



經濟部中小及新創企業署
SMALL AND MEDIUM ENTERPRISE AND STARTUP ADMINISTRATION
MINISTRY OF ECONOMIC AFFAIRS

TAIWAN STARTUP ECOSYSTEM

2023 GUIDEBOOK



The Foreword

Entrepreneurship is a Global Issue

Innovation and entrepreneurship are pivotal drivers of Taiwan's industrial development and key economic issues of global significance. With the easing of the global pandemic and the alleviation of supply chain bottlenecks, countries worldwide are strategizing to rejuvenate their industrial economies. For many countries, this means enlivening the startup ecosystem through various strategic measures. For example, Japan introduced a five-year entrepreneurship development plan at the end of 2022 while in 2023, South Korea launched a comprehensive entrepreneurship policy. The United States designated 31 technology hubs (Tech Hubs) to foster regional startups and enhance competitiveness. Further, the G20 introduced the Startup20 strategy, encouraging member countries to foster and connect startup development and thereby stimulate global entrepreneurial ecosystem growth.

Over the years, various ministries have actively supported the development of startups, with innovation and entrepreneurship as key approaches to driving economic growth. To strengthen these efforts, entrepreneurship has become a vital part of policy planning via inspiration from international innovation and entrepreneurship support practices. Support for startups is now key among the responsibilities of the Small and Medium Enterprise and Startup Administration, Ministry of Economic Affairs, with the goals of accelerating the growth and transformation of small and medium-sized enterprises (SMEs), enhancing international competitiveness, and establishing solid partnerships with local and foreign enterprises.

Features and Resources

Taiwanese small and medium enterprises (SMEs) are known for their flexibility and resilience, and many have become “hidden champions” in the global supply chain. These enterprises often engage in external innovation by collaborating with startups and external teams and by integrating outside resources, ideas, and innovations to drive transformation and upgrading.

Startups in Taiwan are adept at incorporating digital technologies into their business models, leveraging Artificial Intelligence (AI) and Big Data to assist traditional industries, service sectors, and cultural creative fields in digital transformation. Startups are also crucial for businesses looking to introduce innovative technologies, develop new products, and enter new markets.

To support the development of innovation and entrepreneurship, the government has been conducting foundational courses and activities in this area for many years. Assistance is provided at various stages of entrepreneurship, for example, through platforms such as the startup.sme.gov website and online universities, which enhance entrepreneurial skills. The government encourages large enterprises and industry alliances to invest in the startup ecosystem, funneling cross-sector resources into new ventures. Additionally, international-grade entrepreneurial clusters like Linkou and Yawan Startup Terraces were established to attract more international startups. These initiatives, alongside innovation research grants and supply chain integration, aim to enhance the innovation value of industries.

In recent years, specific issues have been targeted to support startups in industry transformation and upgrading. For instance, to promote Taiwan's 2050 net-zero emissions objective, green technology startups are being fostered, with the Startup Terraces in Linkou and Yawan working alongside international companies. These initiatives focus on convening tech startups with innovative methodologies and mindsets to co-create green solutions addressing green technology challenges.

Coordination and Collaboration

Developments in emerging technologies such as generative AI, sustainable fuels, sustainable computing, flexible soft batteries, and sensors, are driving changes in industries like biotechnology, pharmaceuticals, aviation, shipping, and agriculture. The entrepreneurial projects of these startups are diverse, often involving cross-industry and emerging domain issues. These startups face various entry barriers, including financial, regulatory, and experimental challenges, thereby requiring support from sectors such as government, industry, academia, and research. This collaboration creates opportunities for cooperation.

To support economic growth and enhance competitiveness, government ministries must actively participate and offer support. Through inter-ministerial communication and coordination, emerging industry issues can be addressed, and industry barriers reduced. The development of startups requires the joint assistance of the government, incubation organizations, venture capitalists, and research centers. Let's work together to contribute to innovation and entrepreneurship.

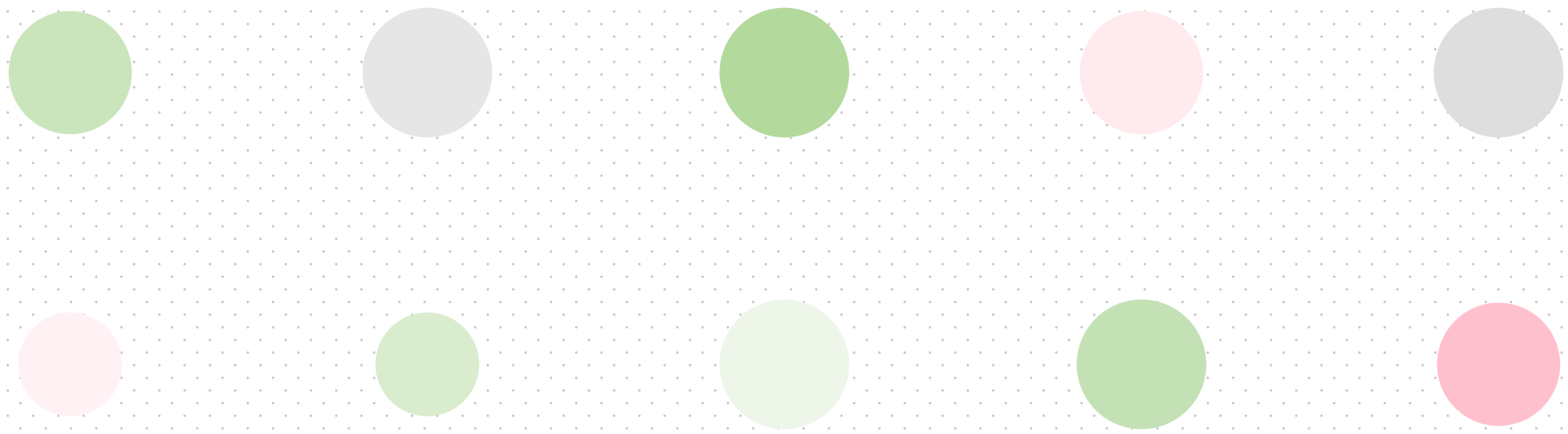
AGENDA

Startup Environment

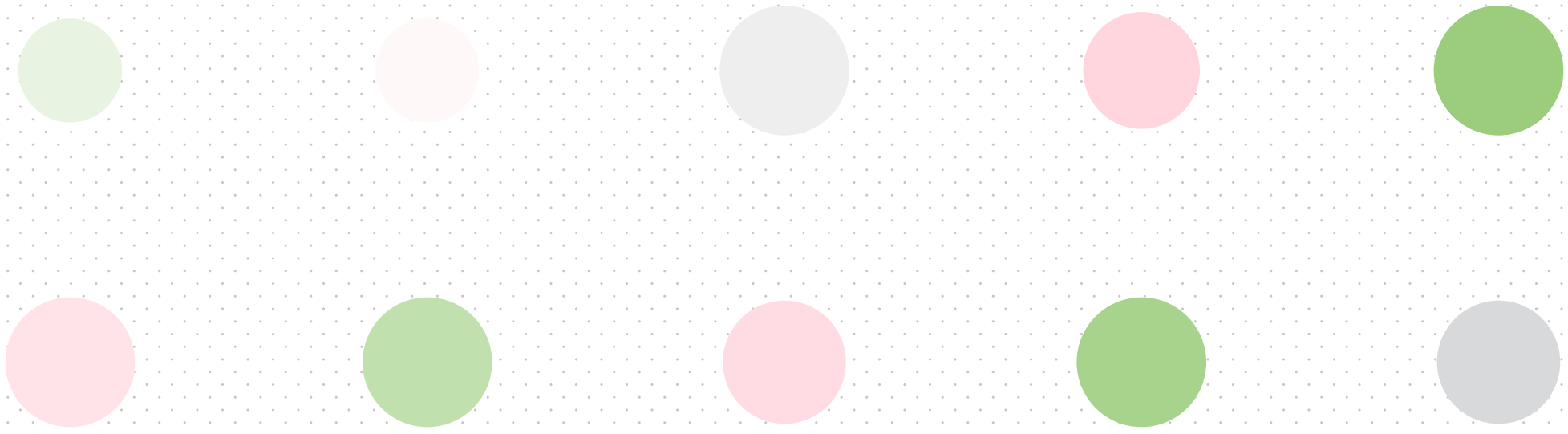
- Taiwan : Primed for Innovation and Entrepreneurship Development
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- Innovative Solutions to Social Issues
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- Startup × Enterprise × Partnership Opportunities
- Moving Forward In Overseas Markets



Startup Environment



Taiwan : Primed for Innovation and Entrepreneurship Development

When startups seek their ideal operational base, the overall entrepreneurial ecosystem, including location, industry, economy, and social aspects, is crucial for their development.

Taiwan, located in the Asia-Pacific region, serves as a strategic and accessible transportation hub between Northeast and Southeast Asia. The average flight time from Taipei to major Asian cities like Tokyo, Seoul, Beijing, Shanghai, Hong Kong, and Singapore is approximately 2.5 hours. Kaohsiung Port, Taiwan's largest container port, offers maritime shipping to major Asian destinations such as Manila, Singapore, Hong Kong, Shanghai, and Tokyo, with an average sailing time of 53 hours.

Recognized by the World Economic Forum (WEF) as a powerhouse in technological innovation, Taiwan benefits from its massive semiconductor foundry capabilities and advanced packaging and testing bases. It's also the world's largest consumer market for semiconductor manufacturing equipment and materials. In 2021, the Executive Yuan approved a plan to promote six core strategic industries, aiming to make Taiwan a key player in global economic development.

Taiwan's overall economy continues to grow, with a real GDP growth rate of 2.45% in 2022. The country maintains its industrial innovation and competitiveness through continuous R&D investments, with R&D expenditure accounting for 3.78% of its GDP in 2021. In 2023, Taiwan's R&D achievements were recognized globally for the 16th consecutive year, highlighting its scientific research strength.

In 2020, the new business density in Taiwan was 2.70, indicating the number of newly registered limited liability companies per 1,000 people of working-age (15-64 years old).

Location	Asia
Time Zone	UTC+8
Six Core Strategic Industries	<ul style="list-style-type: none">Information and Digital IndustriesInformation Security Industry ExcellencePrecision Health IndustryDefense and Strategic Industries (Aerospace, Ships, Space)Green Power and Renewable Energy IndustryConsumer and War industry



The Cost of Living Index (CLI) is designed to compare the relative cost of living in different regions/cities, measuring the comparative cost of over 200 items in each area, including housing, transportation, dining, clothing, household goods, and entertainment. This index aids startups and multinational corporations in understanding the living expenses in their operational locations and target markets. Using New York City as a benchmark, Taiwan's cost of living index in 2022 was 83.02.

Taiwan boasts a well-developed internet infrastructure, with 914 internet users per 1,000 people in 2021. The region is also notable for its abundance of highly skilled talent and women's participation in the workforce. In 2022, the proportion of the 25-34 age group in Taiwan with higher education (college or above) was 75.2%, and women comprised 44.70% of the total workforce.

With the rise of emerging fields, there's been a shift in labor market demands, particularly an increased need for STEM (Science, Technology, Engineering, Mathematics) talent. In 2023, graduates in the science field accounted for 31.46% of all university graduates in Taiwan.

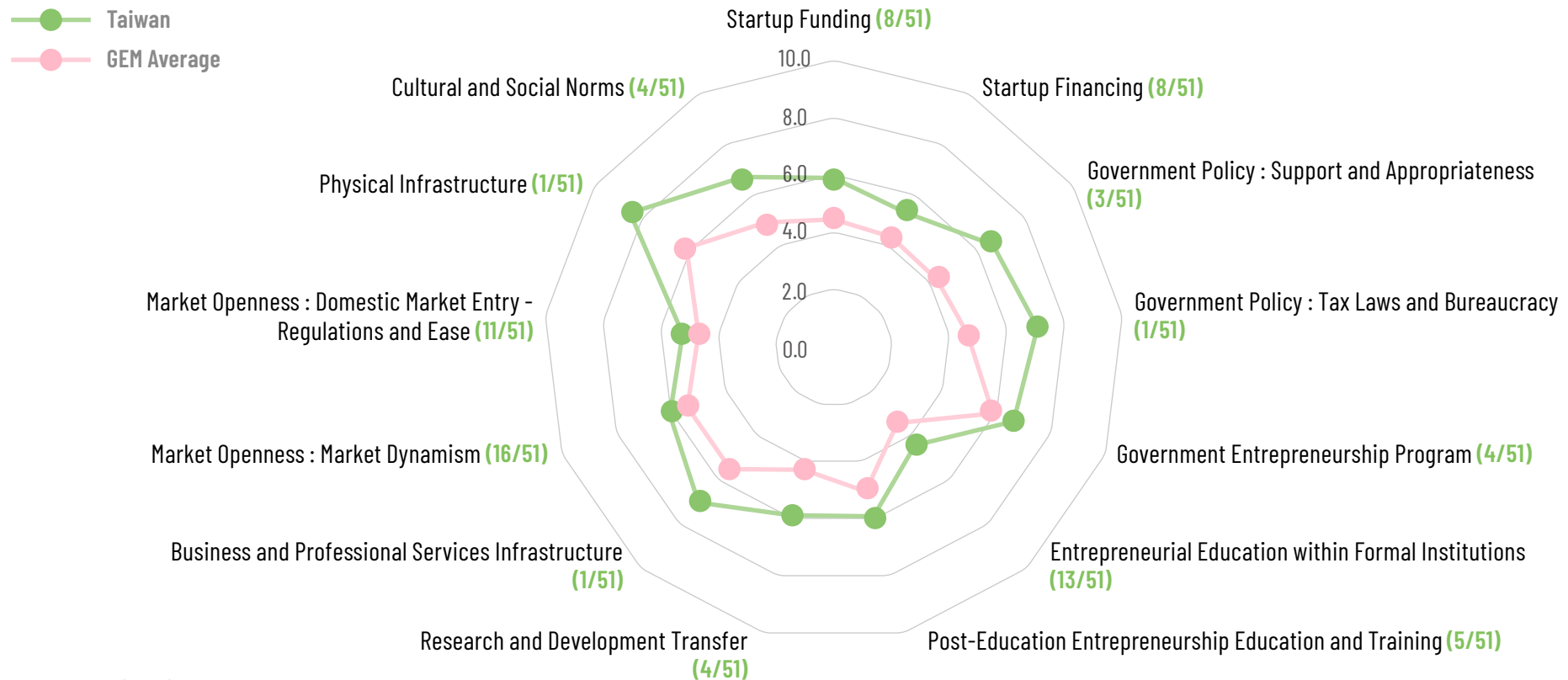
These factors collectively highlight Taiwan's advantageous position as a vibrant and resourceful environment for startups and businesses, particularly those in technology and innovation-driven sectors.

Economic Aspect				Social Aspect			
Real GDP growth rate	2.45	2022	%	Internet users	914.6	2021	Per 1,000 people
R&D funding as a percentage of GDP	3.78	2021	%	Percentage of population with tertiary education	75.2	2021	Percent of population aged 25-34
New business density	2.70	2020 world bank		Percentage of science education graduates	31.46	2023	Percent of college graduates in STEM fields
Cost of Living Index	83.02	2022	New York City = 100	Female employed persons	44.70	2022	Percent of total employed

Source : World Bank, IMD, OECD, Ministry of Labor, Ministry of Education, Policy Research Indicators Database, etc.

Taiwan possesses distinct advantages within its entrepreneurial ecosystem, setting it apart from other ecosystems globally. It is recognized as a conducive country for entrepreneurship, featuring developed industrial clusters and vibrant entrepreneurial cities.

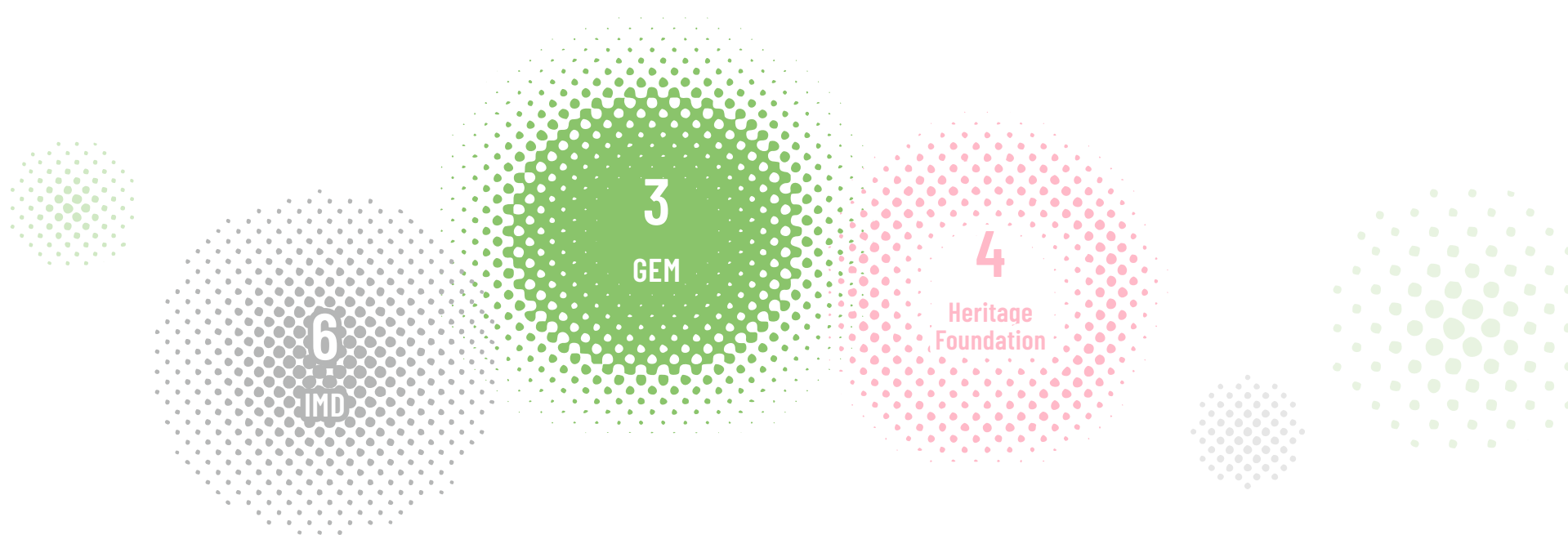
According to the 2022/2023 annual report published by the Global Entrepreneurship Monitor (GEM) in 2023, which assessed the entrepreneurial activities of 51 countries, Taiwan ranked third globally, behind only the United Arab Emirates and Saudi Arabia. Out of 13 assessment dimensions, Taiwan scored in the top 10 in 10 categories, reflecting the long-term commitment and diverse support of its policies towards the entrepreneurial environment, and distinguishing Taiwan in international evaluations. Notably, Taiwan ranked first globally in three conditions : "Physical Infrastructure," "Government Policies, Taxation, and Bureaucratic Administration," and "Commercial and Professional Infrastructure Services." This outstanding performance is primarily attributable to the government's recent efforts in streamlining administrative processes, with efficiency and speed receiving positive recognition. Additionally, compared to the international average, taxation in Taiwan does not impose an excessive burden on startups. Further, Taiwan's comprehensive infrastructure, including high-quality and affordable roads, utilities, telecommunications, and internet services, forms the cornerstone of its entrepreneurial environment. The country also boasts service providers who offer high-quality and reasonably priced professional services to startups, such as cloud computing, legal/accounting expertise, banking services, and accelerators, further enhancing the entrepreneurial ecosystem.



Source : GEM 2022/2023 Global Report.

The International Institute for Management Development (IMD) released its IMD World Competitiveness Yearbook 2023, in which Taiwan ranked 6th among 64 evaluated countries. For the third consecutive year, Taiwan led the ranking as the number one economy among those with a population exceeding 20 million people. Taiwan's exceptional performance across multiple indicators is noteworthy, particularly in areas like the proportion of 4G and 5G mobile broadband in the mobile market and the number of R&D personnel per thousand people, reflecting the country's strength in scientific research, technological capability, and innovation. Taiwan also ranked first in several critical indicators that are vital for business success. These include entrepreneurial spirit among managers, public trust in business executives, business agility and responsiveness, the ability of companies to use Big Data for decision-making, the effectiveness of board oversight in company operations, and the extent to which customer satisfaction is valued by businesses. These rankings indicate Taiwan's comprehensive support for businesses in developing long-term successful business models.

Additionally, the Heritage Foundation, a U.S. think tank, released the 2023 Index of Economic Freedom, ranking Taiwan fourth among 184 economies. This places Taiwan as one of the top global free economies, highlighting the successful implementation of economic liberalization by the government and its international recognition.



“ Startup Features ”

100K+

**New Companies
per Year**

80%+

**Target Overseas
Markets**

31-45

**Average Age of
Startup Founder**

**Digital
Technology
Application**

Startup Trend



Entrepreneurial Cities for Startups

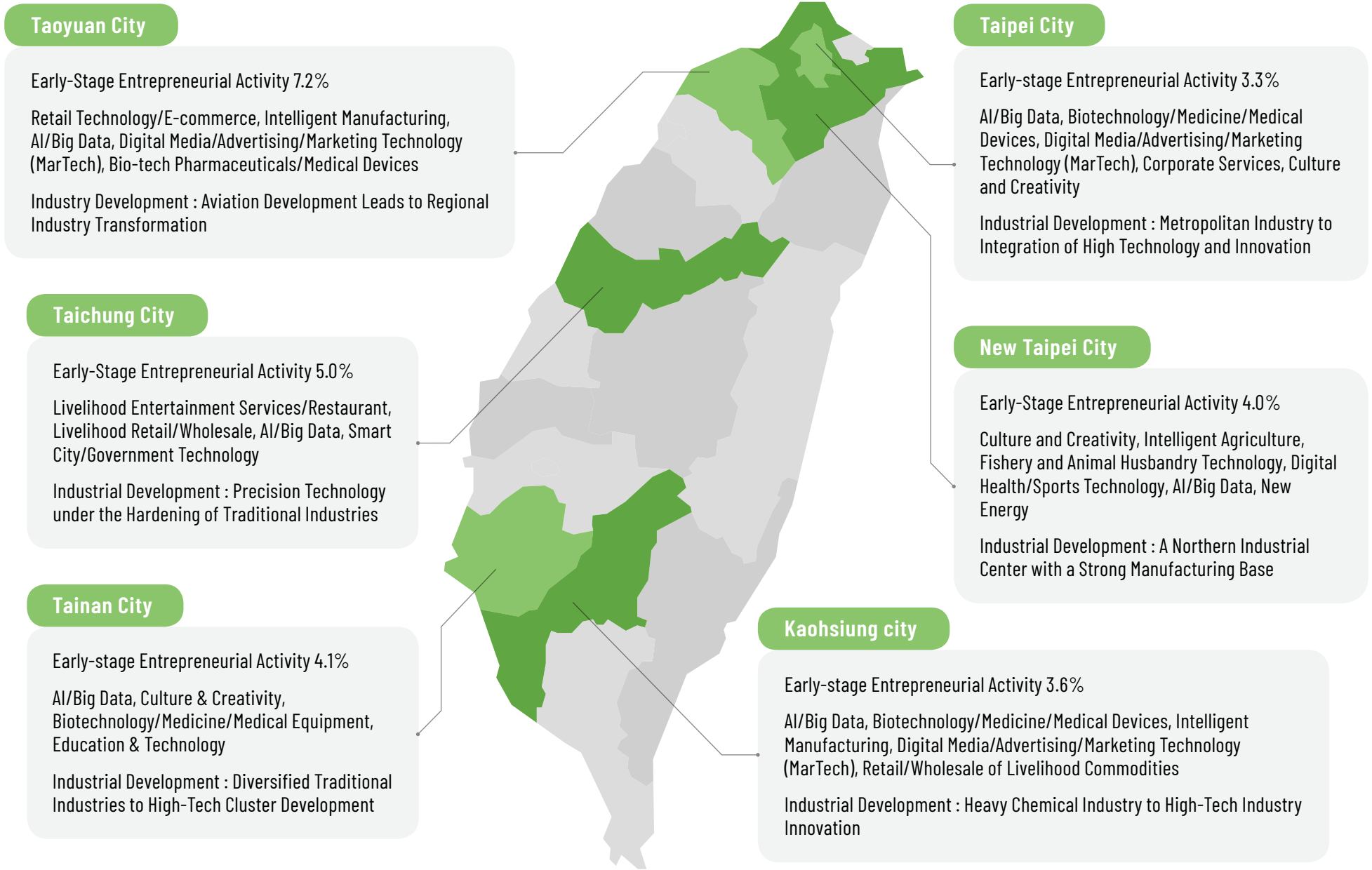
The Global Startup Ecosystem Index 2023, published by the international research firm StartupBlink, ranked Taiwan 24th globally, marking its third consecutive year of ranking improvement. Taiwan maintained its position as the 7th in the Asia-Pacific region. Notably, Taiwan's business score ranked 11th globally, surpassing higher-ranked Asia-Pacific countries like Japan, South Korea, and China, demonstrating a more business-friendly environment than other Asian nations outside of Singapore.

Taiwan boasts six major startup cities – Taipei, Hsinchu, Taoyuan, Taichung, Tainan, and Kaohsiung – whose vibrant entrepreneurial activities have gained international attention. In particular, the hardware and Internet of Things (IoT) sectors have shown exceptional global performance, with Taipei, Hsinchu, and Taoyuan being notable examples.

The Global Startup Ecosystem Report 2023 by Startup Genome highlighted Taipei among the top 30 emerging ecosystems with high potential. Furthermore, the World Economic Forum's (WEF) 2019 Global Competitiveness Report ranked Taiwan third globally in the industrial clusters development index, underscoring Taiwan's competitive advantage in industry. Taiwan possesses a complete upstream, midstream, and downstream industrial supply chain, robust foundational research capabilities, and the ability to rapidly respond to customer needs with customized components or products, thus enhancing industrial competitiveness. In January 2022, the Ministry of Economic Affairs in Taiwan published an analysis on the distribution and operational overview of major industrial clusters in the country's manufacturing sector. This analysis revealed that high-tech industries are concentrated in the north, while traditional industries are predominantly in the central and southern regions, making Taiwan one of the key global production bases in the information technology industry.

Recent years have seen Taiwan's counties and cities develop unique industrial environments and startup characteristics under the joint efforts of central and local governments, fostering regional diversity and vitality in the entrepreneurial ecosystem. Both government and private institutions offer ample resources and support to teams interested in entrepreneurship, including to technology, manufacturing, and service industries startups. Such support enables startups to find development opportunities in cities with distinct and compatible entrepreneurial characteristics. Guided by policies, industries are encouraged to transform and upgrade on the basis of their strengths, integrating existing industries with the digital technologies and advantages of startups, jointly propelling Taiwan's economic growth.





Source : 2022/2023 GEM Executive Team; 2023 Taiwan Startup Ecosystem Survey; 2022 Taiwan Industry Cluster Development Map

Innovative Outlines

In Taiwan, entrepreneurs are predominantly concentrated in the age group of 31-45 years, aligning with the global trend of youth entrepreneurship (under 45).

Taiwanese entrepreneurs, upon graduation, mostly opt to enter the job market to gain industry experience. On average, entrepreneurs venture into starting their own businesses after approximately 12.1 years of professional experience, leveraging extensive industry knowledge. Approximately 70% of startups in Taiwan are in the inception or expansion phase. This means their products are developed but not yet widely commercialized, or their products have been validated by the market and require additional funding for scaling operations. Nearly half of these startups operate on a B2B (Business-to-Business) model, marketing their products/services to other businesses. This approach is indicative of the maturity and strategic focus of the Taiwanese startup ecosystem, where entrepreneurs leverage substantial industry experience and insights to cater to business clients effectively.

Key entrepreneurial trends emerge from the comprehensive survey of Taiwan's startup ecosystem. Artificial Intelligence/Big Data, biotechnology/medical devices, retail technology/e-commerce, and educational technology have consistently ranked among the top 10 startup keywords in Taiwan over the years. During the pandemic, Taiwanese startups' engagement in entrepreneurial fields was influenced by COVID-19 and current events. Key entrepreneurial themes such as consumer goods retail/wholesale, Artificial Intelligence/Big Data, biotechnology/medical devices, educational technology, and retail technology/e-commerce emerged as popular topics. With the pandemic subsiding, cultural and creative industries has also regained prominence in Taiwan's startup preferences.

In 2022, Artificial Intelligence/Big Data surged to the top of the entrepreneurial keywords list. The top 10 keywords were predominantly associated with digital transformation and technological innovation, including Artificial Intelligence, smart manufacturing, digital media, educational technology, retail technology, and smart agriculture and aquaculture. This shift is likely due to the impact of the pandemic on work, education, and the rise of contactless economies, thereby elevating related digital technologies as a central theme in Taiwan's startup ecosystem. Additionally, international trade considerations and domestic net-zero emission assistance programs are keeping the topic of net-zero emissions increasingly relevant. This trend is expected to drive further investment in new digital application technologies, enabling tech startups to unleash their potential and assist businesses in achieving digital and green transformations simultaneously.



31 - 45 years old



Establishment period

Expansion period

Rankings	2019	2020	2021	2022	2023
1	Cultural Creativity	Domestic Goods Retail / Wholesale	Domestic Goods Retail / Wholesale	AI / Big Data	AI / Big Data
2	Digital Platform	Smart Agriculture, Fisheries and Animal Husbandry / New Food	Edge Computing / Quantum Technology	Domestic Goods Retail / Wholesale	Cultural Creativity
3	E-commerce	Retail Technology / E-commerce	Education Technology	Cultural Creativity	Biopharmaceuticals / Medical Devices
4	AI / Big Data	Artificial Intelligence / Big Data	Social Media & Communication Software	Biopharmaceuticals / Medical Devices	Domestic Entertainment Services / Dining
5	Innovation In Education	Biopharmaceuticals / Medical Devices	Extended Reality XR (AR/VR/MR)	Smart Manufacturing	Digital Media / Advertising / Marketing Technology
6	Agri-food Innovation	Corporate Services (CRM, MarTech, etc.)	Transportation Technology / Electric Vehicles / Car Connectivity	Domestic Entertainment Services / Dining	Retail Technology / E-commerce
7	Social Innovation	Internet Of Things	AI / Big Data	Digital Media / Advertising / Marketing Technology (MarTech)	Smart Manufacturing
8	Miscellaneous	Education Technology (EduTech)	Biopharmaceuticals / Medical Devices	Education Technology (EduTech)	Domestic Goods Retail / Wholesale
9	Sharing Economy	Other	Smart Manufacturing	Retail Technology / E-commerce	Education Technology (EduTech)
10	Biomedical Industry	Social Media & Communication Software	Retail Technology / E-commerce	Smart Agriculture, Fisheries and Animal Husbandry	Corporate Services (CRM, MarTech, Carbon Inventory, etc.)

Source : Taiwan Startup Ecosystem Survey. The top 10 entrepreneurial keywords in 2019–2023 are in bold.

Attracting Innovative Talents to the Team

According to surveys, human resources and talent are crucial needs for startups beyond funding. Over 80% of startups aspire to enter overseas markets, necessitating international work teams capable of attracting innovative talents with a global mindset from both within and outside the country.

Taiwan is internationally recognized for its impressive innovation and research talents. As per the IMD World Talent Ranking 2023, Taiwan ranked 20th among 64 economies and 3rd in Asia. With respect to talent readiness, Taiwan's performance in "Graduates in Sciences" and "Educational Assessment - PISA" ranked 7th and 8th globally, respectively, indicating the country's substantial capability in nurturing scientific and research talents.

Continuously fostering innovative and entrepreneurial talents, the Times Higher Education (THE) Impact Rankings for 2023, which evaluates universities based on the United Nations' 17 SDGs, placed 47 Taiwanese universities and colleges in the global top 1000. Notably, National Cheng Kung University, National Taiwan University, and National Yang Ming Chiao Tung University featured among the top 100 for their global impact.

In addition to attracting more profession talent, startups can enhance team capabilities through digital tools and thematic training. The Small and Medium Enterprise and Startup Administration under the Ministry of Economic Affairs has launched a SME Online University "SME Learning," providing a digital platform with value-added services for tailored educational programs based on functional needs, nurturing innovative entrepreneurial talents in various aspects.

To strengthen industrial competitiveness and attract international students and foreign professionals, the National Development Council established the "Talent Taiwan International Talent Service and Recruitment Center" in November 2023. This initiative, complementing the Employment Gold Card program, covers foreign professionals and their families. In the same month, the Ministry of Labor set up the "Migrant Worker Retention and Utilization Service Center" to attract international mid-level technical talents. The Ministry of Education also plans to attract more outstanding international students to study and work in Taiwan through the "Promotion Plan for International Students to Study and Stay in Taiwan," injecting new vitality into Taiwan's future development.

SME Learning

Year of launch 2007

Topics Education and Skills, Inclusion and Culture

Target Audience Startups, Existing SMEs

Mechanisms Digital Learning, Activities, Entrepreneurship Education, Information Portal

Tools SME Learning <https://www.smelearning.org.tw/>

Introduction A high-quality online learning environment providing a rich variety of online courses, such as information technology, general knowledge, marketing and distribution, financial integration, human resources, entrepreneurship, and other types of training, to help entrepreneurs accumulate knowledge and skills, and to create the most convenient talent cultivation center for small and medium-sized enterprises.



Adaptation of Regulations to a Newly Created Competitive Environment

To assist startups in navigating regulatory challenges, the government of Taiwan launched the Startup Regulatory Adaptation Platform and the Innovative Regulatory Sandbox in 2017. Focused discussions on popular startup initiatives have led to the passage of regulations such as the "Financial Technology Development and Innovation Experiment Act," the "Unmanned Vehicles Technology Innovative Experiment Act," and the "National Key Fields Industry-University Cooperation and Skilled Personnel Training." These regulations facilitate innovation experiments for startups in areas like financial technology and unmanned vehicles. For instance, the financial supervision sandbox allows operators to test innovative financial products or business models without disrupting financial order or consumer rights, addressing supervisory and legal issues that arise during the process. To promote industry-academia collaboration in key national fields, the "Industry-Academia Cooperation" sandbox enables national universities to jointly establish research institutes with enterprises, enhancing the research and development outcomes of national universities and continuously cultivating high-level science and technology talents, thereby strengthening industrial competitiveness.

Taiwan has a comprehensive industrial regulatory system, which has been amended in recent years to align with emerging trends and industrial development. For example, amendments to the "Company Act" in 2018 focused on deregulation, increased operational flexibility, and strengthened corporate governance, aiming to create a friendly business and innovative entrepreneurial environment. To encourage startups to raise more funds, the "Statute for Industrial Innovation" was amended in 2020, facilitating fundraising for startups and introducing both tax benefits for venture capital businesses established under the "Limited Partnership Act" and tax exemptions for angel investors. The "Business Mergers and Acquisitions Act" was revised in 2022 to broaden the scope of asymmetric mergers and acquisitions, accelerating and simplifying the M&A process.

To attract international talent, the government has simplified the procedures for relocating to Taiwan. The "Employment Gold Card" is available for specific foreign professionals, while general foreign professionals and international entrepreneurs can use the "Entrepreneur Visa" and "Employment PASS Card." In 2021, the conditions for residency in Taiwan were relaxed, along with the provision of social security, tax relief systems, and streamlined processes for applying for work or residency, further assisting international entrepreneurs in coming to Taiwan.

Commercial	Intelligent Property	Taxation System	Talent Attraction
<p>Company Act</p> <p>Regulations Governing Review of Applications for Reservation of Corporate Names and Business Scopes</p> <p>Limited Partnership Act</p> <p>Business Mergers and Acquisitions Act</p> <p>Business Registration Act</p> <p>Financial Technology Development and Innovation Experiment Act</p> <p>Unmanned Vehicles Technology Innovative Experiment Act</p> <p>National Key Fields Industry-University Cooperation and Skilled Personnel Training</p>	<p>Trademark Act</p> <p>Patent Act</p> <p>Enforcement Rules for the Patent Act</p> <p>Copyright Act</p>	<p>Tax Collection Act</p> <p>Income Tax Act</p> <p>Value-added and Non-value-added Business Tax Act</p> <p>Regulations Governing Taxation Registration</p> <p>Income Basic Tax Act</p> <p>Statute for Industrial Innovation</p>	<p>Labor Standards Act</p> <p>Labor Insurance Act</p> <p>Employment Service Act</p> <p>Regulations of Leave-Taking of Workers</p> <p>Act for the Recruitment and Employment of Foreign Professionals</p> <p>Employment Gold Card</p> <p>Entrepreneurship Visa</p> <p>Employment PASS Card</p>



Ecosystem Actors

WINNING TOGETHER

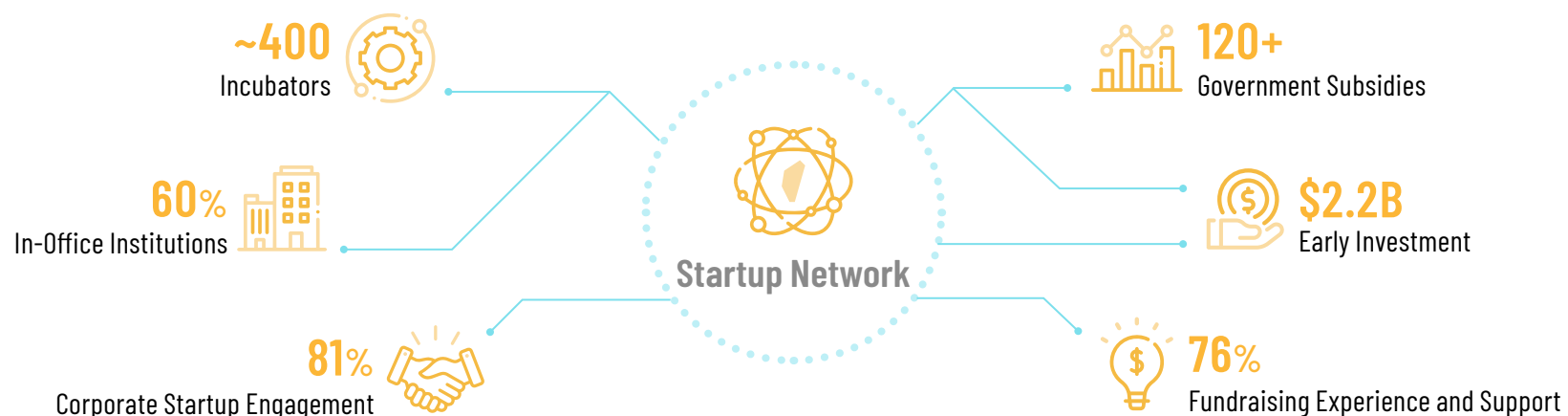


Collaboration for Robust Entrepreneurial Development

With a robust environment for innovation and entrepreneurship, the vibrant startup ecosystem in Taiwan relies on the collaborative efforts of startups, incubators, academic and research institutions, corporations, venture capitalists, and the government.

Networking is a crucial factor for startups in their operational and planning stages. From identifying business opportunities and conceptualizing service, technology, and product innovations to officially registering a company and embarking on the entrepreneurial journey, most startups begin with limited funds and lean teams. Thus, seeking external resources to enhance management capabilities, strengthen product development, or obtain financial assistance is a vital step for many startups in their early growth stages. Assistance from ecosystem members can provide diverse support, including new business opportunities, collaboration prospects, building corporate trust, and funding.

The development trajectory of startups, from the support of ecosystem members to their target markets, encompasses various facets including government programs, women entrepreneurship, social innovation, incubation institutions, venture capital, corporate collaborations, and international markets. Surveys reveal that over 70% of startups are preparing for or have fundraising experience, with Taiwan's startups accumulating an early investment scale of USD 2.2 billion. Funding is the most significant consistent entrepreneurial need, and the government offers over 120 startup funding programs to provide more working capital for startups at different stages. Taiwan is home to nearly 400 incubation institutions. Survey data indicate that 60% of startups have been part of these institutions to receive direct support, and over 80% have experience collaborating with external enterprises. This shows that Taiwanese startups gain various forms of assistance from incubators, corporations, and venture capitalists, enabling them to overcome challenges and continue their growth and development.



Supporting Entrepreneurship at All Stages

Startup.sme.gov serves as a comprehensive repository of entrepreneurial resources provided by various government ministries. It caters to startup teams and businesses at different stages of entrepreneurship, including the ideation phase, startup launch, and growth stage. The platform offers information on over a hundred government entrepreneurship projects, including startup funding, mentorship guidance, educational courses and events, marketing channels, competition prizes, and international networking opportunities. This resource is designed to guide entrepreneurs at various stages to access appropriate and tailored services to support their entrepreneurial journey.

Startup Portal Taiwan

Year of launch 2006

Topics Government Incentive, Financial Resources, Access to Markets, Ecosystems and Economic Development, Network

Target Audience Startup Teams, Early Stage of Entrepreneurship

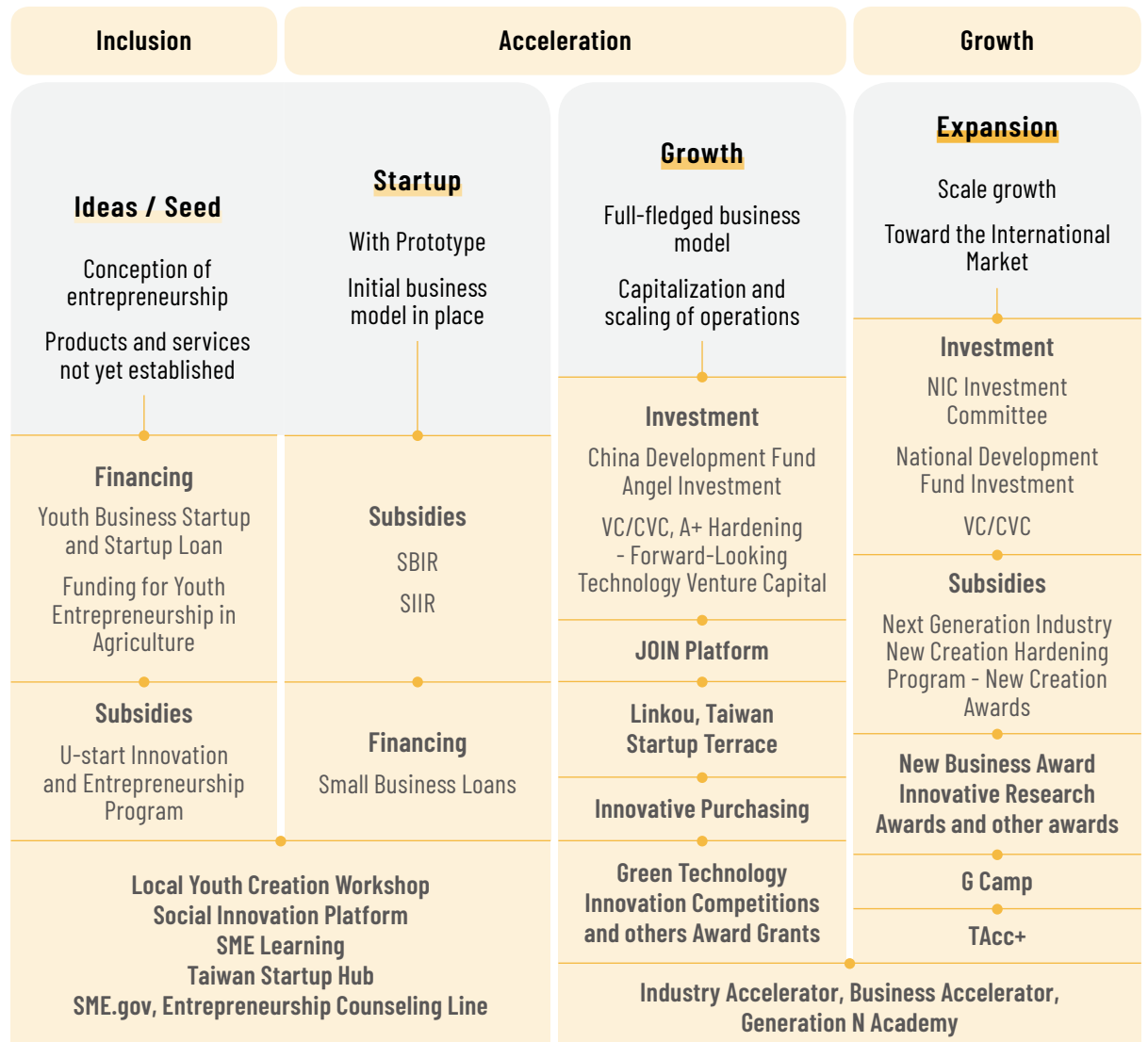
Mechanisms Publicity, Events, Information Portal

Tools <https://startup.sme.gov.tw/en/>

Introduction Integrating entrepreneurial resources from the central government to local governments and the private sector, it is the nation's largest one-stop entry platform for entrepreneurial resources. It is paired with Taiwan Startup Hub, entrepreneurial consulting services, startup awards, and local entrepreneurial organizations to assist new entrepreneurs in embarking on new businesses.



Inclusion for Growth, Acceleration for Innovation



Women's Entrepreneurship and Growth Through Digital Technology

In Taiwan, approximately 30% of entrepreneurs are women, predominantly operating in business-to-consumer (B2C) models. Their primary entrepreneurial focus is on the cultural and creative sectors, followed by consumer-oriented businesses such as entertainment services, catering and retail, and wholesale goods. For those women entrepreneurs engaged in business-to-business (B2B) models, key areas of focus include biotechnology and medical devices, and Artificial Intelligence and Big Data.

Over 60% of female entrepreneurs' projects are related to AI, leveraging digital technology to develop ventures offering services like intelligent customer service, virtual assistants, and image and visual recognition.

Nearly 50% of female entrepreneurs are in the process of preparing for fundraising, while around 20% have already begun fundraising. This demonstrates their proactive approach in securing capital for their ventures.

Taiwanese female entrepreneurs are increasingly looking to expand their markets internationally, intending to offer innovative products to the global market. Statistics show that over 80% have plans for overseas market development. In assessing whether their products or services meet market demands and the commercial scale and potential of the markets, many choose the United States and Japan as their primary international targets. This strategic orientation underscores the global ambitions of Taiwanese female entrepreneurs and their commitment to bringing innovative solutions to a broader audience.

Males		Females
B2B	Business Model	B2C
35.9%	Fundraising Experience	19.6%
82.2%	External Cooperation	80.0%
80.5%	Overseas Planning	81.7%
AI / Big Data Biopharmaceuticals / Medical Devices Cultural Creativity	Keywords	Cultural Creativity Domestic Entertainment Services / Dining Domestic Goods Retail / Wholesale

Source : 2023 Taiwan Startup Ecosystem Survey

Women Entrepreneurship Program

Year of launch 2013

Topics Education and Skills, Inclusion and Culture, Policy Development

Target Audience Women's New Ventures

Mechanisms Training, Mentoring, Entrepreneurial Education, Gas Pedal, Awards, Overseas Expansion

Tools Women's Entrepreneurship Salon, Women's Entrepreneurship Accelerator, AWE Women's Entrepreneurship Academy, Women's Entrepreneurship Elite Awards <https://woman.sysme.org.tw/>

Introduction To provide diversified support to women entrepreneurs at different stages of their career, including entrepreneurship knowledge programs, venture capital assistance, women's entrepreneurship gas pedal, AWE Women's Entrepreneurship Academy, entrepreneurship awards and international market expansion, with a view to enhancing the capabilities of women entrepreneurs and promoting the trend of women's entrepreneurship.



Innovative Solutions to Social Problems

The United Nations Sustainable Development Goals (SDGs) are widely discussed internationally, with social issues increasingly addressed through innovative solutions. Many countries, including Taiwan, are exploring technology as a means to resolve social challenges and drive societal development. In 2022, nearly 67.3% of Taiwanese startups' entrepreneurial projects were related to SDGs, using technology to address social issues. By integrating digital technology, these startups are tackling topics like telemedicine, smart manufacturing, and international supply chains. The top five SDG themes for startups in Taiwan are "Good Health and Well-being," "Responsible Consumption and Production," "Partnerships for the Goals," "Decent Work and Economic Growth," and "Industry, Innovation, and Infrastructure."

In 2023, Taiwan launched its Social Innovation Action Plan 2.0, which is centered around four main strategies: realizing social value, accelerating innovation, connecting diverse resources, and expanding international influence. This plan aims to establish public-private-people partnerships, enhance the self-reliance of social innovation organizations, find appropriate solutions to social and environmental issues, and broaden the sustainable social impact. This approach not only fosters a culture of innovation but also ensures that technological advancements contribute positively to society and align with global sustainable development objectives.

Social Innovation Platform

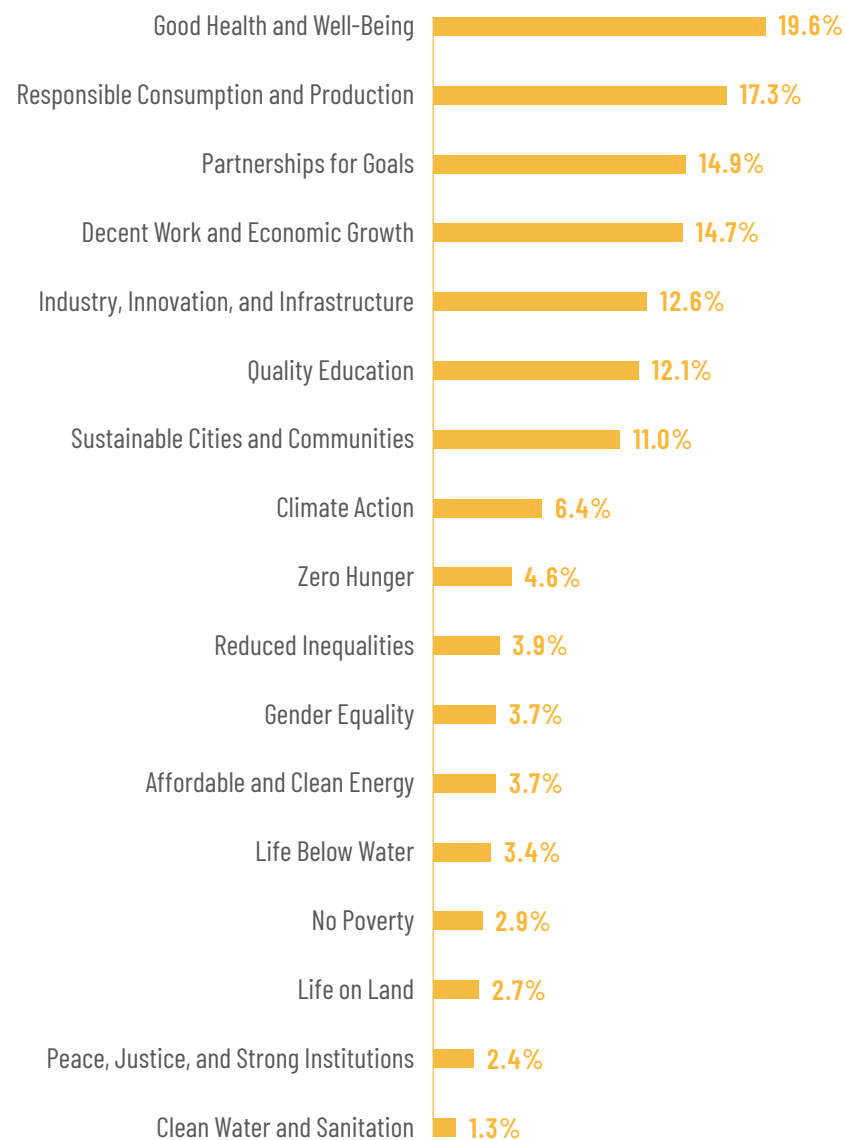
Year of launch 2018 **Target Audience** Social Innovation Enterprise

Topics Education and Skills, Inclusion and Culture, Policy Development, Ecosystems and Economic Development

Mechanisms Information Portal, Public Engagement, Events, Mentoring, Awards, Procurement

Tools Social Innovation Organization Directory, Social Innovation Lab, Asia Pacific Social Innovation Summit, Asia Pacific Social Innovation Awards, Buying Power <https://si.taiwan.gov.tw/>

Introduction In order to help sustainable societal development, to show the characteristics and energy of Taiwan's diverse social innovations, to promote the sustainable development of information-sharing platforms, and to provide social innovation organization support services, including mentoring, courses, business opportunity development and enter the market.



Source : 2022 Taiwan Startup Ecosystem Survey

Incubators : Best Helpers in the Entrepreneurial Process

Over 60% of startups in Taiwan are housed in either physical or virtual incubation institutions which are particularly beneficial for startups and entrepreneurs, especially in their early stages. Incubators and accelerators offer efficient means for startups to rapidly develop their businesses.

Taiwan's entrepreneurial ecosystem features a diverse network. Data from startup.sme.gov.tw reveal that Taiwan has a comprehensive support system for startups, including 120 incubators, 58 accelerators, 67 associations and communities, 65 co-working spaces, and 62 parks and bases. This amounts to nearly 400 entrepreneurial incubation institutions and government departments working collaboratively to continuously assist the growth of startups within the ecosystem.

This extensive network provides a range of resources and support, including mentorship, networking opportunities, funding assistance, and more, all crucial for fostering a thriving startup environment and aiding startups in navigating the challenges of early-stage development.

Incubation		
	Subtotal	Government Units
Accelerators	58	5
Co-Working Spaces	65	7
Incubation Centers	120	12
Associations/Communities	67	—
Parks/Bases	62	57
Local Workshops	18	—
Total	390	80

Source : startup.sme.gov.tw, 2023/11

Incubator Center

Year of launch 1997 **Topics** Education and Skills, Ecosystems and Economic Development

Target Audience New Businesses **Mechanisms** Incubation Centers, Gas Pedals, and Incubators

Tools Industry Accelerator, Business Accelerator <https://incubator.sme.gov.tw/>

Introduction In order to build a perfect ecosystem of creative industries and promote the innovative development of industries, we subsidize SMEs' creative organizations and link local and international resources as the cornerstone of our country's innovation and entrepreneurship support and counseling system, so as to quickly and effectively nurture innovative and new creative enterprises, promote the rapid development of emerging industries, and drive the transformation and upgrading of industrial structure.



Taiwan Startup Hub

Year of launch 2015 **Topics** Education and Skills **Target Audience** New Venture Teams, New Ventures

Mechanisms Events, Co-Working Spaces, Entrepreneurship Education, Incubators, Innovation Challenges, Open Innovation, Physical Infrastructure, Young Entrepreneurs

Tools Co-Working Spaces, New Venture Activities, New Venture Exchanges, Mentoring
<https://startup.sme.gov.tw/home/modules/startuphub/about.php>

Introduction The HUB integrates information on government entrepreneurial resource programs, links entrepreneurial communities in different places, and continuously streams communication among linked communities. It helps entrepreneurs to start and develop, and creates a friendly entrepreneurial environment. We welcome any new venture teams, new enterprises and related communities to come to the base for exchanges.



Taiwan Ventures on Digitalization and Carbon Reduction

In the early stages of entrepreneurship, New Venture will seek early stage venture capital from self-funding, grants, loans, venture capital (angel investment, VC, CVC, gas pedal, etc.), and crowd-funding.

Self-financing Funds are raised through personal savings (including funds, stocks and other available instruments), subsidies from friends and relatives, and joint ventures with friends. Among them, joint ventures require attention to the division of labor and transparent communication between parties to ensure long-term cooperation.

Grants Grants are a low-risk form of fundraising that can be applied for as long as a company meets the criteria, and can reduce the risk and cost of starting a business. The Department of Economic Affairs offers a variety of programs such as SBIR, SIIR, and CITD.

Loans Both government and bank loans often come with additional incentives to reduce risks and costs. For example, founders of new businesses between the ages of 18 and 45 can apply for a Youth Business Startup and Startup Loan, and those who are unemployed and want to start their own business can consider applying for an Employment Insurance Business Startup Loan for the Unemployed. It is important to note that when borrowing from a bank, it is necessary to consider the source of repayment, and new entrepreneurs should plan ahead.

Taiwan's startups are mainly funded by domestic investors, in the order of individual investment, domestic corporate investment, government funding, and venture capital. When looking for capital, startups expect to find possibilities to obtain more capital from investors' networks, such as establishing new client relationships, bringing in investment capital, and establishing overseas markets.

According to FINDIT, in 2022, green energy and biotechnology will continue to attract the attention of the investment market, with the number of transactions growing compared to 2021, and the overall transaction value of early-stage investment in Taiwan amounting to US\$2.22 billion. Many domestic and foreign venture capital firms are concerned about Taiwan's new innovation. According to the business registration information inquiry (end of October 2023), more than 350 venture capital firms have been authorized to set up.

The application of digital technology, the government's strong promotion of industries, and the international ESG trend are the references for Taiwan VCs to choose their investment areas. The top five investment areas for VCs and CVCs in recent years are biotech medical and medical devices, Artificial Intelligence and Big Data, smart manufacturing, retail technology and e-commerce, and new materials and high value-added materials. Further, there is continued attention to the related areas of digitalization and carbon reduction.

Taiwan Leading VCs

Taiwania Capital
IAPS - Center of Industry Accelerator and Patent Strategy
BE Health Ventures
China Development Industrial Bank (CDF Group)
AppWorks Ventures
Taishin Venture Capital
Taya Venture
Hotung Venture Capital
TOP TAIWAN
E.SUN Ventures
Yuanta Ventures
UMC Capitals
Cornerstone Ventures
CTBC Venture
Darwin Venture
RB Capitals
Cherubic Ventures
FOODLAND Ventures
AVOLOKT ESVARA Capital
NiEA
Hon Hai (Foxconn)
EasyCard
AVA
Taian Biotechnology

Overseas VCs in Taiwan

Vertex Ventures (Singapore)
MuckerLab (USA)
SparkLabs Taipei (USA)
500 Startup (USA)
TransLink Capital (USA)
China-U.S. Technology Venture Capital
(Taiwan-U.S. Joint Venture)
KK Fund (Singapore)
Pegasus Tech Ventures (USA)
AmedVentures (USA)
JAFCO Asia (Japan)
Headline Asia (Japan)
Daiwa-Taiwan-Japan Biotechnology Venture Capital Fund
(Taiwan-Japan Joint Venture)

Startup × Enterprise × Partnership Opportunities

Over 80% of startups in Taiwan have experience in external collaboration, with joint product and service development being the most common form of partnership. These collaborations often initiate through proactive outreach by strategic partners, active searching and proposal submissions by startups, leading to relationship building and eventual cooperation. Startups most frequently collaborate with small and medium-sized enterprises (SMEs). Common areas of collaboration include joint product and service development, establishing benchmark application cases, and combined marketing and promotional efforts. When considering the integration of external technologies, Taiwanese startups often turn to domestic educational institutions, given their abundant research and development capabilities. This approach not only fosters innovation within the startups but also strengthens the connection between academia and industry, leveraging the rich technological resources of Taiwan's schools to drive forward the country's entrepreneurial landscape.

Green Technology Innovation Competition

Year of launch 2022

Topics Access to Markets, Ecosystems and Economic Development, Science, Technology and Innovation

Target Audience Green Innovation Businesses

Mechanisms Awards, Purchasing, Events, Creative Experiments, Innovation Challenges, Matchmaking Resources

Tools Tournament

Introduction In order to assist the development of green technology innovation, the international entrepreneurship cluster "Linkou New Venture Park" and "Taiwan New Venture Park" jointly organize the Green Technology Innovation Award Competition, which arranges for international corporations to submit questions and solutions for new innovations, with the questions focusing on green technology, net-zero carbon emission and other green technology-related issues, and through the incentive fund to guide the new innovations that have creative solutions, and to encourage the cooperation between green innovations and corporations. The program encourages cooperation between green innovations and large corporations to develop market opportunities.

SME Upgrading and Transformation Innovative Solutions

Year of launch 2023

Topics Access to Markets, Ecosystems and Economic Development, Science, Technology and Innovation

Target Audience SMEs, Startups

Mechanisms Counseling, Purchasing, Activities, Creative Experiments, Innovation Challenges, Media Resources

Tools Award

Introduction Assisting SMEs to conduct inventory assessment based on the challenges of low-carbonization or intelligentization and the resources they have, focusing on the needs of enterprises, matching SMEs and startups, and introducing innovative tools and solutions to SMEs, as well as carrying out new innovation verification and expanding cooperation opportunities in the relevant fields.

Corporate Startup Engagement

Research and Development Enterprises

Emphasizes collaboration on innovation and technology for seed and startup teams.

Business-Based Enterprises

Focus on business development or supplier integration, suitable for startups in the expansion and maturity phases.

Partners

SMEs : Joint development of products and services, establishment of exemplary use cases, joint marketing and promotion.

Domestic schools : introduction of external technology, joint development of products and services

Keys to Success

Perfect communication mechanism

Effective message matching

Preservation of creative autonomy

Benefits of Collaboration

Increase customers

Create success stories

Increase brand awareness

Considerations for Collaboration

Differences in business models

Differences in decision-making mechanisms

Degree of protection of intellectual property rights of the innovator

Moving Forward in Overseas Markets

Given the limitations of the domestic market, Taiwanese startups often set their sights beyond national borders, targeting international markets. They use the local market as a testing ground to refine their business models, establish distinctive brands, and identify replicable key development strategies for overseas expansion. According to surveys, over 80% of startups plan to venture into foreign markets within the next 2-3 years, with the United States and Japan being primary targets.

In selecting overseas markets, startups first assess whether their products or services meet market demands and consider the commercial scale and potential of these markets. Cultural familiarity and language proficiency are also significant factors. Whether aiming for independent operation, an IPO, or mergers and acquisitions, many startups prioritize the U.S. as their main target market. Surveys show that when facing unfamiliar environments, startups' key needs include connections with local businesses or sales channels, expertise in local regulations, and professional services to navigate compliance and certification standards. Startups expect assistance from incubators and venture capitalists to adapt their internationalization strategies, ensuring they can successfully navigate and establish themselves in these new markets.

Linkou and Yawan Startup Terrace

Year of launch 2018 (Linkou), 2021 (Yawan)

Topics Access to Markets, Regulation, Technology and Innovation

Target Audience Startups, Scale-ups

Mechanisms Accelerator, Talent Attraction, Clustering Strategy, Office Space Matching, Events, Training, Scale-Up, Simplified Services

Tools Office Space, New Venture Verification Site, New Venture Matching Office, International New Venture Landing in Taiwan, Overseas Business Opportunity Development

<https://www.startupterrace.tw/> <https://www.yawan-startup.tw/>

Introduction To establish a platform for central and local resources convergence, linking the local (emerging technologies which drive local innovation applications), the industrial (joining hands with local industries for cross-domain cooperation), and the international (establishing on-the-ground measures to promote overseas programs).



Linkou



Yawan

More than 80% of startups have plans to expand into overseas markets

31.6%

East Asia

Japan
South Korea
China

23.0%

North America

USA
Canada

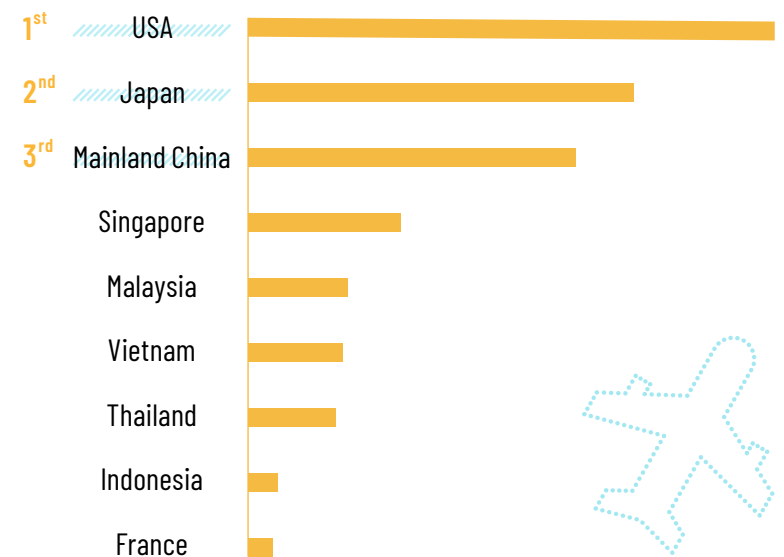
20.7%

Southeast Asia

Singapore
Vietnam
Malaysia
Thailand
Indonesia
Philippines

4.9%

Others



Source : 2023 Taiwan Startup Ecosystem Survey