





Programme funded by the European Union



Exchange of Entrepreneurs Project Turkish Delegation to Armenia and Startup Weekend 6-9<sup>th</sup> November 2014 Yerevan-Gyumri, Armenia

Entrepreneurship and ideas can succeed where diplomacy and politics fail. That is the key conclusion following the visit of Turkish Entrepreneurship Delegation to Armenian November 6-9, 2014.

Public Journalism Club (PJC) and The Economic Policy Research Foundation of Turkey (TEPAV) hosted the Turkish Entrepreneurship Delegation to Armenia- the largest technology entrepreneurship delegation from Turkey ever to visit Armenia. The Entrepreneurship Delegation was a part of the larger"Support to Armenia-Turkey the Normalisation Process" programme funded by the European Union. It was also an early launch for the Global Entrepreneurship Week in Armenia.

Politics has long divided Turkey and Armenia -- the two countries have no diplomatic relations and their common border is closed. Yet among many things that peoples of the two countries share, interactions during the visit of the Entrepreneurship Delegation to Armenia showed that enthusiasm for technology, creativity, and entrepreneurship was a major – and often overlooked—item.

### FAST FACTS

- **Who:** 12 Turkish entrepreneurs, investors, and thought leaders on entrepreneurship + 2x12 young startup enthusiasts from Turkey and Armenia
- When: November 6-9, 2014
- Where: Yerevan & Gyumri, Armenia
- Out of the 1000+ Startup Weekends organized in 100+ countries so far, the Armenia-Turkey Startup Weekend marks the first instance in which entrepreneurs from two countries with no diplomatic relations jointly worked on developing business ideas
- Startup Weekend coincided with InnoWeekend, the largest technology entrepreneurship event in Armenia ever with 300+ participants
- To date, the delegation to Armenia was largest Turkish technology entrepreneurship delegation to any country
- Six cross-border startup teams were established and are still working on developing their business ideas

There was no better evidence of that than what took place during the culmination of the exchange: Turkey-Armenia Startup Weekend Gyumri. Twelve young startup enthusiasts from Turkey joined their peers from Armenia in the first cross-border Startup Weekend. This mixed grouping of entrepreneurs wasted no time in electrifying the room with ideas for



businesses.

While teams of young startup enthusiasts worked on building their products, other delegates, which include successful startup founders, venture capitalists, angel investors, accelerator and technology transfer office managers, and thought leaders on entrepreneurship from Turkey, spent time mentoring "Startup Weekend" participants and interacted with other senior entrepreneurs, investors and ICT experts from Armenia. These

activities enabled interaction between entrepreneurs, developers, designers, marketers, and startup enthusiasts from Armenia and Turkey leading to new opportunities for cooperation amongst them. A follow-up delegation from Armenia will visit Turkey in February 2015.







### Delegates

The Turkish Entrepreneurship Delegation for Armenia was selected meticulously among a wide list of senior-level candidates. They were nominated by multiple sources, and represent a diverse set of actors in Turkey's entrepreneurial ecosystem. They include:

- Arden Agopyan, Founder, CloudArena, a startup in Istanbul
- Başak Saral, Director, International Entrepreneurship Initiative Istanbul
- Bengi Korkmaz, Partner at McKinsey & Co
- Berrak Kutsoy, Advisor to the TOBB Young Entrepreneurs Board
- Elmira Bayraslı, Co-founder, Foreign Policy Interrupted; writer & author



- Erhan Erkut, Vice-President and Dean at MEF University Istanbul; founding president of Ozyegin University (2008-2013), Turkey's first entrepreneurship-focused college
- İhsan Elgin, Founding Director, Fit Startup Factory, Turkey's first accelerator program
- Kazım Yalçınoğlu, Chairman, Entrepreneurship Platform at Middle East Technical University
- Magdelena Yesil, Silicon Valley Executive and Investor
- Numan Numan, Managing Director, 212 Istanbul, venture capital fund based in Istanbul
- Ömer Hızıroğlu, General Manager, Innovent, Turkey's first technology transfer office at Sabanci University
- Ozan Sönmez, Director, New Ventures Accelerator, an IP-based accelerator at King Abdullah University of Science & Technology at Saudi Arabia
- Sezai Hazır : President of Habitat Centre for Development and Governance



# Yerevan (November 6-7, 2014)

The Entrepreneurship Delegation was launched with a public panel in Yerevan titled "Getting to know Information Technologies in Armenia and Turkey: Exploring possible collaboration."

The event began with opening remarks by Director of PJC Seda Muradyan, TEPAV's Director for Entrepreneurship Ussal Sahbaz, and keynotes by the **Head of the EU Delegation to Armenia Ambassador Traian Hristea** and

**U.S. Ambassador to Armenia John Heffern** (also on the photo on the previous page). Panelists included leaders of entrepreneurial ecosystem in Armenia as well as delegates from Turkey. They were joined by an audience included representatives of technology entrepreneurship community in Armenia, diplomati c missions, NGOs and media from both countries.

The panels provided an overview of the Armenian entrepreneurial ecosystem. Highlights







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included:

**R&D**: As a satellite republic of the former Soviet Union, Armenia served as a centre for the former Soviet Union's technological and mechanical research and development. Since Armenia's independence – and cognizant of the country's small size – there has been a move to resume the country's role as an R&D centre for engineering and technology.

**Education**: Both the Armenian government as well as the country's private sector are prioritizing ICT education. There are already a number of engineering clubs throughout the country. With a particular emphasis on robotics, Armenia has 50 clubs with 700 students engaged in this burgeoning field.

**Role of the diaspora**: More Armenians live outside the country than in it. Still, the majority remains engaged in Armenian affairs and support the country – particularly financially. The Armenian diaspora has created **Tumo Learning Centre**, a state-of-the-art entrepreneurial education centre for young people in Yerevan. It has enabled the creation of an ICT-focused high school. The Armenian diaspora has also facilitated introductions to

#### **Roundtable Discussion Participants:**

- Bagrat Yengibaryan, Director Enterprise Incubator Foundation
- Karen Vardanyan, Executive Director, Union of Information Technology Enterprises
- Manuk Hergnyan, Managing Partner, Granatus Ventures
- Numan Numan, Director, 212 Venture Capital Fund
- Elmira Bayraslı, Co-founder of Foreign Policy Interrupted, Writer&Author
- Yeva Hyusyan, Country Manager, Microsoft Armenia
- Nazareth Seferian Corporate Social Responsibility Expert
- Marina Mkhitaryan,Innovations Lab Lead, UNDP Armenia
- Serob Khacatryan, Education Expert, Philosophy Professor at YSU
- Artashes Vardanyan, Startup Acceleration Program Manager, Microsoft
- Erhan Erkut Vice-Rector and Dean at MEF University

foreign partners and businesses that have come into the country.

Following the panel, the Entrepreneurship Delegation visited major entrepreneurship hubs in



Yerevan, including, the National Engineering Laboratory, the Microsoft Innovation Centre, Ayb High School, and TUMO innovation centre. Among the startups the delegates called upon was PicsArt. PicsArt is a successful mobile photo editing startup with over 50 million users worldwide

### Gyumri (November 8-9, 2014)

The Armenia-Turkey Startup Weekend served as the centrepiece event. It kicked off on

November 7in Yerevan and continued in Gyumri on November 8-9. InGyumri participants gathered at the Gyumri TechnoPark, wherein parallel, two other entrepreneurship events were taking place: the Hackathon (YAN) and Gyumri 2014 and USAID supported Entrepreneurs Workshop FTW. All three events were part of InnoWeekend, the largest technological initative held in Armenia to date. Three hundred people including representatives of startups, entrepreneurs, experts, and investors participated in these three events.

The Startup Weekend brought together over 50 startup entrepreneurs and investors from Armenia and Turkey. Over the course of weekend, Armenian and Turkish startup enthusiasts shared ideas, formed teams, launched startup projects, built products and demoed prototypes







while established entrepreneurs and investors from Turkey and Silicon Valley held master classes. During the Startup Weekend, a hybrid of Armenian and Turkish startup enthusiasts "hacked" ideas that included an online home planning tool, an AirBnB for cars, a tourist service app, a booking service for massages given by the blind, and a cloud storage sharing service.

### Winners at Startup Weekend

	Winner	Honourable Mention for "Best Idea"	Honourable Mention for Best Team & Presentation:
Team	WeCloud	Home Planning	ChocoLove
Members	<ul> <li>Umutcan Duman</li> <li>Berkay Akçora</li> <li>Anita Alexanian</li> <li>Gor Vardanyan</li> </ul>	<ul> <li>Mihran Babayan</li> <li>Vahagn Hovhannisyan</li> <li>Emirhan Özdemir</li> </ul>	<ul> <li>Atif Taftaf</li> <li>Armine Tevosyan</li> <li>Sinan Vatandaş</li> <li>Arsen Gevorgyan</li> </ul>

A professional jury comprising of members of the Turkish delegation and representatives of the Armenian ICT community selected the Startup Weekend winner. On 9 November an Awards Ceremony was held that was attended by the Deputy Minister of Economy Emil Tarasyan and over 300 guests. The winner of Armenia-Turkey Startup Weekend was the WeCloud team comprising of 2 Armenian and 2 Turkish entrepreneurs.

## Background



The Entrepreneurship Delegation grew out of an effort to support to the Armenia-Turkey Normalisation Process (ATNP). ATNP is a formal programme, a set of activities implemented by a consortium of eight organizations from Turkey and Armenia and supported by the EU.

Over the past two decades, relations between Armenia and Turkey have been in diplomatic limbo. Following the intensification of the Nagorno-Karabakh military conflict in 1993,

Turkey closed its land border with Armenia and has kept the border closed ever since. There have been various attempts to normalize relations. ATNP programme aims to support the normalization by fostering people-to-people relationships among other things.

Closed borders have hampered economic prospects throughout the Caucasus region. Armenia, in particular, has been hurt. It is a landlocked country. As a result, the country has limited access to neighbouring and global markets. Given this situation, Armenia has prioritized ICT as a way to jumpstart its economy. ICT is least affected by the lack of movement and lack of regional cooperation. For Turkey, ICT is a priority in order tofully embrace a knowledge-based economy. Engaging with all the countries on Turkey's border and throughout the region is important.

**Public Journalism Club (PJC)** is an NGO based in Yerevan, Armenia. For further inquiries please reach out to Seda Muradyan, Director of PJC at <a href="mailto:sedamuradyan@pjc.am">sedamuradyan@pjc.am</a>.

**The Economic Policy Research Foundation of Turkey (TEPAV)** is a think-tank based in Ankara, Turkey. For further inquiries please reach out to Ussal Sahbaz, TEPAV's Director for Entrepreneurship at <u>ussal@tepav.org.tr</u>