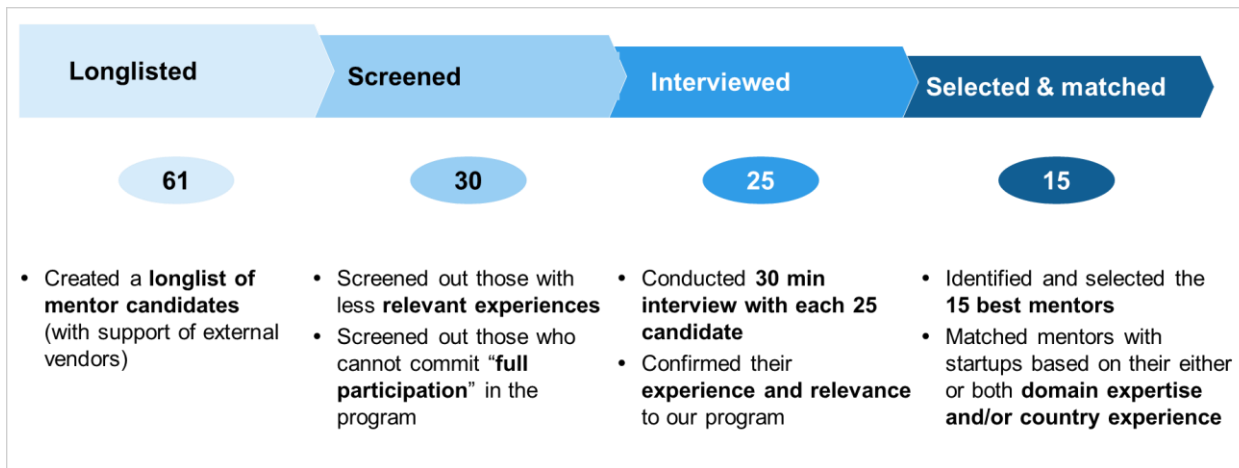


Exhibit 6. Mentor Selection Process

## 5. Conducting Outreach Activity

In parallel with the field and forum program, we conducted outreach activities for investors who might be interested in joining Demo Day events. We set the following objectives for the investor outreach activities: (1) to raise the likelihood of the 15 startups receiving investments; and (2) to create opportunities to build and strengthen the network between key startup investment ecosystem players in the five target countries and Japan (e.g., venture capital, social impact investors, accelerators/incubators, JICA). We set the following three criteria for choosing which investors to invite: (1) actively investing in startups in the five target countries; (2) investing in startups from the seed stage to Series A; and (3) placing emphasis on generating social impact through their investment. We then reached out to venture capital firms, corporate venture capital firms, and social impact investors who meet these criteria. The following are key lessons learned from the outreach activities:

- For VCs, creating an ecosystem that fosters startups widely is an important topic as it could have an effect to increase potential investment targets. However, since it requires them to play an additional role, many VCs are not able to concentrate on this topic due to the constraints of funds and time. Thus, the efforts made to create an ecosystem under the Survey are appreciated
- Corporate VCs have a wide range of interests ranging from investment to concluding global partnerships, entering emerging markets, and utilizing new technologies. Therefore, they had even more interest in the Survey than VCs
- Although Southeast Asia and Bangladesh are considered a promising market with future prospects, there are a limited number of VCs and corporate VCs which are well-versed in markets with less startup ecosystem maturity

As a result of the outreach activities, nearly 70 companies showed their interests to participate in Demo Day (about 15 Japanese VCs, about 30 Japanese corporate VCs, about 20 VCs from Southeast Asia and Bangladesh, and about 5 social impact investors).

In addition, to enhance the public recognition of the Accelerator Program, a paid article was posted to the Nihon Keizai Shimbun which is consisted of (1) an outline of the Program's objective and design, (2) an outline of startup investment trends in the five countries, (3) an introduction to four winners of the Demo Day Part 2, (4) an interview with the Director General of the Private Partnership Sector Partnerships and Finance Department, (5) an interview with some investors who participated in the Demo Day events.

## **6. Holding Demo Day**

### **6.1 Demo Day Part 1 (Knowledge Sharing Session)**

We originally planned to hold just the pitch presentations by the participated startups at the end of the Accelerator Program to provide an opportunity for startups to get connected to potential investors. However, as the program progressed, we decided to have an additional event beforehand to increase investors' understanding of the five target markets based on feedback we had received from investors and other startup ecosystem players we collaborated with.

Demo Day Part 1, titled the Knowledge Sharing Session, had three key objectives: (1) to improve potential investors' understanding of the market environments and investment opportunities in the five countries targeted in the Program; (2) to create networking opportunities for investors, startups, JICA, and other startup ecosystem players; and (3) to generate media interest in the pitch presentations of the startups, and was held two weeks before Demo Day Part 2 (Pitch Presentation), on January 17th, 2022. In order to provide an overview of the market in the five countries, the Knowledge Sharing Session was composed of a panel discussion of experts from each country, and a breakout session for each country where investors could obtain more detailed information based on their interests.

The panel discussion consisted of experts from the five target countries and the Director General of the Private Sector Partnership and Finance Department, JICA, and discussed the startup investment landscape of the target countries under the facilitation of an expert with extensive knowledge in supporting startups. The discussion topics were designed to give an overarching understanding of the target countries to investors who may not have been well-versed in their investment environments, and included comparative advantages and the role of government in each country. We then held a breakout session for each target country as an opportunity for investors to get a deeper understanding of its market environment. These sessions were composed of three parts: (1) presentation on the country's macroeconomic landscape; (2) presentation on the country's investment environment; and (3) networking and Q&A session.

### **6.2 Demo Day Part 2 (Pitch Presentation)**

As an opportunity to showcase the results of PoC each startup had worked on throughout the Accelerator Program and connect potential investors with the startups, Demo Day Part 2 was held on January 27, 2022,

where each startup gave a pitch presentation. We designed the event to achieve the goal of "connecting potential investors and startups" to scale up results of PoC further. The event was recorded and uploaded to the JICA's YouTube channel to get as many investors as possible interested in the 15 startups. Moreover, through the usage of a scheduling tool, we prepared an easy way for investors to set up 1-on-1 meetings with startups of their interest after the Demo Day. The winners of the Best Performing Award based on investor votes and the JICA SDG Award selected by JICA are as follows:

- Best Performing Startup First Place - Packworks (Philippines, e-commerce)
- Best Performing Startup First Place - Plentina (Philippines, fintech)
- Best Performing Startup First Place - Mayani (Philippines, agri-tech)
- JICA SDG Award – Clickncare (Malaysia, healthcare)

## 7. Summary and suggestions for future activities

### 7.1 Verification of the Effectiveness of Implementing this Survey

The Survey has resulted in great outcomes from the perspective of management of the Survey, the participating startups, and contribution to JICA's wider goals, and has achieved the objectives of expanding the business opportunities of the participating startups and creating further impact on SDGs.

Exhibit 7 Outcomes of the Survey and the Accelerator Program based on Evaluation Criteria

Evaluation Criteria		Outcomes
Management of the Survey	Recruitment rate	<ul style="list-style-type: none"> <li>• Over 200 startups applied to the Accelerator Program</li> <li>• Attracted a diverse group of 37 investors to the Demo Day events</li> </ul>
	Media coverage	<ul style="list-style-type: none"> <li>• Over 4.5k website page views in September</li> <li>• 4.6Mn unique viewers reached on Facebook</li> </ul>
	Collaboration	<ul style="list-style-type: none"> <li>• 35 investors connected to startups in total</li> <li>• Investors were highly satisfied with the startups' performances</li> </ul>
Participating startups	Program satisfaction	<ul style="list-style-type: none"> <li>• Startups rated the overall program a 6.8 out of 7 and found that the close mentoring guidance was what they liked best about the program</li> </ul>
	Productivity	<ul style="list-style-type: none"> <li>• Reported a total of 16 new products / features launched</li> <li>• ~142k total customers acquired</li> </ul>
	Business knowledge	<ul style="list-style-type: none"> <li>• Refined their customer segment approach, value proposition, go-to-market strategy, target market strategy and business focus</li> </ul>

Evaluation Criteria		Outcomes
		throughout the entire course of the accelerator program
	Business expansion	<ul style="list-style-type: none"> <li>• 35 investor conversations were initiated with startups</li> <li>• ~USD 4.2Mn raised by startups in total</li> </ul>
Contribution to JICA's wider goals	SDG impacts	<ul style="list-style-type: none"> <li>• Startups have accelerated delivery of SDG goals, including a few notable mentions such as SDG1 (No Poverty), SDG3 (Good Health &amp; Well Being), SDG4 (Quality Education), and SDG 13 (Climate Action)</li> </ul>
	Content creation	<ul style="list-style-type: none"> <li>• Moner Bondhu to be featured on JICA's website to share feedback on addressing social issues</li> </ul>

## 7.2 Learnings from the Survey

In light of the implementation of this Survey and the post Survey discussion we had with JICA, we have summarized considerations from a program design perspective for conducting similar accelerator programs in the future. As shown in Exhibit 8, based on the experience of the Accelerator Program, key success factors for implementing an effective program are summarized into eight points.

Exhibit 8 Success factors for implementing effective accelerator programs

Success factors Key points to note	Considerations for future
Actively collaborate with startup ecosystem players	<ul style="list-style-type: none"> <li>• In addition to outreach to startups, collaboration with other ecosystem players is important in running various activities effectively such as holding forum lectures and breakout sessions and getting investors participate in the Demo Day</li> <li>• Startups highly appreciated the opportunity to interact with other ecosystem players through the Accelerator Program</li> <li>• Therefore, it is highly necessary to cooperate with various ecosystem players by utilizing the networks obtained in the Survey</li> </ul>
The program impact is expected to expand from a narrower scope of targeted startups	<ul style="list-style-type: none"> <li>• Startups who participated in the Accelerator Program are diverse in terms of sectors, countries, and maturity and consequently had different needs for the program</li> <li>• For example, by focusing on startups in certain sectors/countries/maturity levels, the accelerator program could provide more targeted support to startups with similar needs</li> </ul>
The evaluation matrix of the Accelerator Program includes the expansion of business opportunities and the effect on SDGs, but in order to provide effective mentoring, we should request mentors to provide focused support on specific issues	<ul style="list-style-type: none"> <li>• When mentors are asked to address all the multi-faceted challenges of each startup, it becomes challenging to provide targeted assistance</li> <li>• By agreeing prioritized objectives prior to the start of mentoring between JICA and mentors, mentors could focus on the most critical issues</li> </ul>

Success factors Key points to note	Considerations for future
It is not easy to support the creation of business models and pitches emphasizing both investment eligibility and high development effects within a short accelerator program	<ul style="list-style-type: none"> <li>• In a limited period of three months, it is difficult to support a major review of the business model for startups that have a significant potential impact on SDGs but have low investment eligibility. As a result, startups with significant potential impact on SDGs may not be able to attract enough investor attention at Demo Day</li> <li>• If we provide support to these startups to allow them to conduct major business model revisions within the accelerator program, its length needs to be 6-9 months</li> <li>• For example, it is important for Demo Day to focus on the interest of investors. This could be done by allowing startups to provide a pitch that focuses on investment eligibility, and requesting them to submit a separate report on their SDG impact to JICA</li> </ul>
Establish a clear value proposition as a JICA NINJA brand	<ul style="list-style-type: none"> <li>• Startups highly appreciated the opportunity to acquire a full range of business fundamentals, the introduction to other startups and investors from Japan, Southeast Asia and Bangladesh, access to support from business professionals, and the subsidies received under the Accelerator Program</li> <li>• In order to run accelerator programs that are differentiated from other programs, it is important to establish a clear value proposition</li> </ul>
Develop and run programs by JICA as a whole, and follow up on startups which have participated in previous programs	<ul style="list-style-type: none"> <li>• It is necessary to fully utilize the knowledge obtained from similar programs (such as programs in Kenya and Vietnam) that have been implemented in the past</li> <li>• To this end, the Private Partnership Sector Partnerships and Finance Department needs to strengthen cooperation with other departments and Country Offices involved in the operation of various programs</li> <li>• After the program is completed, it is possible to expand development effects by introducing other JICA programs and related organizations (startup ecosystem players, industrial organizations etc.) in Japan and abroad to participating startups</li> </ul>
9-week accelerator program is intense but doable	<ul style="list-style-type: none"> <li>• Some startups and mentors who participated in the Accelerator Program requested a longer forum duration in order to fully grasp the contents of each forum</li> <li>• In cases where it is difficult to extend the length of the program, it is possible to implement the program within a limited period of time by providing detailed follow ups to startups that are struggling to build business models as was done in the Accelerator Program</li> </ul>
Promoting cooperation among participating startups could lead to effective scale up of each startup's business and SDG impact	<ul style="list-style-type: none"> <li>• Startups participating in the Accelerator Program are aiming to expand their business and development impact despite differences in countries and industries</li> <li>• By providing more opportunities to address issues and deepen discussions among startups throughout the program period, it is possible to create more collaboration between startups and to further program impact</li> </ul>

### 7.3 Proposal on Follow-up Support for Participated Startups to the Accelerator Program

In order for startups participating in the Accelerator Program to further increase their impact on the SDGs, follow-up activities after the Accelerator Program is essential. Four categories of follow-up activities for startups that have high significance for JICA to carry out are shown in Exhibit 9.

Suggestion	Rationale	KPIs tracked by JICA periodically
<b>1 Continued follow up with existing startups</b> on progress by country officers, project managed by HQ	<ul style="list-style-type: none"> <li>Understand longer term impact of the program</li> <li>Opportunity to strengthen relation between JICA and startups</li> </ul>	<ul style="list-style-type: none"> <li>Amount of funding received / valuation at IPO</li> <li>New markets or customer segments entered (YOY revenue growth)</li> <li># of countries program is launched</li> <li># additional startups partaking in subsequent programs</li> <li>Quantified impact to addressing SDG goals</li> </ul>
<b>2 Link accelerated startups with external public and private organizations</b> to support their business expansion in target markets	<ul style="list-style-type: none"> <li>Possible to link multiple startups with external private organizations at once</li> <li>Opportunity to strengthen relation between JICA and external organizations</li> </ul>	<ul style="list-style-type: none"> <li># of connection made between startups and external organizations</li> <li># of startups collaborated with external organizations</li> </ul>
<b>3 Link startups with other JICA programs and country offices</b> through which fund and technical supports are available, including for expansion	<ul style="list-style-type: none"> <li>Support further scale up of startup to deliver SDG goals, including expansion into new markets</li> </ul>	<ul style="list-style-type: none"> <li># of applications made by startups</li> <li>Resultant incremental SDG impact</li> </ul>
<b>4 Expand program reach to relevant Japanese agencies</b> through which startups could receive technical supports to expand their business	<ul style="list-style-type: none"> <li>Create increased collaboration opportunities through other JPN agencies</li> </ul>	<ul style="list-style-type: none"> <li># of opportunities for the startups outside JICA</li> </ul>

Exhibit 9 Follow-up activities for startups who have participated in this Accelerator Program

### 7.4 Direction of program development as the Private Sector Partnership and Finance Department

There are two major directions for the future implementation of the accelerator program. The first direction is to continue the JICA NINJA Accelerator Program, after the program design has been modified as appropriate utilizing the lessons learnt from this study. By reflecting these learnings in the future program design, more effective accelerator programs can be designed and implemented. A particularly significant revision is to narrow down the target startups in order to maximize program effectiveness. Specifically, the target companies of the program can be narrowed down more precisely by parameters such as region, sector, maturity, and degree of focus on SDGs so that support matched with the needs of each company can be provided. As a second direction, it is possible to develop a program based on the needs of Japanese companies as an alternative program. The Accelerator Program selected startup companies in developing countries to be supported and tried to match them with investors in Japan and abroad who are interested in their business. The alternative is to identify the needs of Japanese companies looking for partner companies in the field of SDGs then select startup companies in developing countries that meet their needs as the target of the program support. By adopting such a format, it will be possible to operate programs that will benefit Japanese companies while developing development effects.

As well as implementing an accelerator program based on this program, it is also important to consider a new business portfolio as the Private Sector Partnership and Finance Department. Historically, the Department has focused on supporting Japanese companies and organizations to expand their business into

developing countries. On the other hand, the following are types of support programs which the Department has not been very actively providing (1) offering support to multiple enterprises and organizations simultaneously, (2) seeking to establish partnerships with other organizations, and (3) providing direct support to companies in developing countries. In order to design future programs, it is desirable to consider various ways of supporting the government, regardless of the existing framework.

There are three steps to take in formulating new private partnership programs as illustrated in Exhibit 10. First, it is important to review the mandate and ultimate objective of the Department. This can be done by deepening understanding of private partnership projects implemented by other international aid agencies and the kinds of support they provide, and then to redefine the target of private partnership programs conducted by JICA. The next step is to clarify to what extent the targets are being realized by the current portfolio of private partnership programs and what might be hindering the Department from fully achieving the targets. Going through these two steps allows the Department to redefine its role, examine the gaps in the current business portfolio to fulfill the role, and subsequently consider what new roles and mandates the Department needs to play and have in order to fill the gaps.

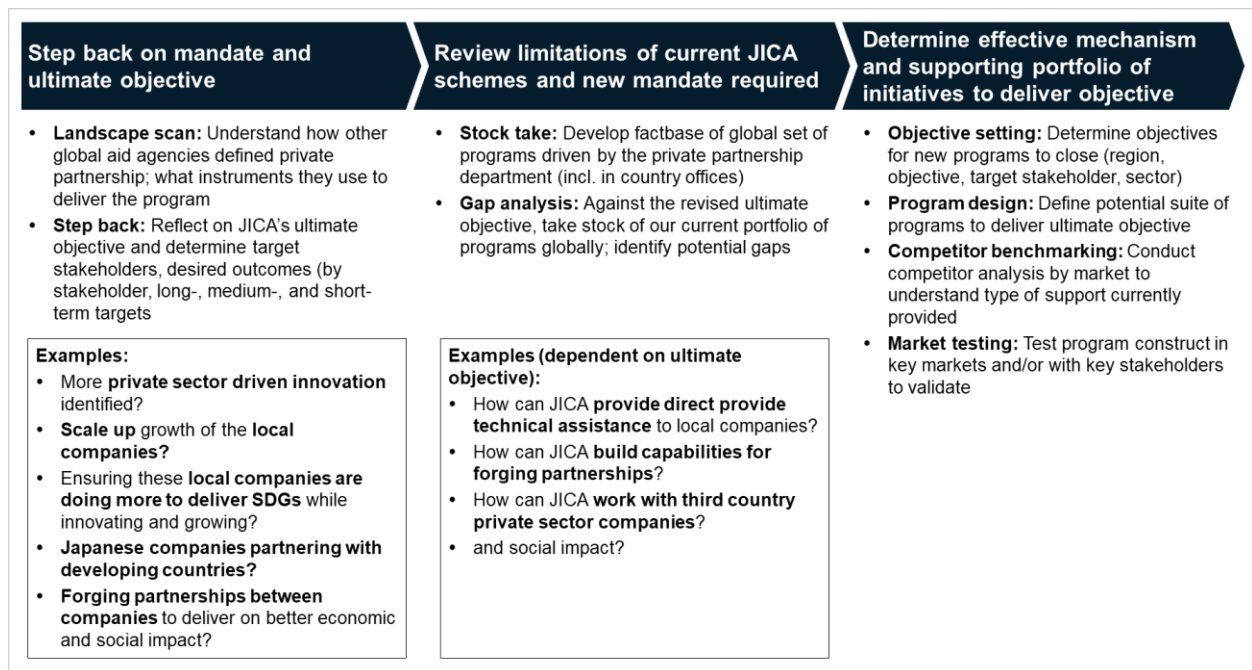


Exhibit 10 Necessary steps to take in formulating new private partnership programs