

Startup India benefits

Department of Industrial Policy & Promotion, Government of India

<https://www.startupindia.gov.in>

IPR benefits

To promote awareness and adoption of Intellectual Property Rights (IPRs) by Startups and facilitate them in protecting and commercializing the IPRs, Startup India provides access to high quality Intellectual Property services and resources, including:

- Fast-tracking of Startup patent applications: The patent application of Startups is fast-tracked for examination and disposal
- Panel of facilitators to assist in filing of IP applications: A panel of Facilitators is responsible for providing general advisory on different IPRs as also information on protecting and promoting IPRs in other countries.
- Government to bear facilitation cost: Central Government bears the entire fees of the facilitators for any number of patents, trademarks or designs that a Startup may file, & Startups only bear the cost of the statutory fees payable.
- Rebate on filing of application: Startups are provided an 80% rebate in filing of patents vis-à-vis other companies. This helps them pare costs in the crucial formative years. 50% rebate is also provided in filing of Trademarks vis-à-vis other companies.

Relaxation in public procurement norms

To provide an equal platform to Startups vis-à-vis the experienced companies in public procurement, Startup India has provisioned the following for Startups in public procurement tenders of Government of India/Central Public Sector Units:

- Relaxed norms of "prior experience and turnover"
- Exemption from submission of Earnest Money Deposit (EMD) in Government tenders

Self-Certification under Labour and Environment Laws

To reduce the regulatory burden on Startups thereby allowing them to focus on their core business and keep compliance cost low, Startups are allowed to self-certify their compliance under 6 Labour and 3 Environment laws for a period of 5 years from the date of incorporation.

In respect of 3 Environment laws, units operating under 36 white category industries (as published on website of Central Pollution Control Board) do not require Environment clearance under 3 Environment related Acts for 3 years.

Fund of Funds for startups

To provide equity funding support for development and growth of innovation driven enterprises, the government has set aside a corpus fund of 10,000 crores managed by the Small Industries Development Bank of India (SIDBI). The Fund is in the nature of Fund of Funds, which means that the Government participates in the capital of SEBI registered Venture Funds, who further invest in Startups.

Faster exit for startups

The Government has notified Startups as 'fast track firms' enabling them to wind up operations within 90 days vis-a-vis 180 days for other companies. An insolvency professional shall be appointed for the Startup, who shall be in charge of the company for liquidating its assets and paying its creditors within six months of filing an application in this regard.

Tax exemption for 3 years

The profits of recognized Startups that are granted an Inter-Ministerial Board Certificate are exempted from income-tax for a period of 3 years (out of a block of 7 years). This fiscal exemption is aimed at facilitating growth of business and meeting the working capital requirements during the initial years of operations

Tax exemption on investment above fair market value

If a Startup, having certificate from the Inter-Ministerial Board Certificate, receives any consideration for issue of shares that exceeds the face value of such shares, then the aggregate consideration received for such shares as exceeds the fair market value of the shares is exempted from tax.

Intellectual Property Rights and Foreign Technology Licensing in Developing Countries: An Empirical Investigation

Using cross-sectional analysis of a representative sample of firms operating in 42 developing economies, the report investigates whether expanded and strengthened protection of intellectual property (IP) fosters technology transfer to developing countries. The study finds that going from no IP protection to maximum IP protection is associated with a 65% increase in the predicted probability of licensing foreign technology for affiliated firms, but not for unaffiliated firms. It was also evident that the positive impact is limited to upper-middle-income countries, whereas there is at best no significant correlation for firms operating in lower-middle-income and low-income countries

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Philippine roadmap for digital startups

The Department Information and Communication (DICT), The Philippines

<http://www.dict.gov.ph>

The Philippine Roadmap for Digital Startups is a short and long-term strategic plan for the Philippine startup community and The Department Information and Communication Technology (DICT) towards developing digital innovation in the country. The goal of this initiative is to generate innovative startups that will spur economic growth and to find solutions to society's most pressing and pervasive issues. This roadmap is a framework that clearly defines our overall direction to push for digital innovation – one that can leverage the country's resources to its highest potential.

The Roadmap is divided into three parts:

- **Internet-related (digital) startup ecosystem:** Provides a clear definition of terms, goals and benchmarks. A summary of current internet-related technology ecosystems, as well as one for the current Philippine startup ecosystem, is included.
- **Patterns of technology startup ecosystem:** Provides insights from various startup ecosystems around the world, highlighting key features of each ecosystem. It also explores the Philippines' current progress in those defined key areas as well as a SWOT analysis of the local ecosystem.
- **Action plan:** Enumerates the short and long-term recommendations for all stakeholders to improve the Philippine digital startup ecosystem as well as the localized programs based on existing programs from international ecosystems.

The information and findings in this roadmap are gathered from leading local technology startup founders, as well as from existing literature of various projects, government reports, and affiliates including leading universities and startups.

The Philippine Roadmap for Digital Startups: 2015 and Beyond provides a framework for the government and the private sector to take a coordinated and systematic approach towards devel-

oping internet-related innovation against ambitious targets as a means for inclusive growth. The focus is to produce innovative businesses that find solutions to our country's most inherent challenges.

The roadmap is a collective effort for the community by the community, which includes the government, tech startup participants, and the academe, to come up with appropriate programs for the Philippines, focusing on the country's unique factors/features. The purpose is to provide support on all stages of development for tech startups and entrepreneurs of different backgrounds to flourish.

The roadmap contains studies of other tech startup ecosystems, which includes South America, China, Silicon Valley, Singapore and Israel. These ecosystems have attracted talent that fostered local innovation because they have the right mechanism in place for them to grow and reach their highest potential. Their environment (Intellectual Property, facilities such as Science Parks, Research and Development, Multinationals that have served as an exchange platform of knowhow, and Funding) allowed individuals to create and work collaboratively and strategically.

The Philippines, by all means, should strive to develop itself not by aiming to be a replica of Silicon Valley, but by aligning its unique resources and core strengths with strategic planning. The country has an attractive demographic (a growing young population, growing middle class, etc.), rich in natural resources, a pleasant culture (e.g. polite, English speaking). These are areas that should be highlighted on top of appropriate measures to development. The technology startup participants today alongside the government should aim to implement the best practices in promoting Internet-technology innovation through a step-by-step process and analysis on the roadmap.

ASEAN Standards Harmonization Initiative for Energy Efficiency

Funded under the EU SWITCH-Asia affiliated program, ASEAN SHINE aims at increasing the market share of higher efficient air-conditioners in ASEAN through harmonization of test methods and energy efficiency standards, adoption of common Minimum Energy Performance Standards, and changing consumer purchasing attitudes in favour of energy efficient air-conditioners.

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