



THE OFFICE OF  
BAMBANG BRODJONEGORO

# Startup Ecosystem Landscape

Prof. Bambang Brodjonegoro, Ph.D





THE OFFICE OF  
BAMBANG BRODJONEGORO

# General Landscape



## Largest Economy

Indonesia is the largest economy in Southeast Asia with large population. This means 270 millions potential customers with 62.8% of population are already internet savvy.

Prepaid customers (one customer may have several gadgets): 355,6 million (BPS)



## Investment Multiplied

Startups investment has grown 68 times in 5 years. It reached \$1.4 billion in 2016, rose to \$3 billion in 2017. In Q3 2020 alone, startups received \$1.9 billion funding.



## Government Support

Government shows support to startups through programs such as 1.000 Startups Movement, Startup Studio Indonesia, and others.



THE OFFICE OF  
BAMBANG BRODJONEGORO

# Unicorns of Indonesia

Southeast Asia produce 15 unicorns. Indonesia contribute to 7 of them.



## Indonesia Unicorns

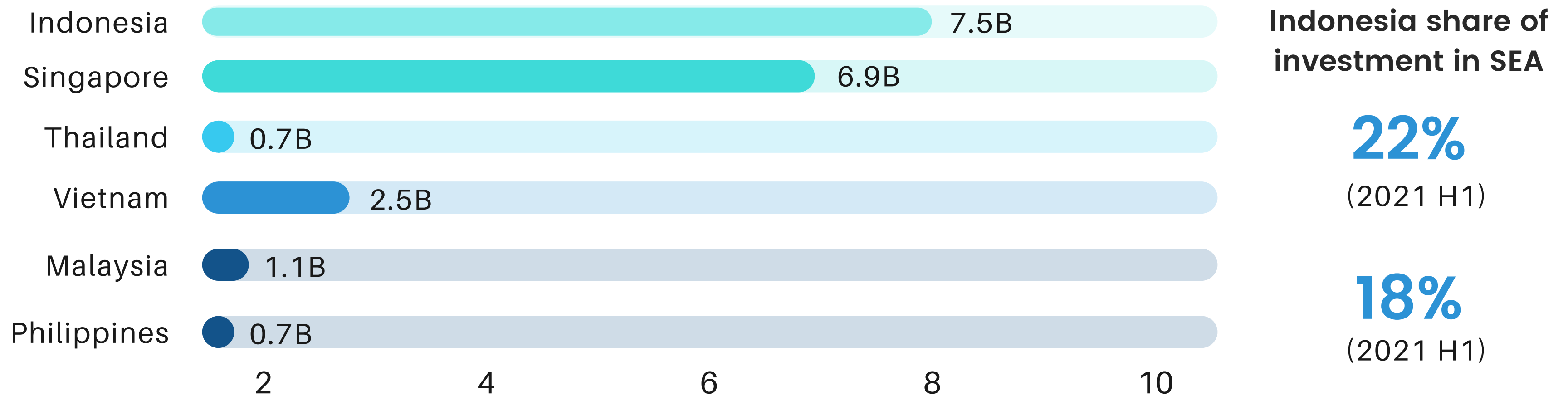


Startup numbers (Catcha Group, Startup Ranking): 2.000+ startups



# Investment in Southeast Asia

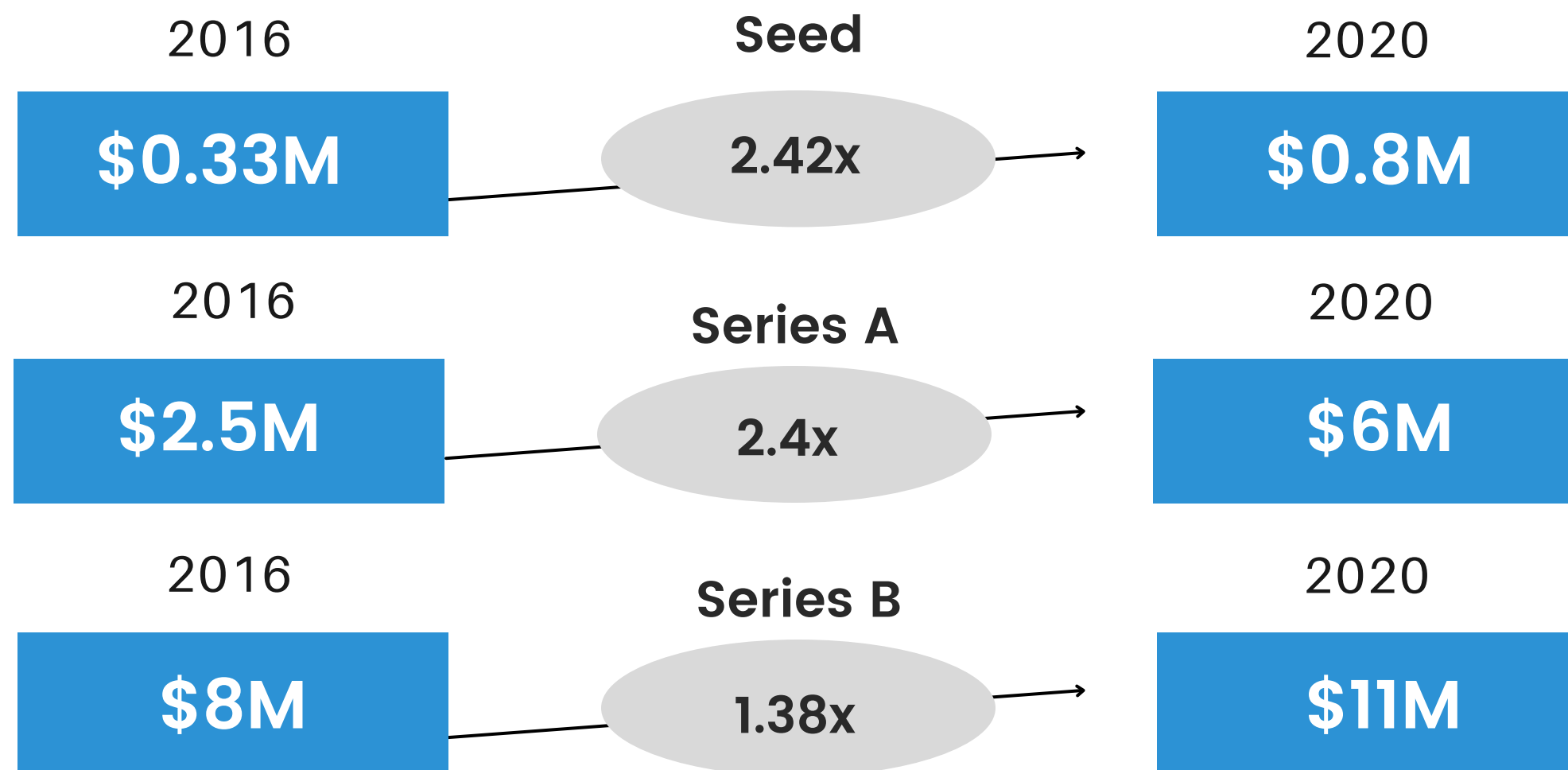
Although Indonesia has lower share of investment capital in SEA compared to Singapore, it has the biggest amount of investment (period of January 2020 - June 2021).



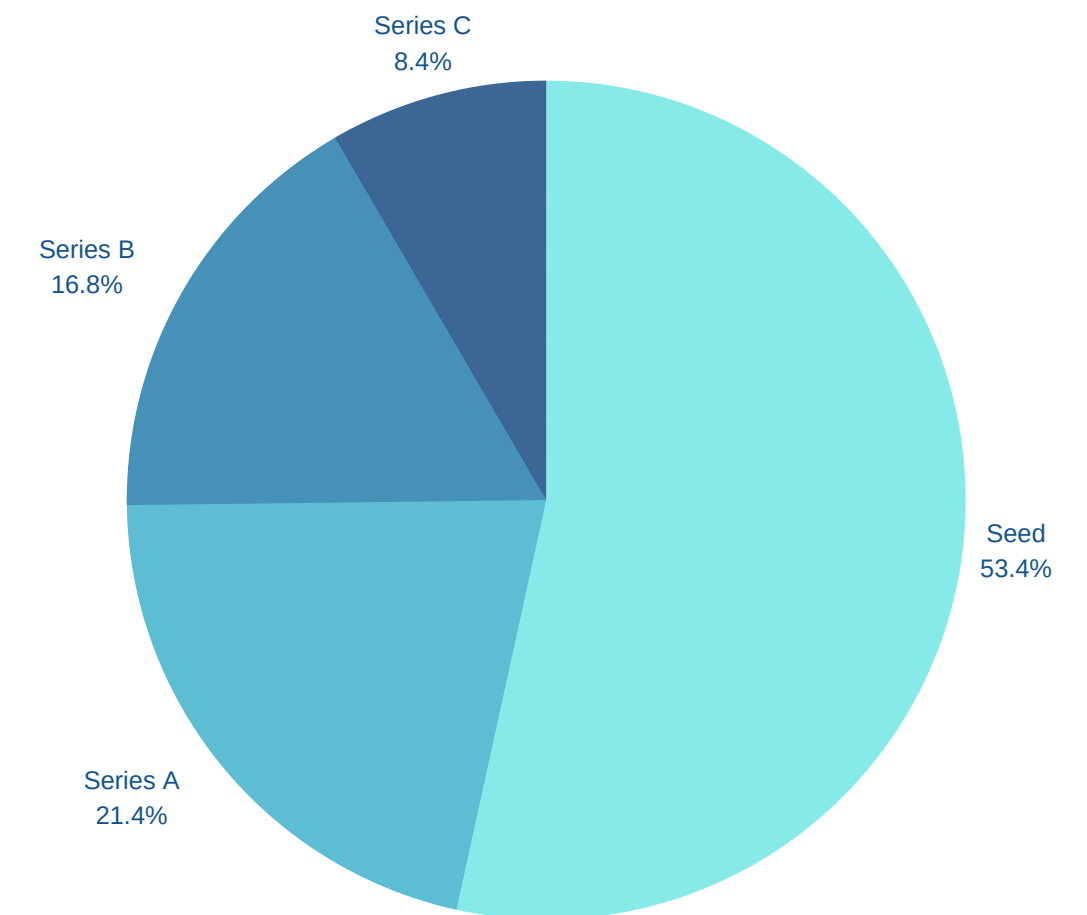


# Size of Investment

Seed round dominates the size of startup funding in Indonesia.



Number of Deals Per Stage

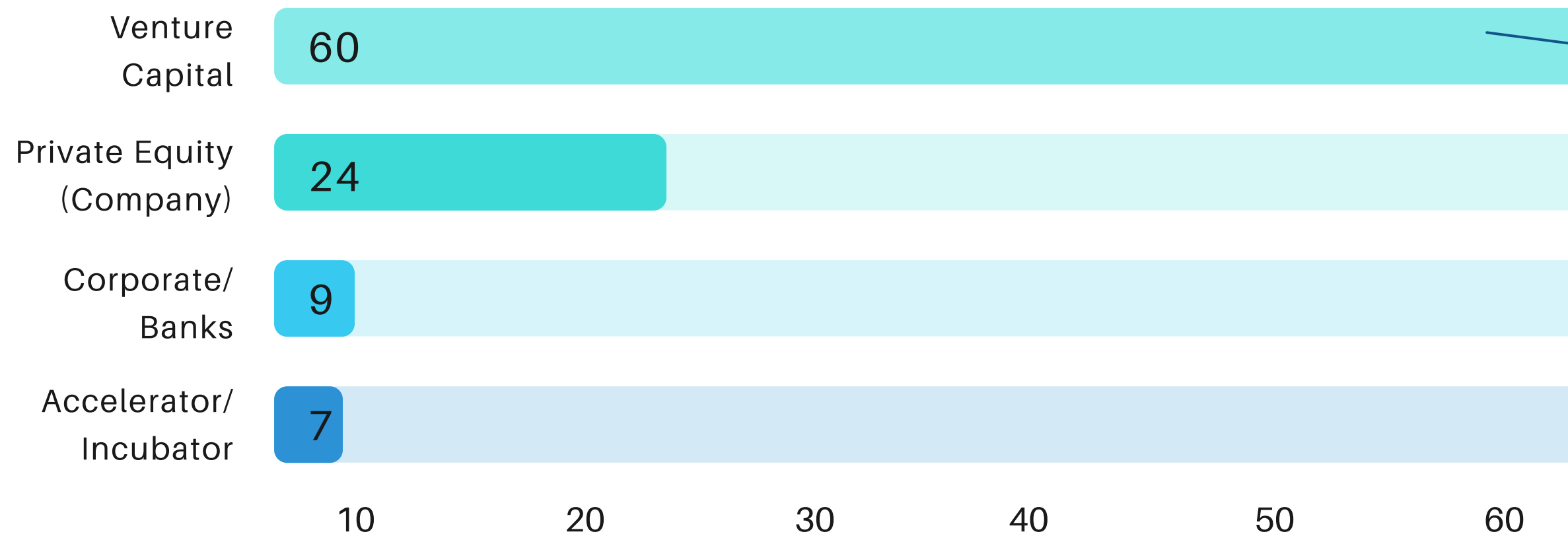




# Most Active Investor

Venture Capitals are the most active investors in Indonesia.

## Types of Investor



Some of the most active ones

*East Ventures*

ALPHA JWC  
VENTURES

AC VENTURES

INSIGNIA  
VENTURES  
PARTNERS

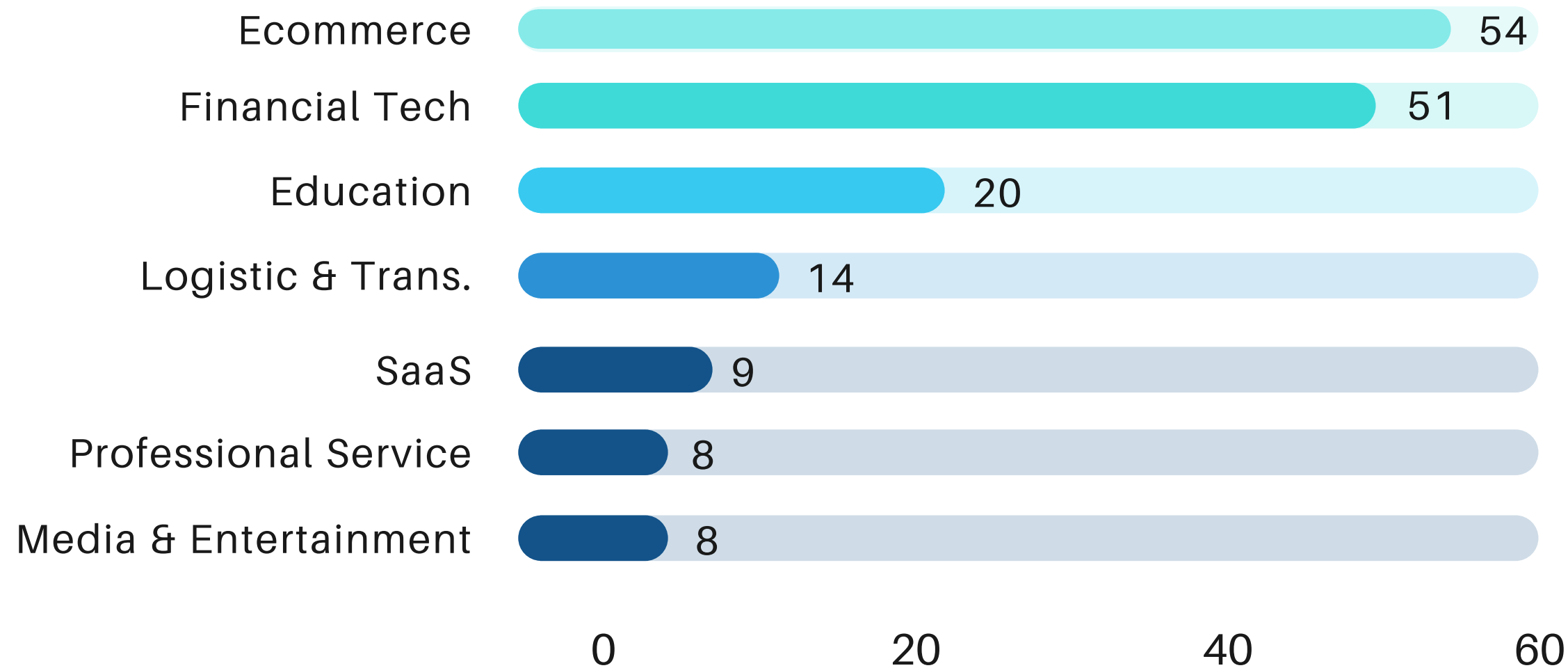
SEQUOIA



THE OFFICE OF  
BAMBANG BRODJONEGORO

# Most Funded Verticals

E-commerce, financial technology, and education tech are 3 of the most funded verticals.



Ecommerce



Fintech



Edtech





THE OFFICE OF  
BAMBANG BRODJONEGORO

# Startup Landscape

Key numbers of startup and consumer landscape in Indonesia.

## Fintech

**83 million**

Unbanked population

**\$7 million**

Total P2P loan  
disbursement per Mar '20



Big players

## Ecommerce

**99%**

Business in Indonesia is  
MSME

**3.9 Million**

E-commerce delivery / day



Big players

## Edtech

**50 million**

K-12 students in Indonesia

**\$240 million**

Total disclosed funding



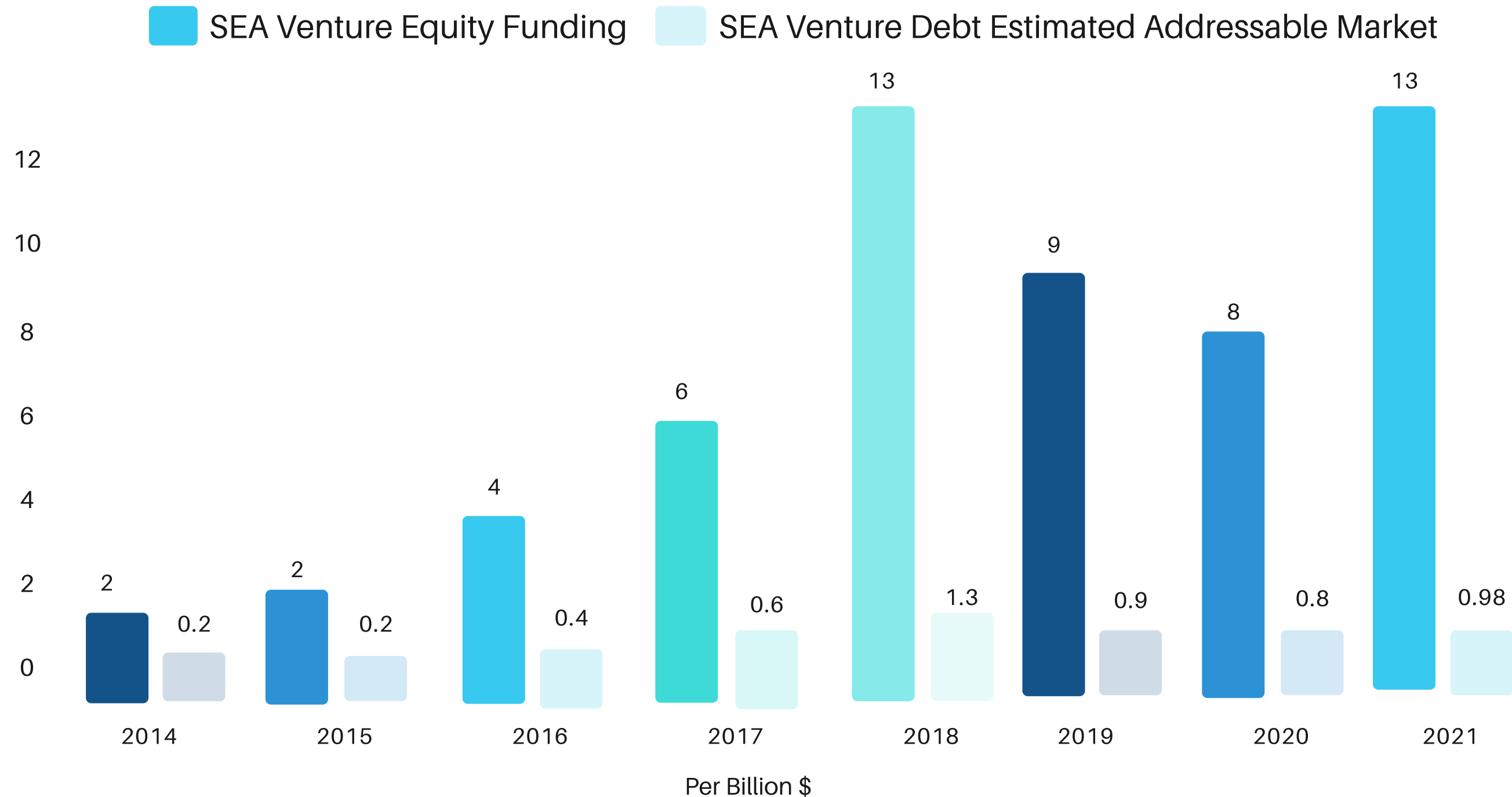
Big players





# Trend in Venture Debt Financing

## SEA Equity & Debt Financing





THE OFFICE OF  
BAMBANG BRODJONEGORO

# Startup Landscape Post-pandemic



## Stay-at-home Economy

Consumers are more adaptive to online services and marketplace. Pandemic force executives to have online meetings.



## Surge of Startups

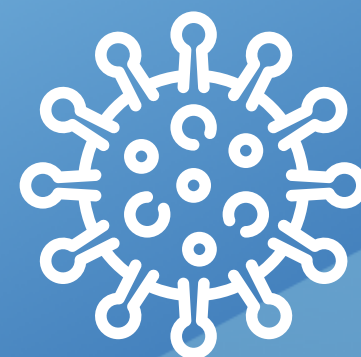
Startups surge to answer new market opportunities. 4 Indonesian startups valued at \$1 million during pandemic: J&T Express, OnlinePajak, Ajaib, Xendit.





THE OFFICE OF  
BAMBANG BRODJONEGORO

# Challenge of Investing in Indonesia



## Pandemic

COVID-19 pandemic poses serious challenge as the new virus variant may have prolonged the pandemic.



## Beuraucracy

Beureaucracy is lengthy, as some investment sectors need additional licensing from ministry or local government.



## Justice System

Resolving a dispute is a lengthy process. Indonesia is given score 8/18 in terms of good practices by World Bank.



THE OFFICE OF  
BAMBANG BRODJONEGORO

# Regulations Support



## Fintech

In 2017, Bank Indonesia introduced regulatory sandbox through Regulation No 19/12/PBII/2017 as baseline for fintech market.



## Setting Up a Company

Choose between PT PMDN, PT PMA or setting up a local company depending on investment value.



## Ease of Investment

Draft presidential regulation derived from Job Creation Law, giving leeway for Foreign Startup Investment in Special Economic Zone.



---

THE OFFICE OF  
BAMBANG BRODJONEGORO

---

# Thank You

Email

[office@bambangbrodjonegoro.com](mailto:office@bambangbrodjonegoro.com)

Website

<https://bambangbrodjonegoro.com>