

Press Release

www.mss.go.kr

FOR IMMEDIATE RELEASE

Feb. 12, 2025

CONTACT: Spokesperson's Office

PHONE NUMBER: +82-44-204-7104

EMAIL: rachelmchun@korea.kr

Ministry of SMEs and Startups Announces Fabless Startup Comprehensive Support Project

SEJONG – On February 11, the Ministry of SMEs and Startups (MSS) announced the launch of the Fabless Startup Comprehensive Support Project to systematically nurture fabless startups, which are key to the system semiconductor industry that is gaining increased importance in the global market due to innovations in AI technology.

Fabless (fabrication-less) startups have strengths in developing innovative semiconductor design technologies that are difficult for large corporations to undertake. In particular, they play a pivotal role in securing technologies for next-generation markets, such as AI semiconductors and low-power semiconductors. Therefore, systematic support for these businesses is essential.

This initiative is Phase 1 'Micro Super Gap' program, which was newly established this year as part of the three-phase 'Super Gap Startup 1000+ Project' announced in January. It was created to fulfill the request for customized support for fabless startups at different stages, which was proposed at the Fabless-Foundry Council for Mutual Growth, established by MSS in April 2024 in collaboration with the Korea Fabless Industry Association (KFIA) for regular communication among all domestic foundries.

< Super Gap Project Programs by Phase >

 Early Completion of Core Technology [Micro Super Gap] 60 ② Preparation for Global Expansion [Super Gap] 182 ③ Execution of Global Expansion [Beyond Super Gap]

Companies		Companies		15 Companies
* 30 companies to be				
recruited through				
this announcement				
			_	
Specialized Support in Al and Fabless Areas (Average of KRW 150 million per year)		Basic Support in 10		Basic Support in 10
		Areas Including		Areas Including
	•	System	•	System
	Evaluation	Semiconductors	Evaluation	Semiconductors
		(Maximum of KRW 600		(Maximum of KRW 1
		million over 3 Years)		billion over 2 Years)

With this announcement, a total of 30 promising fabless startups will be selected and categorized into three stages - development, growth, and scale-up - based on their experience and technological capabilities. The support specifics for each stage are as follows.

< Stage Classification >

Classification	Overview by Stage
Development Stage	Stage for developing and preparing products and services (idea validation)
Growth Stage	Stage for launching products and services, expected to generate revenue by selling them to domestic demand companies
Scale-up Stage	Stage with rapid revenue growth and global demand, enabling international expansion

Development Stage

Six early-stage fabless startups will be selected to receive financial support of KRW 100 million for technology commercialization. In addition, MSS will provide design assets (IP, EDA tools) essential for the development stage of fabless startups and offer opportunities for IR (investor relations) to facilitate attract investment.

② Growth Stage

Twenty fabless startups preparing to enter the domestic market will be selected to receive financial support of KRW 200 million for technology commercialization. MSS will provid these startups with prototype production (MPW) processes and offer opportunities for collaboration with domestic large corporations and other demand companies.

3 Scale-up Stage

Four high-tech fabless startups preparing to enter the international market will be selected to receive financial support of KRW 250 million for technology commercialization. They will be assisted in product validation through collaboration with large corporations that possess verification infrastructure for semiconductor mass production and commercialization.

Applications for this announcement will be accepted from February 11 (Tuesday) to February 27 (Thursday). Among the selected startups, those that demonstrate exceptional performance through evaluation will receive additional support to enter the global market as part of the "Super Gap Startup" project.

The Ministry of SMEs and Startups (MSS) plans to hold the Fabless-Foundry Council for Mutual Growth in the first quarter, bringing together the fabless industry, domestic foundries, and experts. The meeting will focus on discussing the implementation plan for the "2025 Fabless Challenge" and policies designed to support fabless startups, with the goal of enhancing the competitiveness of Korea's fabless industry and the broader system semiconductor sector.

Minister OH Youngju stated, "To revitalize the system semiconductor industry, which is a future growth engine for the country, nurturing fabless startups in key areas is essential." She further emphasized, "We will promote related policies to ensure that promising fabless startups grow steadily through this project and strengthen their competitiveness to play a pivotal role in the global market."