

**Startup-Friendly Korea: 60 teams from 24 countries visit Korea  
for startup opportunities!**

**– 60 teams selected for K-Startup Grand Challenge**

- A total of 2,648 teams (118 countries) applied for K-Startup Grand Challenge 2020.  
Against the odds of 44 to 1, 60 teams (24 countries) have been selected for the program.
- Upon arriving at Korea, the selected teams will take part in business engagements with large corporations and acceleration activities for three and a half months before the final Demo Day scheduled in November.

The Ministry of SMEs and Startups (MSS, Minister Young-sun Park) announced the **completion of the document screening and untact global auditions** for the 2,648 teams (118 countries) that applied for K-Startup Grand Challenge 2020 and the **selection of the 60 teams (24 countries) to be invited to Korea** for the program.

K-Startup Grand Challenge 2020's application process, which lasted from May 15 to June 26, received applications from **2,648 teams** from 118 countries, the largest number of applications since the program's launch in 2016 and a **58%** increase from that of the 2019 program (1,677 teams). In the document screening, 360 teams were selected. Afterward, the **final 60 teams** were selected through the **untact global auditions held at 5 overseas locations**, including Europe and the United States (US), until July 17.

**Out of the 60 teams, 24 teams** are based in **Europe (40%)**, **23 teams** are

based in **Asia** (38%), and **11 teams** are from **the US** (18%).\* In the previous year, MSS did not receive any applications from **Africa** and **Oceania**. However, this year, **owing to the great increase in the number of applications,\*\* a team from each region** was selected for the program.

\* Selected Teams by Region: Europe (24 teams, 40%), Asia (23 teams, 38%), US (11 teams, 18%), Africa (1 team, 2%), Oceania (1 team, 2%)

\*\* Application Growth by Region (% , 2019 → 2020): **Oceania: 344%** (18 → 80); Africa: 233% (90 → 300); Europe: 193% (182 → 533); **US: 90%** (186 → 353); **Asia: 20%** (1,154 → 1,382)

In terms of the application areas, **19 teams** applied for the **artificial intelligence (AI) area** (32%), **11 teams** applied for the **health-care area** (18%), and **4 teams** in the **e-commerce area** (7%). The majority of the accepted teams applied for untact areas, which have been gaining attention during the COVID-19 pandemic. In terms of age, 32 teams consisted of members in their 30s, 16 teams consisted of members in their 20s, and **80%** of the selected teams have members in their **20s or 30s**.

\* Selected Teams by Area: AI (19 teams, 32%), health care (11 teams, 18%), e-commerce (4 teams, 7%), media (4 teams, 7%), fintech (3 teams, 5%), Internet of things (IoT, 3 teams, 5%), smart city (2 teams, 3%), virtual reality (VR, 2 teams, 3%), 3D printing (2, 3%), autotech (2 teams, 3%), cloud (2 teams, 3%), environment-friendly energy (2 teams, 3%), information security (1 teams, 2%), robotics (1 teams, 2%), semiconductor (1 team, 2%), big data (1 teams, 2%)

\* Selected Teams by Members' Age: 20s (16 teams, 27%), 30s (32 teams, 53%), 50s and older (12 teams, 20%)

The 60 teams will begin the **preparation as early as September** for the Demo Day in November. In this regard, the **preparation efforts have been expedited**

by the **streamlining of the business startup visa** issuance process introduced this year.

Until last year, applicants for the **business startup visa (D-10-2)** had to **satisfy a set of requirements**, including an 80 hr business startup visa training program. However, because of the **revision of the business startup visa requirements** by the Ministry of Justice (MOJ) in March, the teams selected for K-Startup Grand Challenge can receive **D-10-2 visas upon their arrival in Korea**.

In addition, MSS will provide the teams with settlement grants, business engagements with Korean businesses, and mentoring opportunities for three and a half months starting in September to help them adapt to life in Korea. The ministry will also arrange a meeting between the selected teams and the participants of the previous K-Startup Grand Challenge programs so that this year's participants can learn how **previous participants adapted to living in Korea and conducted their businesses**. A Demo Day will be held in November, which will coincide with the ComeUp event scheduled in the same month. The top 30 teams will receive additional settlement grants, and the top 5 will be awarded cash prizes.

\* Prizes: (1st) USD 120,000, (2nd) USD 60,000, (3rd) USD 30,000, (4th) USD 20,000, (5th) USD 10,000

\*\* Settlement Grants: (Awarded to) Top 30 teams; (Amount) Teams with a single member: KRW 3.5 million monthly for 4 months, Teams with two or more members: KRW 50 million monthly

As a part of the **efforts to fight COVID-19**, the 60 teams will **be required to stay at a quarantine facility for visitors for 2 weeks**. After the quarantine, MSS will require the teams to receive personal hygiene training in accordance

with the COVID-19 manual and form a cooperative network with the related agencies (public health centers and local governments) to **prevent COVID-19 infection during the incubation period.**

Overview

- **(Purpose)** To identify and attract foreign startup businesses with outstanding business ideas and help Korea become one of the world's top startup business hubs
- **(Amount of Benefits and No. of Beneficiaries)** (2019) KRW 4.4 billion, 40 teams → (2020) KRW 6 billion, 60 teams
- **(Eligibility)** Foreigners, overseas Koreans, or Koreans studying overseas with a bachelor's degree or higher planning to start a business or serve as a CEO of a startup business (7 years old or younger)
- **(Benefits)** Prizes (up to KRW 136 million) and settlement grants (KRW 3.5 or 5 million monthly per team), business spaces, help desks and other incubating infrastructure, and follow-up support with visa acquisition and incorporation

Category	Details
Acceleration	<ul style="list-style-type: none"> <li>▪ The 60 teams will be given an opportunity to move into Pangyo Startup Campus.</li> <li>▪ Incubation (consultations, business engagements, and training) and administrative support provided for 3.5 months</li> </ul>
Visa Acquisition Support	<ul style="list-style-type: none"> <li>▪ Business startup visa support, including the OASIS program (training program for business startup visa issuance) in collaboration with the Ministry of Justice (MOJ), and guidance regarding the startup immigration system</li> </ul>
Settlement Grants	<ul style="list-style-type: none"> <li>▪ All 60 teams for 3.5 months during the incubation period (single-member teams: KRW 3.5 million monthly; two-member teams: KRW 5 million monthly)</li> <li>▪ 30 teams selected for the Demo Day for 3.5 months (single-member teams: KRW 3.5 million monthly; two-member teams: KRW 5 million monthly)</li> </ul>
Outstanding Teams	<ul style="list-style-type: none"> <li>▪ Up to USD 120,000 awarded to the top 5 teams</li> </ul> <p>* (1st) USD 120,000, (2nd) USD 60,000, (3rd) USD 30,000, (4th) USD 20,000, (5th) USD 10,000</p>

## &lt;Selection and Incubation Process&gt;



□ Outcomes

- The program has incubated 200 startup teams over 4 years since its launch, provided 100 teams with follow-up support (89 of the teams incorporated in Korea), and provided support for business startup visa acquisition.

**<K-Startup Grand Challenge Program Outcomes>**

(Unit: No. of teams, no. of cases, KRW 100 million; as of April 2020)

Time	Budget	Applications		Selected teams		Application rate	Incorporation in Korea	Business startup visa	
		No. of countries	Applicant teams	No. of countries	Applicant teams			Business startup visa (D-10-2)	Tech and business visa (D-8-4)
2016	50	124	2,439	21	40	60.9:1	18	16	2
2017	45.8	118	1,515	21	49	30.9:1	23	18	8
2018	73.8	108	1,771	31	73	24.2:1	34	39	18
2019	44	95	1,677	20	38	44.1:1	14	17	13
<b>Total</b>	<b>273.6</b>	<b>445</b>	<b>7,402</b>	<b>93</b>	<b>200</b>	<b>38.6:1</b>	<b>89</b>	<b>90</b>	<b>41</b>