

## **Government Test-and-Buy Program for Startups Expands into Smart Cities**

The Ministry of SMEs and Startups (MSS) is expanding its Government Test-and-Buy Program – under which the government directly tests and buys technologies and products from startups in new industries to help them build early markets and find sales channels – from robotics into the smart city sector.

The project, announced at a Cabinet meeting on April 28, offers full-cycle support: R&D results from startups in new industries such as robotics and smart cities are first tested by government and public institutions, then designated as innovative products, and finally backed through pilot purchases and overseas demonstrations.

### **Phase 1: Robotics**

In the first phase, focused on robotics, five government agencies including the Korean National Police Agency took part as demand institutions, opening 20 collaboration projects for application. Of the 31 startups that applied, 13 were ultimately selected, and field demonstrations will begin in July after consultations with the demand institutions.

Key demonstrations include:

- a. Korea Coast Guard – clearing marine pollution with AI swarm oil-recovery robots, at Incheon’s coastal pier (scheduled in the fourth week of July)
- b. Korea Heritage Service – an unmanned submersible that automatically identifies underwater heritage using AI, at underwater excavation sites (scheduled in the second half of the year)
- c. Korean National Policy Agency – searching for missing persons in rivers using water drones, at major rivers and other sites

Separately, MSS is itself testing and buying a delivery robot from a venture company for use within its own headquarters. The company running the demonstration, TWINNY, is a potential unicorn selected for MSS’s Unicorn Bridge Program this year. Its “NarGo60” is an autonomous delivery robot that can carry up to 60 kilograms of cargo and bring it safely to its destination on its own – handling jobs like moving administrative items between departments inside the building.

### **Phase 2: Smart Cities**

Building on the robotics phase, MSS invited central government bodies, local governments, and public institutions to propose smart city demonstration projects. In response, 18 institutions – including the Korea Meteorological Administration, the Korea Expressway Corporation, and the Busan Metropolitan Government – submitted 32 projects. After assessing them for technical feasibility in public settings, potential for collaboration, and room to scale, 23 were selected.

Notable projects include:

- a. Korea Meteorological Administration: an automatic control system for underground parking-lot food barriers to guard against weather disasters (crime and disaster prevention)
- b. Korea Expressway Corporation: a smart wireless relay robot for communication dead zones in tunnels and underground areas (facility management)

- c. Korea Land and Housing Corporation: conversational sign-language AI for the rollout of AI bus stops (transportation)
- d. Incheon Port Authority: a VLM AI-based CCTV solution that detects faults in solar power equipment (facility management)
- e. Korea Housing Management Corporation: self-driving drones with smart detection for early fire response in aging apartment complexes (housing)
- f. Busan Metropolitan City: bad-weather surveillance cameras for an AI crime-prevention and safety system (crime disaster prevention)

For the smart city phase, around 30 startups will be chosen to take part in the 28 collaboration projects. Each selected company will receive KRW 100 million in demonstration and collaboration funding, along with support for innovative product designation and pilot purchases.

### How to Apply

Startups wishing to join the project can apply through the K-Startup portal ([www.k-startup.go.kr](http://www.k-startup.go.kr)) from July 1 to July 22.

“For startups in new industries to grow in the market, landing that first customer and getting a chance to prove their technology matters more than anything,” said Cho Kyung-Won, Director General for Startup Policy at MSS. “After smart cities, we will keep expanding the project into other new industries such as AI and climate tech, to support the growth of innovative startups.”

For more news and updates on Korea's SME and startup policies, follow the Ministry's official **LinkedIn** page:

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