



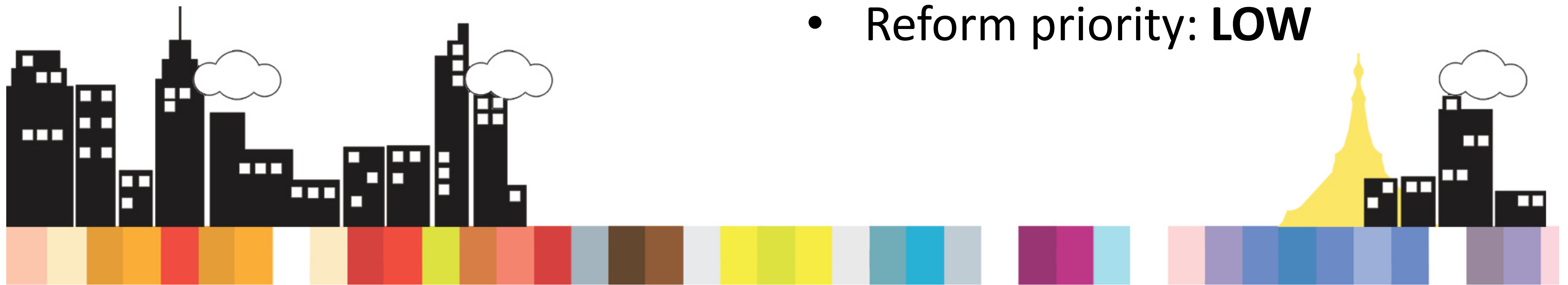
Institutional setting (2012):

Most difficult place in the world to start a business

Overall ranking of Ease of Starting a Business	189 th (last)
Number of procedures	11
Number of days	72
Cost ¹	1,257,000 MMK
Cost (% of per capita income)	7,016%

World Bank "Doing Business Survey" 2014

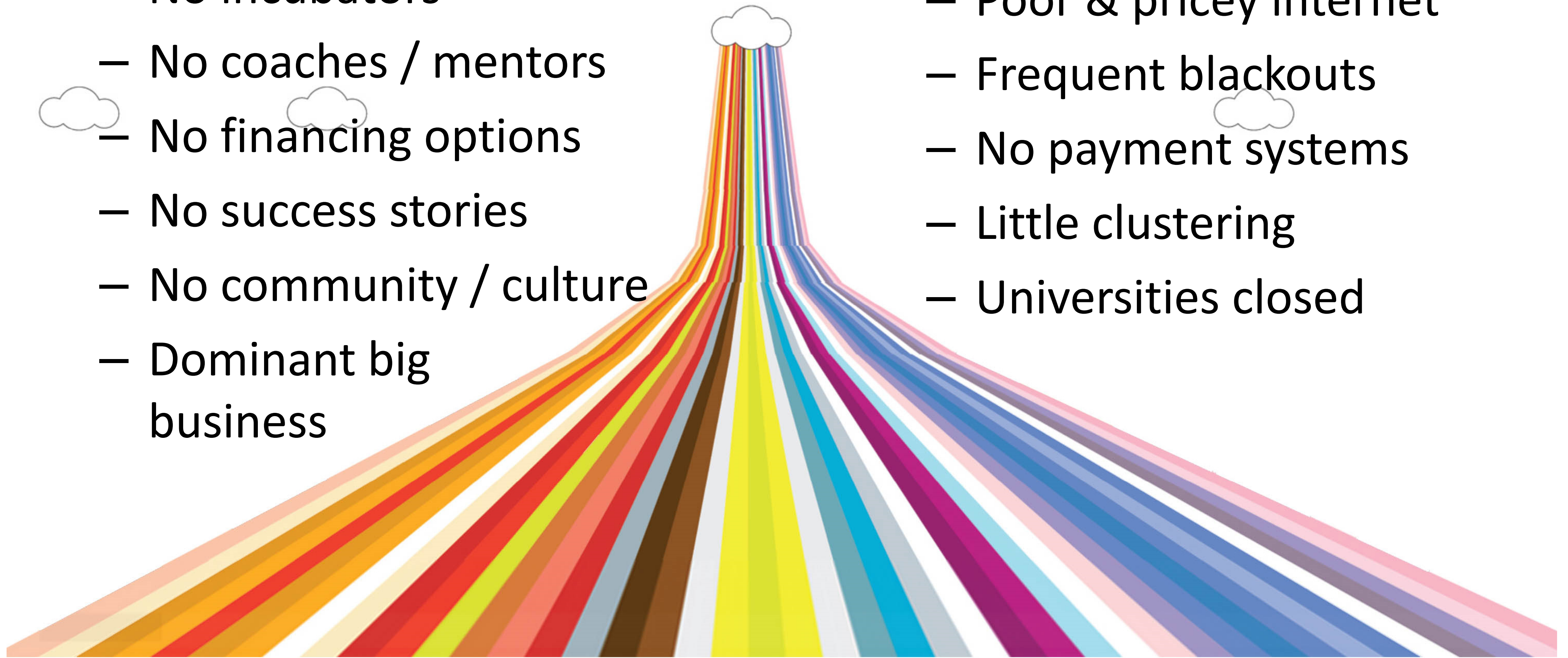
- Institutions supporting startups / innovation: **NONE**
- Regulation: **TERRIBLE**
 - Costly and slow red-tape
 - Defensive business elite
 - Uncertain & opaque policy
- Donors: **ABSENT**
- Reform priority: **LOW**



Starting Point (2012):

A dire situation, but a wide open market

- For entrepreneurs: Lonely journey with *no* support
 - No incubators
 - No coaches / mentors
 - No financing options
 - No success stories
 - No community / culture
 - Dominant big business
- Infrastructure: Impossible
 - High rents
 - Poor & pricey internet
 - Frequent blackouts
 - No payment systems
 - Little clustering
 - Universities closed

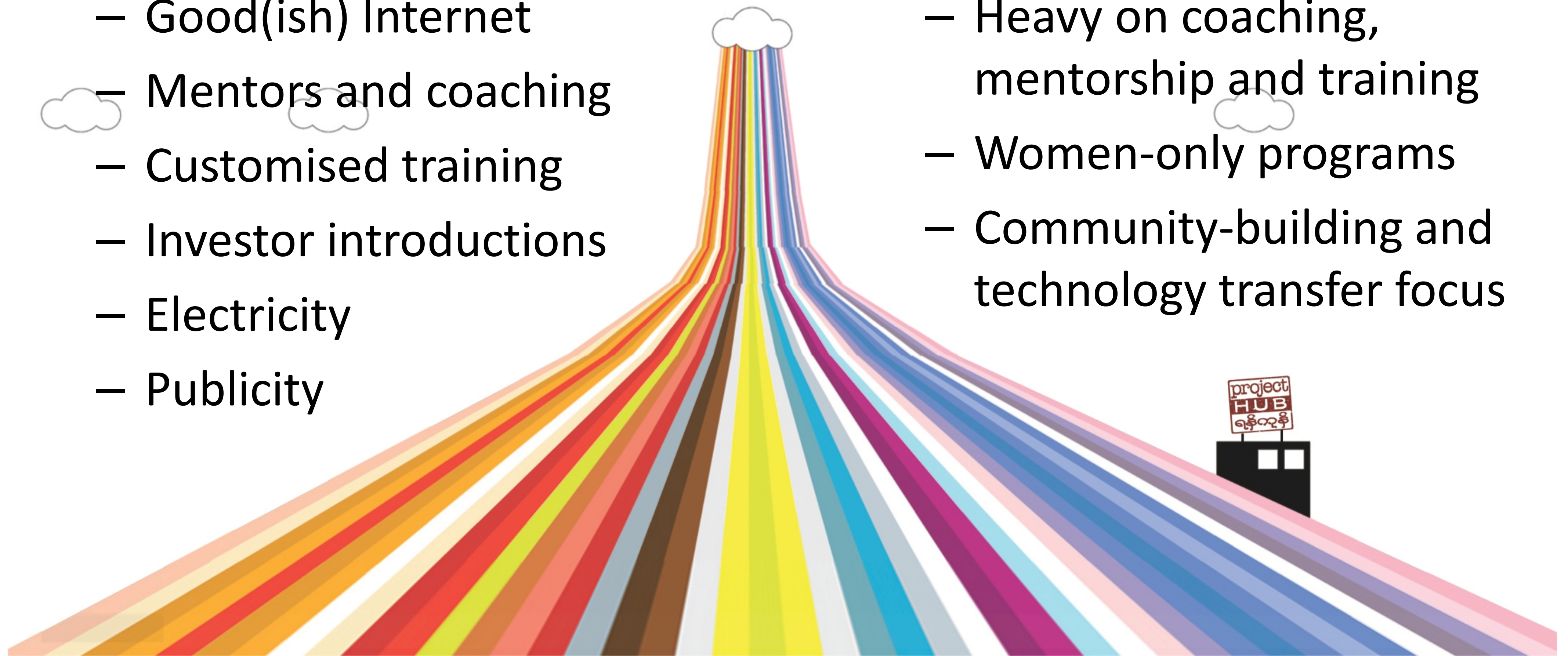




Approach: Project Hub Yangon

Yangon's First Startup Incubator

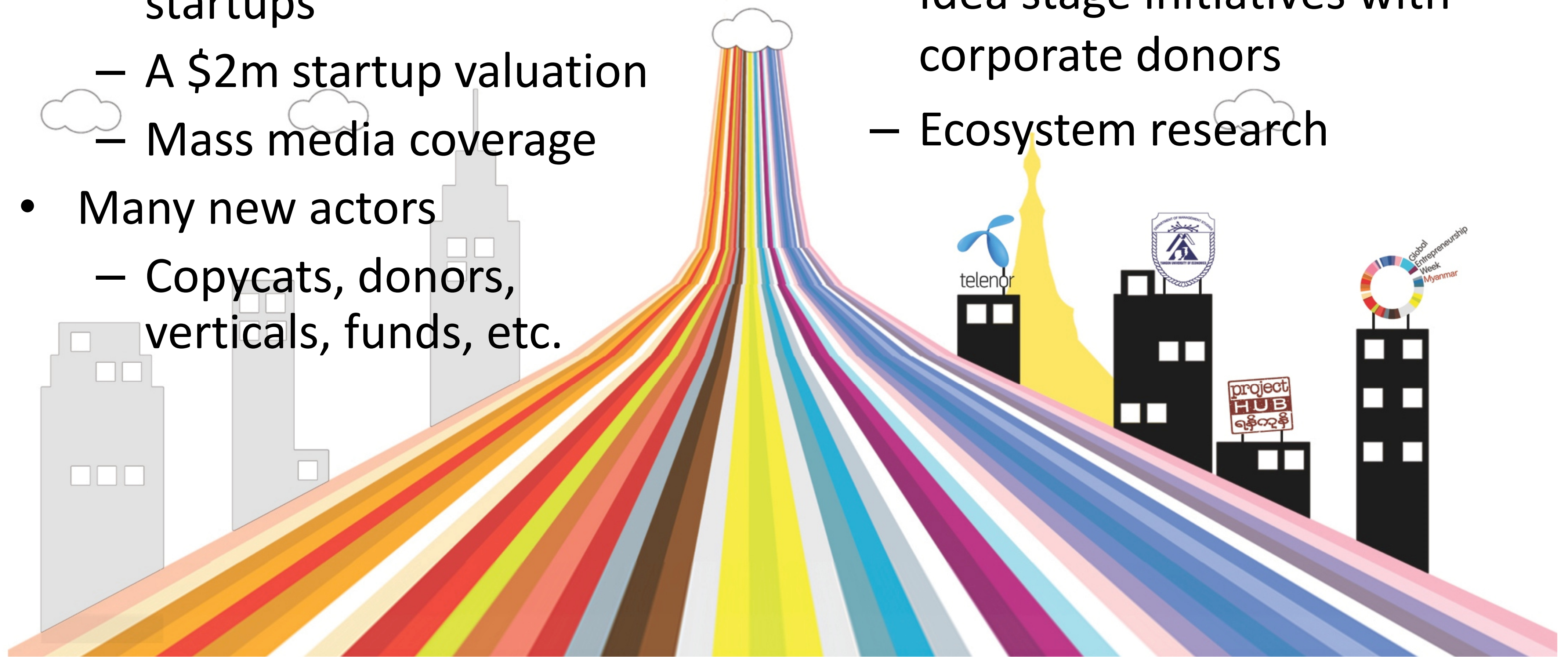
- Classic incubator model providing entrepreneurs with:
 - Creative working space
 - Good(ish) Internet
 - Mentors and coaching
 - Customised training
 - Investor introductions
 - Electricity
 - Publicity
- What we did different:
 - Localised content backed by 6 months of R&D
 - Heavy on coaching, mentorship and training
 - Women-only programs
 - Community-building and technology transfer focus





Outputs (2014): A growing startup ecosystem

- Demonstrated and communicated Myanmar's entrepreneurial capacity
 - First foreign investment in startups
 - A \$2m startup valuation
 - Mass media coverage
- Many new actors
 - Copycats, donors, verticals, funds, etc.
- More partners & programs:
 - GEW: doubling every year
 - University incubation
 - Idea stage initiatives with corporate donors
 - Ecosystem research





3 Key Lessons

1. The software (the programs) is more important than the hardware (the space)
2. Foreign copy-paste programs simply don't work
...and incubator \neq tech incubator
...catch up innovation = innovation
3. In a complex environment, do your homework, but then move quickly and do what you can without partners





Follow Up

What we're thinking lately:

- How do you attract more and better mentors (without burning social capital)?
- How do you attract donor money when being small (and not being squeezed by the beltway bandits)?
- How to walk away?

