AN INTRODUCTION TO

START-UP ACCELERATOR PROGRAMS AROUND THE WORLD

by

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Front cover image by Adam Borowski (www.unsplash.com/@borkography)

ISBN: 979-8-218-16348-8

FOREWORD

Start-up companies fuel world economies.

Entrepreneurs have created a $6.4 trillion start-up economy around the world. As more people become entrepreneurs, they claim ownership of their future and help to drive the economy of their own country – and potentially global economies as well.

Diversity, thought leadership, and collaboration all work together to make the ecosystem of entrepreneurs a much richer place. To that end, I've collected information about entrepreneurship around the world from a multitude of sources and how different countries support their entrepreneurs with various programs and accelerators. I hope this ebook provides value as you explore your start-up ecosystem.

Why am I so passionate about entrepreneurship? As an entrepreneur, I "walked the walk," guiding two companies from start-up to exit. Subsequently, I served for five years as the director of MIT's delta v student venture accelerator program – a capstone entrepreneurial experience that helps launch student start-ups into the real world. I was also the Executive Director of the Martin Trust Center for MIT Entrepreneurship, an academic advisor, Entrepreneur-in-Residence, and MIT lecturer as part of my role at the Martin Trust Center for MIT Entrepreneurship. During the time I spent at MIT, I was fully immersed in a wide variety of innovative technologies and start-ups – including students who had come to MIT from all over the world. I had the opportunity to travel to various countries to present and share our insights on entrepreneurship and gain knowledge from programs abroad.

This guide is something that has been on my mind for quite some time. In my current role as an entrepreneurship consultant and coach, I am finally making the time to get it researched and written! The ebook is meant to be a source of information and inspiration to entrepreneurs who are exploring ways to start their own business, especially in countries outside the U.S. I also hope it serves as a resource for accelerators, governments, and other stakeholders in the global technology start-up ecosystem that may want other models to review or as input to make enhancements to their current programs or infrastructure. (Throughout the ebook, you will see LINKs to sources and additional information as well.)

I do want to acknowledge that this ebook is going to be dated right away – things are always changing and evolving. It also just samples different countries' entrepreneurship models and accelerators. This is not meant to be a static resource or a comprehensive one – it is more of a directional guide that explores some of the models that are working, offers a sampling of what other countries are doing, and gives you food for thought. I am also open to others who want to add to this resource from here – feel free to reach out!

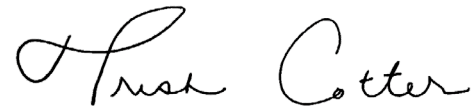
One of the things that I find interesting is the different perspectives on entrepreneurship globally. Although entrepreneurship is part of our culture of innovation here in the U.S., it is viewed through a different lens in different cultures. Americans may be known for their entrepreneurial spirit and chasing the "American dream," but countries around the world are also embracing entrepreneurship,

and many of them are supporting and enabling entrepreneurs in exciting and innovative ways.

I have many people to thank who helped me to understand what entrepreneurship is like in their country or region or have helped to pull this project together, including (in alphabetical order) Sadaf Arshad, Rowena Barrett, Maria Doyle, Alexandra Dunk, Marina Hatsopoulos, Patrick Kedziora, Hub Langstaff, Tim Lea, Adnan Maalaoui, Sangetta Mulchandani, Sanjay Palsamudram, Tu Pham, Saravanan Ponnaiyan, Vladyslav Protsko, Alwisa Samain, Ionut Tofan, Marius Ursache, and Deb Whitman for design, research, input, and review of various pieces of the ebook. I'd also like to thank the Martin Trust Center for MIT Entrepreneurship for its inspiration, opportunities, and exposure to the current and next generation of change-makers.

If you are a student, an entrepreneur, an entrepreneur-to-be, or you work in an accelerator or government that is working to encourage entrepreneurship, I hope this ebook provides you with insight and resources to explore entrepreneurship further in a global sense!

Best regards,



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INTRODUCTION TO ACCELERATORS

Welcome entrepreneurs! As one of the global centers of entrepreneurship, Silicon Valley shares much with Hollywood - its promise glitters for potential start-up founders. Hollywood produces world-class movies that take us on a voyage through new adventures and on a journey of escapism. Silicon Valley produces world-class technology that takes us into new realms of business opportunity and success. Both entrepreneurs and actors are drawn to the lights, camera, and action of both.

The journey to success requires the blending of a whole raft of hard and soft skills. Sadly, most entrepreneurs are ill-prepared for the journey and unaware of what it takes to succeed. This, in part, has helped define the role of accelerators that have exploded across the globe since Y Combinator was started in Cambridge, Massachusetts in 2005.

Before we dive into a region-by-region exploration of entrepreneurship in various countries, I'd like to start with a brief introduction to start-up accelerators. Essentially, what are accelerators and how do they help entrepreneurs?

This discussion will help you determine if you are at a point in your entrepreneurial journey where an accelerator will be advantageous to your start-up, point out some of the pros and cons, and guide you in your decision about which programs to apply to.

What are start-up accelerators?

As defined in a Harvard Business Review article, "Start-up accelerators [also known as seed accelerators] support early-stage, growth-driven companies through education, mentorship, and financing. Start-ups enter accelerators for a fixed period of time, and as part of a cohort of companies. The accelerator experience is a process of intense, rapid, and immersive education aimed at accelerating the life cycle of young innovative companies, compressing years' worth of learning-by-doing into just a few months."

More broadly speaking, accelerators "help ventures define and build their initial products, identify promising customer segments, and secure resources, including capital and employees. ... They usually provide a small amount of seed capital, plus working space. They also offer a plethora of networking opportunities, with both peer ventures and mentors, who might be successful entrepreneurs, program graduates, venture capitalists, angel investors, or even corporate executives." (Susan Cohen, entrepreneurship researcher)

As founders launch their start-ups, they realize that the harsh reality of the entrepreneurial ecosystem is that 90% of start-ups ultimately fail. While it's very easy for us all to dismiss the data and thrive on our natural bias toward our own abilities and capabilities to succeed, the graveyard of ambition is littered with those that didn't respect or choose to understand how others view the high risks of the start-up ecosystem. That's where accelerators come in. Accelerators can help start-ups with both resources and can also ask the tough questions needed to determine if a business idea and the team supporting it will be successful.

What makes accelerators unique?

Start-up accelerators are typically defined by four distinct factors that make them unique. These include:

- Fixed term
- Cohort-based
- Mentorship-driven
- Culminate in a graduation or "Demo Day"

Although other programs that support start-ups may include some of these elements, accelerators have all of these elements.

What are the benefits of working with an accelerator program?

When you put a group of talented start-ups, mentors, investors, and business decision-makers together for an intensive, collaborative learning experience, those start-up companies tend to see lots of benefits. Some of these include:

- Intensive and customized coaching and mentoring
- Professional networking opportunities
- Access to opportunities with well-established companies and influencers
- Personalized guidance from serial founders and investors
- Opportunity to scale your business
- Opportunity to build and develop your team
- Learn from your peers
- Collaboration and partnerships with other innovative start-ups
- Hands-on, learning by doing
- Co-working space
- Capital investment or other funding
- Opportunity to pitch to investors at Demo Days
- Increased chances to raise seed funding
- Access to venture capitalists and other investors who can provide capital for growing businesses

(Sources: MassChallenge, MIT, Techstars)

How much capital do accelerators usually provide?

What is the typical equity stake?

Capital is a big part of why start-ups seek out accelerators.

The amount of capital accelerators provides varies widely. For example, Y Combinator invests $500,000 in every company on standard terms. Techstars invests $120,000, and smaller, less well-known accelerators invest smaller amounts.

Typically, the amount of venture capital your start-up can receive from an accelerator ranges from about $20,000-$150,000, but it all depends on the program. Almost all start-up accelerators offer a lump sum in exchange for a certain percentage of equity in your company, usually around 5-7%.

However, some accelerators ask for as much as 15% equity or as little as 1%. Some start-up accelerators don't even ask for any equity, particularly those run by colleges and universities.

For the educational and other accelerators that don't take an equity stake, there are still sources of funding, including stipends, funding based on predetermined milestones, and often prize money.

(Sources: Y Combinator, Techstars. SVB, Failory, MIT, MassChallenge)

Where do VCs come in?

Some accelerator programs are run by venture capital (VC) firms that have an accelerator program as part of their offering.

Other accelerators are independent of VC firms, however, if your project has been accepted into a well-known accelerator, it sends a very positive signal to a VC. The VCs see that a trusted third party has already undertaken substantial due diligence and is providing a structured program to improve your start-up as part of their cohort.

Venture capitalists want access to the best deals that generate exceptional returns over the lifetime of their funds – they are searching for the elusive unicorns (defined as a privately held start-up company that is valued at more than $1 billion).

As a result, VCs are highly focused on risk management closely following the unwritten 1% rule, which means VCs typically support about 1% of the deals they review. The challenge is that VCs don't know with absolute certainty which deals will be the elusive unicorn, which will succeed, and which will fail.

It is also important to acknowledge that many start-ups can be successful in a niche market, providing a specific solution to a certain market, so the dream of becoming a unicorn should not be the end-all, be-all.

How does an accelerator differ from an incubator and other programs that cultivate start-up success?

MassChallenge defines the differences between accelerators and incubators this way:

- **Start-up incubators** help entrepreneurs refine business ideas and build their companies from the ground up.
- **Start-up accelerators** provide early-stage companies that already have a minimum viable product (MVP) with the education, resources, and mentorship needed to promote what might otherwise be several slow years of growth into a few short months.

Within the category of an accelerator, there can be further delineations, including early-stage accelerators, growth-stage accelerators, industry-specific accelerators, corporate accelerators, and social entrepreneur accelerators. (Faster Capital)

In addition to incubators, angel investors and other programs can also support start-up ventures. This chart shows the difference between programs.

(Source: HBR)

So, how do you choose between different types of programs?

A typical incubator may share space in a co-working environment with a month-to-month lease program, gain additional mentoring, and some connection to the local community. (Tech Republic)

Incubators are generally not designed for growth and scale. Instead, they are designed to foster and support businesses that are developing. They are meant to nurture entrepreneurs and help them hone their business idea, so are typically better suited for those who are early in the entrepreneurial process – specifically smaller start-ups.

An accelerator is typically the best option for fast-growing start-ups and already well-established ones. If your start-up has a validated MVP and

strong founding team, but not enough capital to scale and get significant traction, your start-up could be a good fit for an accelerator program. (MassChallenge)

This ebook will focus on **accelerator programs** in each geographical region, it does not cover incubator programs.

There is one other distinction I'd like to make that has been mentioned briefly, above. Coming from MIT's student venture accelerator program, I'd like to point out that not all accelerators work on an investment model. Educational accelerators – or university accelerators – are typically not-for-profit. This means they do not take an equity stake in the start-ups they nurture. There are also other programs, notably MassChallenge, that are zero equity accelerators.

How long have start-up accelerators been around?

Start-up accelerators have only existed in the last two decades, although the concept was started by businesses much earlier. As early as the 1930s, organizations such as MIT's Industrial Liaison Program were helping to bridge the gap between research institutions and industry. This type of program, while not technically an accelerator, was the first step toward creating a structure to help nurture the growth of new businesses. (Faster Capital)

The first seed accelerator was Y Combinator, started in Cambridge, Massachusetts, in 2005, and then later moved to Silicon Valley by Paul Graham. It was followed by Techstars (in 2006), Seedcamp (in 2007), AngelPad (in 2010), and Startupbootcamp (in 2010).

In Europe, the first accelerator program was started by Accelerace in 2009 in Denmark (strongly subsidized by the Danish government) followed shortly after by Startup Wise Guys in 2012 in Estonia.

Artesian has created an interesting history of incubators and accelerators graphic that starts with corporate accelerators, like Bell Laboratories, in 1925 and shows how new versions of accelerators have emerged, and continue to emerge.

How many accelerators exist today?

Accelerator programs have certainly exploded in recent years. Beta Boom reports that there are over 3,000 accelerators worldwide and over 1,000 in the United States alone (2021 data).

This is enormous growth – a 2016 article by The Brookings Institution that looked into research on the success of accelerators, reported that growth of U.S. accelerators had really taken off, but was holding steady at about 170 in 2014 and 2015, so nearly 500% growth has occurred in U.S. accelerators in six years.

Is there research that shows accelerators help make start-ups successful?

You will find that each accelerator program will tout their own success, yet there is not a lot of research on accelerator success across the board or globally. Here is some research that shows how accelerators help start-ups succeed:

According to The Brookings Institution research, which was published in 2016, "Accelerators can have a positive effect on the performance of the start-ups they work with, even compared with other key early-stage investors, such as leading angel investment groups. However, this finding is not

universal. So far, positive effects have been only attributed to leading accelerators."

"Early evidence points to the potential for substantial benefits. Done well, these programs can be effective at helping some of our most high-potential companies reach goals more quickly and assuredly. Perhaps more importantly, they have been shown to attract more investors and focus energy ..."

To that point, "approximately 38% of start-ups that pass through accelerator programs raise Series A funding, and accelerated companies are 50% more likely to raise seed funding than non-accelerated companies." (Medium, Dealroom data)

Research conducted at UNC with eight U.S. accelerators, and published in 2019, shows, "accelerator companies raised 47% to 171% more investment funding in the two to three years following the accelerator experience" than their non-accelerated peer companies. "Businesses that went through an accelerator also got more traffic to their website, tended to end up with more employees and had a higher chance of surviving the critical first years of a new venture."

To round out the discussion to include incubator success, The International Business Innovation Association (INBIA) – formerly the National Business Incubation Association – estimates there are currently 1,400 incubators operating in the U.S. They report that after five years, businesses that were nurtured in a business incubator have a survival rate of 87%, as compared to a survival rate of 44% for companies that go it alone.

I'd also like to point out a 10-year impact study done by MIT on its delta v student venture accelerator program with impressive start-up survival rates, attractiveness to investors, and serial entrepreneurship. Details of this study are in the next chapter.

How do you choose an accelerator program? How do you apply?

It is critical to do your research on the accelerator programs you are interested in before applying. Applying to an accelerator program is not a decision to take lightly.

Most accelerators have detailed information and FAQs on their website. Choose a program that is a good fit for your start-up and one that you believe will make a difference. You must also commit your time and energy to the accelerator process. It really is an intensive, "boot camp" environment.

Some accelerator programs are extremely competitive and the acceptance rate can be as low as 1.5%. In such cases, for every 7,000 applications there will be only 106 spots available. (Forbes) (For comparison, Stanford has a 5.1% student acceptance rate and Harvard's acceptance rate is around 5.9%.) However, these super competitive programs may not be the best fit for your business.

Accelerator programs accept start-ups cyclically in cohorts. At most accelerators, the application process is done in stages. Here, MassChallenge shares their process:

1. **Application**. An application will ask for specifics on a start-up's idea, market, traction, team, and other aspects vital to success.
2. **Assessment**. Promising teams from the pre-screening phase move on to be assessed for investability, revenue potential, and overall strength of the product/service offering.
3. **Interview**. At this stage the accelerator is very interested, but wants to know about the team, product and evidence of traction.
4. **Evaluation**. Interviewees provide documents to prove statements about revenue, legal standing, or any claims made about the company.

5. **Acceptance**. Upon completion of the final evaluations, the investment committee will meet to finalize where the funding will go during the program.

How are accelerator programs changing and evolving?

As accelerator programs continue to evolve, accelerator programs are becoming more specialized, remote-friendly, diverse, and sustainable.

Some accelerators are increasing their focus on specialized programs in a specific industry or technology area such as finance, healthcare, green-tech, or artificial intelligence. Another trend is the emergence of remote accelerator programs, which has gained more prominence since the COVID-19 pandemic. A third trend is the increasing focus on diversity in accelerator programs as it becomes increasingly clear that diverse teams are more successful. Finally, there is an increasing emphasis on sustainability in accelerator programs. (Fast Capital)

Summary

As you go through this compendium of global accelerators, you will see how accelerators are an important and very necessary part of the entire start-up ecosystem. They can provide your business with the frameworks, structures, connections, and initial funding - that combined - increase your likelihood of success.

United States

By almost every metric, the U.S. is known as the top-ranked start-up ecosystem in the world. As a result, there are many accelerator programs to choose from. Here we'll take a look at some of the top accelerator programs, with a more detailed focus on academic accelerators. At the end of this chapter, we'll take a deeper dive into the accelerator programs at MIT, to share more information about the programs and success metrics.

The primary role of an accelerator program is to facilitate rapid growth of a start-up company through planned funding, mentorship, resources, guidance, and community support in exchange for equity or pure satisfaction!

A typical accelerator program in the U.S. offers seed funding, office space, access to technology, expert mentorship, and an inspiring community environment—all packed into a limited time frame. In most accelerator programs, the final benefit to the start-up is a repeatable model, which may be used many times to churn out successful companies in an assembly-line fashion.

So what will the accelerator programs gain in return? Well, the gain may be company stocks, equity, or just plain satisfaction of being able to mentor start-ups to the level of fully operational businesses.

The Big Picture - Accelerators in the U.S.

In recent years, many global accelerator programs have launched in the U.S., and Silicon Valley certainly takes the lead in this effort. While there may be nearly 200 accelerators in operation worldwide, according to Seed-DB, the original accelerators such as Y Combinator (YC) or Techstars are still regarded as leaders, followed by many other programs as role models. However, it's the high-quality lineup of mentors in Techstars or YC that makes these two programs highly desirable to both entrepreneurs and venture capitalists. As literally hundreds of start-ups from all over the globe appear every day looking for ideal accelerators, it is prudent to know that joining an accelerator program in itself does not guarantee success; in some cases, the accelerator can actually become a roadblock.

This article in Business News Daily outlines how start-ups can increase their success by leveraging the help of an incubator or accelerator program.

Incubators vs. Accelerators

When Paul Graham created the Y Combinator program in 2005, it was thought of as an incubator, which largely promises office space in exchange for equity. However, this program later developed into a strong accelerator displaying marked differences from the incubator model. While both the incubator and the accelerator share a common mission of guiding a start-up, the main differences between the two are the applicable time periods, which are short and defined in the case of accelerators; time-bound funding in exchange for equity with accelerators; and the rare incentive of A-list mentors offered by most accelerators.

The 500 start-ups accelerator network (500.co) has connected Silicon Valley with the rest of the world. Catering mostly to international start-ups, this program is doing a commendable job of supporting start-up founders from abroad to get their feet wet.

The top accelerators change places in various ranking lists, but Y Combinator, Techstars, 500 start-ups, Plug and Plan, and Angel Pad are just five of the many accelerators in the US. It is widely known that YC takes 7% equity and 500 start-ups take 5%, but there are some accelerator programs that take as much as 50%. This practice may make it difficult to raise another funding round later with less equity to offer VCs.

These links to some of the top US accelerators can help you learn more:

Techstars - https://www.techstars.com/

Y Combinator - https://www.ycombinator.com/

500 start-ups - https://500.co/companies

Plug and Play - https://www.plugandplaytechcenter.com/

Angel Pad - https://angelpad.com/

On the other hand, accelerator-type programs offered by top universities like MIT, Stanford, Harvard, or Babson do not take any equity from student companies. Non-academic accelerator programs like MassChallenge also do not take any equity. The programs that do not take any equity usually demonstrate strong networks with the VC community and other corporate sponsors for fundraising issues.

This chapter will go into more detail on the academic accelerators as they are less widely known than those listed above.

There are accelerators for all segments of industry that support and help accelerate growth.

Prerequisites for Joining an Accelerator

To join any accelerator program as a founder:

- you must have a product—not just an idea
- you must be willing to set milestones and meet them
- you must be willing to hear diverse opinions and build your own intuition
- you must be willing to build a community of support and this includes mental health.

Without the right mindset, a start-up searching for a suitable accelerator program can get sidetracked into funding details, glossy mentor lists, or the offered infrastructural capabilities. But, to locate a good match between a start-up and an accelerator, start-ups ought to consider these prerequisites for joining. No matter how enthusiastic, start-up founders must be coachable and willing to engage in the community.

According to the Association to Advance Collegiate Schools of Business, demand for entrepreneurship education was up 66 percent year-on-year as of March 2020 —a strong indication that, during times of great crisis, students perceive new business creation as a catalyst for helping them find opportunities. The universities and colleges listed below are just a small sample but share a common theme. The focus is on the entrepreneur's education, not on the start-up's outcome. They all provide support and programming to the student and their venture, some during the school year, during calendar breaks, and provide centers where students can meet other entrepreneurs and alums.

So how do U.S. accelerator programs offered by top academic campuses measure up against the many other accelerator programs?

Academic Accelerator Programs in the U.S.

MASSACHUSETTS INSTITUTE FOR TECHNOLOGY (MIT)

The Martin Trust Center (MTC) for MIT Entrepreneurship

The Martin Trust Center has played a pivotal role in fostering a spirit of innovation and entrepreneurship among the student community. According to reported estimates as of 2014, worldwide there were 30,200 active companies founded by MIT alumni employing 4.6 million people and generating annual revenues of $1.9 trillion. These MIT alumni start-ups collectively represent the 10th largest economy in the world. (This longitudinal study will be repeated again this year.)

Martin Trust Center offers a series of entrepreneurship courses for undergraduate and graduate students, hardware infrastructure, a collaborative workspace, meeting rooms, a video conference system, and even coffee and snacks to inspire young innovators. The advisory panel, boasting the brightest minds in the industry, is available to provide guidance while the MIT Global Founders' Skills Accelerator (MIT GFSA) and events like Speaker Series, Roundtable sessions, or the MIT $100K competitions are additional facilities to boost entrepreneurship around the campus.

One of the cornerstones of MIT's entrepreneurship education is the Disciplined Entrepreneurship framework. Bill Aulet, MIT's Ethernet Inventors Professor of the Practice, wrote the ***Disciplined Entrepreneurship*** book, and I have taught the framework at MIT - if you're looking for a good resource to establish an entrepreneurial mindset and a process for starting an entrepreneurial venture, this is a good place to start in that it that breaks entrepreneurship into a systematic 24-step process.

The MTC partners with The Sandbox Innovation Fund which provides meaningful seed funding of up to $25,000 for student-initiated ideas, mentoring from within MIT and from a broad network of partners, and educational experiences. Its objective is to help students to develop the knowledge, skills, and attitudes to be successful innovators and entrepreneurs

Currently, several universities are creating relationships with leading universities in other countries. MIT has such a partnership with the Queensland University of Technology (QUT). They are also establishing other global relationships. This type of partnership generates new thinking and creates more innovative programming for both universities.

For more of a deep dive into the entrepreneurship initiatives at MIT, please see the end of this chapter.

STANFORD UNIVERSITY

There are a wide array of accelerators in Silicon Valley and there are many accelerators and incubators programs for students. The availability of capital in Silicon Valley allows students to go straight to angel/seed funding. Stanford's entrepreneurial ecosystem is rich and diverse, with deep ties to Silicon Valley and regions around the world. The university's entrepreneurial activity is decentralized, flourishing through the work of students, faculty, and staff engaged in events and initiatives for the Stanford community. There are a couple of key programs that highlight the focus.

Stanford Venture Studio

The Stanford Venture Studio is an entrepreneurship hub for Stanford graduate students exploring new venture ideas. It connects students to resources, entrepreneurial expertise, and an interdisciplinary community of like-minded peers and alumni. The Stanford Venture Studio is self-directed and unstructured, offering students a trusted network of mentors, advisors, peers, and alumni to guide them in the process of developing a new business idea while exploring entrepreneurship as a career path. The program contains many benefits and components commonly found in an incubator or accelerator program but is designed to be an educational experience rather than a start-up accelerator. The Venture Studio focuses on educating entrepreneurial leaders, rather than birthing or accelerating companies. Venture Studio participants do not give up equity in order to participate in the program.

Cardinal Ventures

This student-run, zero-equity accelerator is open to current Stanford students. It operates as a 10-week long program of 12-20 teams with the goal of supporting student entrepreneurs at the earliest stage. Cardinal Ventures provides a community of founders, a robust entrepreneurship curriculum, and a worldwide network of mentors, investors, and other accelerators.

StartX

Although not part of Stanford University, StartX is a stand-alone non-profit organization that organizes a community of serial entrepreneurs, industry experts, tenured Stanford professors, and well-funded growth-stage start-ups, and operates a series of programs to support entrepreneurs. StartX believes that entrepreneurs can achieve more as a group than we can as individuals. It helps its companies hire elite talent, secure funding, and tap into the Stanford University Alumni Network.

HARVARD UNIVERSITY

Harvard Rock Accelerator

The Harvard Rock Accelerator Program serves both student entrepreneurs and student investors who work together to grow and sustain a start-

up operation. This one-year-long program offers 10 to 20 founding teams $8,000 in funding, excellent mentors, and peer exchange sessions till completion.

Harvard I-Lab

The Harvard i-lab is a community dedicated to furthering innovative ideas by undergraduate and graduate students from all thirteen Harvard schools. Within the i-lab's physical and virtual spaces, students can find comprehensive support, meet collaborators, connect with experts, and turn their ideas into action. The i-Lab offers a broad range of highly-curated resources and programming designed to meet entrepreneurs wherever they are in their entrepreneurial journey.

BABSON COLLEGE

Babson College has programming includes seed funding, advising, workspace, mentoring, self-assessment, and peer support, providing year-round support through the Butler Launch Pad. The program also includes the Glavin Office of Multicultural & International Education, where immigration attorneys offer work authorization guidelines to international students with restrictive visas. Learn more.

There are several entrepreneurship centers at Babson College that have accelerators. These programs fit under the umbrella of the bigger Arthur M. Blank School for Entrepreneurial Leadership.

Blank Center for Entrepreneurship Summer Venture Program

Center for Women's Entrepreneurial Leadership WIN Lab

Black Women's Entrepreneurial Leadership (BWEL) program

There is also information here about Babson's approach to entrepreneurial leadership.

Beyond Stanford, MIT, Harvard, and Babson, there are other university and college accelerator programs worth checking out at Boston University, Tufts, Wentworth Institute, Northeastern University, Emerson College, Worcester Polytechnic Institute, Bunker Hill Community College, Yale, Cal Tech, USC, Cornell, Duke, University of North Carolina, University of Virginia, Ithaca, Northwestern, University of Chicago (Booth), University of CA Berkley, and the University of Massachusetts.

TECHSTARS AND MASSCHALLENGE

Although Techstars and MassChallenge are not academic accelerators, they are included here because of their deep university relationships.

There are a handful of non-academic accelerator programs that have already proved their mettle in the start-up universe. The Techstars program offers powerful industry expertise, direct mentorship, and business-development opportunities to growing start-ups through daily encounters with a network of Fortune 500 executives who become accessible through this program. Techstars also offers more than 400 perks valued at over $1 million—coming from corporate partners, mentor companies, and sponsors.

The MassChallenge accelerator program includes a rigorous, four-month session of mentorship, education, and networking in available office space. A lot of cash and other awards are offered through this program. Open to any early-stage start-up, this program welcomes start-ups across industries and takes no equity. The redeeming features of this program are "Mentor Matching" events, online dashboard for connecting with field experts, flexible educational programs, and a strong community network.

So what are they doing right?

Best Practices and Success Metrics

As you can see, the accelerator community in the U.S. can be broadly divided into two segments: the accelerators owned by university campuses and the independent accelerator programs.

The accelerators who take equity believe the start-ups they support are the ones who will finally survive because of their financial stake in the game. Yet, educational accelerators are driven by universities, with unique capabilities and access to talent.

Top accelerator lists are always changing, but here is a list of the top 50 start-up accelerators in the U.S., curated by Altar.io as of 2022.

The success of an accelerator can be measured in many ways from funding secured to the survival rate of the start-ups. Below, you'll see a deeper dive into MIT's delta v accelerator, including a longitudinal study of success metrics.

How to Select the Right Accelerator

According to a study cited in a GoingVC article, start-ups that graduated from accelerator programs have approximately 26% higher chance of surviving their first two years, and 23% better odds at remaining operational after 5 years as compared to other new businesses in the U.S.

The article suggests asking the following three questions to help choose the right accelerator and provides additional information for consideration.

- Is my start-up ready for an accelerator?
- What about this accelerator makes it uniquely equipped to help my start-up succeed?
- What are my company's biggest needs and how can this accelerator's resources help me address them?

A Deeper Dive into Entrepreneurship at MIT

"While Fortune 500 companies have lost more than 5 million jobs since 1980, new ventures created 34 million new jobs in that same period."

This powerful statement by DF Kuratko in "Entrepreneurship education: Emerging Trends and challenges for the 21st Century" (2003), shows how entrepreneurship has evolved as one of the most important drivers of the global economy, as it promotes innovation.

This author worked at the Martin Trust Center for MIT Entrepreneurship and believes MIT's entrepreneurship programs have played a pivotal role in fostering a spirit of innovation and entrepreneurship among the student community at MIT. In addition, MIT partners and works with other organizations and makes much of its content available globally.

With my background and expertise at MIT, I have added a deeper dive into some of the MIT entrepreneurship programs here, along with the results of a longitudinal study that shows the impressive 10-year results of MIT's delta v student venture accelerator.

Apart from offering entrepreneurship courses for undergraduate and graduate students, the Martin Trust Center also provides hardware infrastructure, collaborative workspace, meeting rooms, a video conference system, and even coffee and snacks to inspire young innovators. The advisory panel boasts the brightest minds in the industry, and programs such as the MIT Global Founders' Skills Accelerator Program (MIT GFSA), and events like their Speaker

Series, roundtable sessions, or the MIT $100K competitions are additional facilities to boost entrepreneurship around the campus.

MIT's delta v accelerator

The three-month-long delta v accelerator combines entrepreneurial education with real-world opportunities for incubating brilliant ideas and later marketing products born out of such ideas. This program recruits the best teams, based on presented ideas or a proof of concept. Team members are selected from across the MIT campus and other global university partners. The direct benefits of this one-of-a-kind accelerator program include:

- Equity-free funding up to $20K
- $2,000 monthly fellowship for a student's living expenses
- Dedicated workspace during the summer
- Mentorship and guidance to develop ideas and skills
- Resources support ongoing entrepreneurial activities
- Opportunity to pitch to investors during Demo Days in Boston, New York City, and San Francisco

With such a promising program, the selected teams learn to gauge the market, develop a suitable product, and secure initial customers so that they are fully prepared to face the Demo Day.

The impact of the delta v accelerator has been measured over 10 years. The results are compelling given that the goal is for students to have a safe environment to take risks and determine if the start-up is their career choice and if it is economically viable. If students decide that they want to focus elsewhere, that the start-up is not economically viable, they don't like the start-up life and decide to shut down prior to turning down more impactful opportunities or taking investors' money that is success by delta v standards.

The Impact of One Accelerator: MIT's delta v

MIT conducted a longitudinal study on the impact of its delta v accelerator on the program's 10th anniversary in 2022. The study was based on ten cohorts of start-up teams that went through the accelerator program from 2012 to 2021, covering 181 teams and 692 participants.

The 10 Years of delta v Impact Study concluded:

1. **Ventures Derived from Program Have Been Very Successful** by traditional metrics, including survival rate, attractiveness to investors and magnitude of funding attracted.
    a. **Survival Rate:** Since its inception, 61% of delta v projects have become real companies that either continue to exist to this day or have been acquired. If you look at the companies from the past five years, that number increases to 69%.
    b. **Attractiveness to Investors:** 63% of all the projects have resulted in companies that raised money.
    c. **Magnitude of Funding Attracted:** The companies that have raised to date have totaled over $1 billion so far.
2. **Alignment with MIT's Mission of Principled Entrepreneurship Is Very Strong:** These start-ups that resulted from the delta v program are focused on the most challenging and fundamental problems facing our society. 89% are aligned with the United Nations Sustainable Development Goals. The top industry by over a factor of 2x is healthcare.

3. **Participants Go On to Found Other Companies at a Prolific Rate:** Despite the large number of entities that continue to operate and the participants still engaged with them, 17% of delta v students have started at least one additional company *beyond* the one that took part in delta v. The result is over 130 new additional companies that have raised an additional $2 billion beyond what was mentioned above.
4. **Diversity Has Been at the Core of delta v from the Beginning and, as a Result, It Has Grown Over Time:** Seeking heterogeneous teams was designed into delta v from its inception. This is what produces the hybrid vigor (i.e., individuals doing together what they could not do on their own) to make the program successful. The data from the study reflects this diversity, but in the area of entrepreneurs who are female, there is real progress that has been achieved so far.
5. **Delta v Has Built a Connected Community**: 85% of the participants say they are still in touch with their cohort from their time in the accelerator and many thought this was the most unexpected benefit of the program – the lifelong and extremely valuable community they built during their time together.
6. **Participants and Teams Connected Extremely Well to Broader Communities Internally as Well as Externally to MIT**: delta v is a capstone program at MIT to prepare our students for success in the outside world. In terms of external connections, of the 181 teams who entered delta v as potential companies, a remarkable 68 (37.5% of the pool) were accepted into external, private/for-profit accelerators, led by Y Combinator, Techstars, and MassChallenge.
7. **Participants Are Extremely Satisfied Quantitatively and Qualitatively**: The average Net Promoter Score (NPS), a measurement of how willing the participants are to recommend the program to others, is 69 across all cohorts, which is excellent in the service industry. From a qualitative standpoint, the most common feedback we got was "it changed my life."

Of course, these conclusions do not mean the program is perfect, far from it, and the team is always looking for ways to improve the program. That being said, the first 10 years have been extremely successful and have laid the foundation for the Trust Center to build going forward.

Other MIT Accelerator Programs

INNOVATION HQ

Provides a home for MIT's thriving community of innovators and entrepreneurs, supporting all who pursue ideas with a passion for world-changing impact.

DESHPANDE CENTER

The Deshpande Center for Technological Innovation (deshpande.mit.edu) chiefly funds faculty research and technology commercialization at the Institute

MEDIA LAB

The Media Lab Entrepreneurship Program (media.mit.edu/ventures) offers coursework that helps students commercialize media technologies.

GORDON-MITELP

The Bernard M. Gordon-MIT Engineering Leadership Program (gelp.mit.edu) provides training on leadership and communications skills to student engineers.

LEGATUM CENTER

The Legatum Center for Development and Entrepreneurship (legatum.mit.edu) promotes social entrepreneurship among campus students.

LEMELSON PROGRAM

The Lemelson-MIT Program (lemelson.mit.edu) promotes innovation among campus students through the Lemelson-MIT National Collegiate Competition.

MIT eForum

The MIT eForum (or The Entrepreneur Forum) was founded in 1978. It is an independent non-profit organization whose mission is to provide practical programs for any startup founder—anywhere—who's ready to succeed. The MIT eForum is a member of The Martin Trust Center for MIT Entrepreneurship.

Apart from the above several entrepreneurial clubs, competitions, and related initiatives help preserve the culture of innovation and entrepreneurship at MIT. Working in close contact, these different entrepreneurship-driven engagements across MIT continue to launch company after company throughout the globe.

Europe

Europe is well known for its investment in research, and, more recently, there has been a greater focus on commercializing this research. Entrepreneurship thrives globally, and the European Union (EU) has invested in building and supporting the ecosystem.

There is a lot of literature on Europe's main entrepreneurship hubs – and we have identified a couple – but also highlighted some areas that may be surprising. We've also highlighted some areas that have had greater government support of start-ups, with varying results.

As serial entrepreneur Patrick Kedziora explains, the European Union is making investments across the Union to support the developing entrepreneurial ecosystem. The appetite for risk across Europe differs; however, the various Union countries embrace entrepreneurship.

The focus is on having a national presence, an angel presence, and local government investment. As an entrepreneur, you need to work with all three; plus a fourth: EU-wide grant programs like Horizon Europe. For example, a typical first-round investment will consist of €100K in angel funding who seek a return on their investment, €100K from the local government interested in growing employment, and if there is a national program, then another €100K. Overall, the countries in the EU continue to increase their knowledge of starting and scaling businesses.

For the sake of this ebook, we are including the UK within the continent of Europe, although economically, the UK has left the European Union with the Brexit Referendum.

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Capital investments

The capital investment market grew to more than $100B and rose tremendously. European top start-ups are rising faster than ever, with another 98 technology unicorn status this year. Unicorn start-ups are defined as private companies that reach a valuation of $1B or more. As of 2023, there are only 554 unicorns worldwide, and attaining unicorn status can be incredibly difficult. A business only has a 0.00006% chance of becoming a unicorn, and it takes an average of seven years for nascent start-ups to grow into unicorns. Even rarer, the decacorn herd (private, venture-backed companies with a value exceeding $10B) also doubled in size: 26 European companies now hold that status.

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Europe has the highest investment growth in history with very sharp dynamics. This was $28.2B investments in start-ups in Q1 2022, the 2nd highest quarter results in history for Europe just after Q2 2021 (+31% vs. Q1 2021), but the investments in Q1 2022 are 31.2% higher than in Q1 2021.

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Even though it took decades to reach a value of $1 trillion in December 2018, currently, the total value of the European tech ecosystem crosses $3 trillion.

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We also would like to notice negative seed investments with -16% QoQ dynamics and a 14% drop compared to 2021, starting with around 570 seed round deals in Q1 2019 and 412 in Q1 2022. The interesting point is that the most significant European ecosystems (i.e., Berlin, London, and Milan) have the most considerable decreasing dynamics. At the same time, cities such as Bristol, Lyon, and Riga show the sharpest growth.

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However, despite decreasing the number of seed stage deals, the overall attitude is very positive.

Across every metric, Europe's capital markets are maturing. There are more investors of every type, at every funding stage, and from international and domestic funds.

Competition to get access to and win over the best founders is increasing - from the first check invested all the way through to the late-stage market growth stage.

VC has become the leading funding mechanism for entrepreneurs, but to stay competitive, VCs have to keep innovating. As the opportunity set matures, global investors are doubling down: from seed rounds to public markets, more international investors and buyers are now active in Europe. While investors across the board have more conviction in European tech, pension funds still lag in their allocation to tech.

Nevertheless, what critical challenges can the founders and VCs see in their daily routines? The answer is talent.

According to a State of the European tech survey, 43% of repeat founders believe the depth of the talent has improved over the past year, yet 25% of people still see talent as the greatest challenge facing the ecosystem.

Talent plays a considerable role when it comes to previous experience. 38% of founders and leaders have previous experience at more than two tech companies, and 19% have experience in unicorn companies.

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Key European Start-ups Verticals

Key Verticals by deals number - since 2019 and last six months (Q4 2021 and Q1 2022)

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Europe continues to produce more tech IPOs than the US, however, IPOs across the board decreased sharply in 2022 as compared to 2021. Yet, Europe is only in the first innings of its tech journey, with all indicators now pointing towards many trillions in value to be added over the next decade, even in a conservative scenario.

Public US tech companies are most active in M&A, with 55% of deal value, the highest for the past three years. Private equity is more interested in VC-backed companies - seven out of 13 PE acquisitions in the past two years were VC-backed.

In public markets, Europe continues to produce more tech IPOs than the US (but they're much smaller on average). 2021 has seen 50 more unicorns join Europe's public herd - but a substantial share of Europe's largest $1B+ companies are listed in the US.

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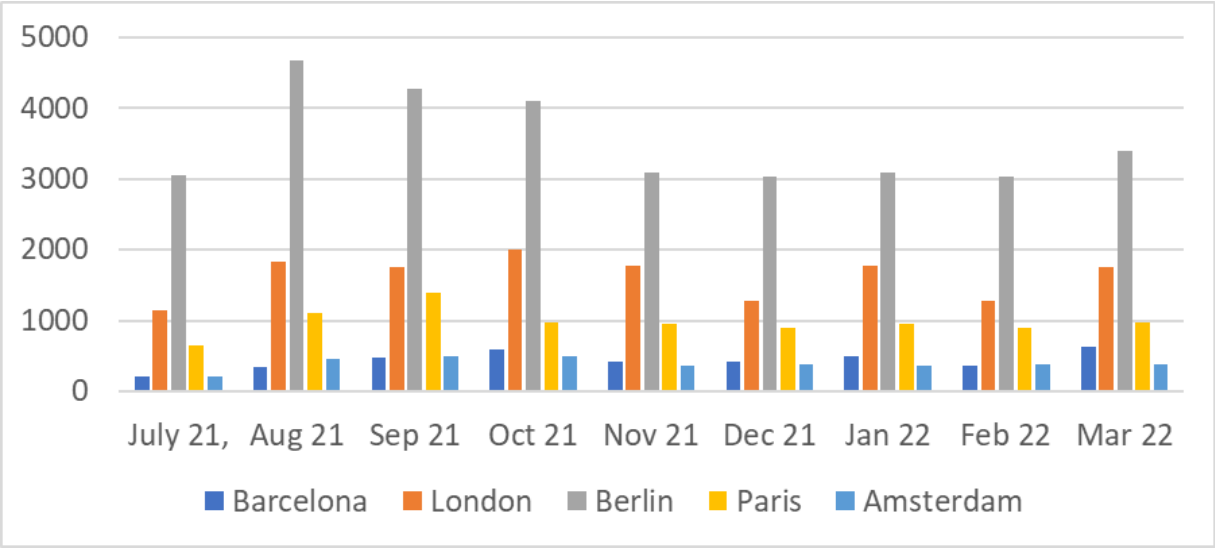
Key Geography

The most significant influence on the job creation start-up industry in Europe has been in Berlin and



London, where the start-up ecosystems show the most innovative infrastructure.

One main interest for the new companies is to proceed with top accelerators. That can help boost the business and open many new doors for further growth. The critical European cities with the most considerable number of accelerators are located mainly in Western Europe, but we can also notice the rise of the Nordic and South regions.

Paris – 55
London – 45
Copenhagen – 41
Berlin – 38
Munich – 38
Valencia – 38
Stockholm – 28
Stuttgart – 22
Lisbon – 20
Barcelona – 18

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Among the others, the new generation of entrepreneurs has a different mission, putting social and climate impact at the core.

European entrepreneurs want to move the needle on social and environmental challenges. But, while more is being invested in purpose-driven companies, Europe has the largest share of total capital in early-stage purpose-driven tech companies globally- the share of total funding they receive has decreased relative to other areas. And despite a fantastic year for climate, some Sustainable Development Goals (SDGs) have not yet had the same level of entrepreneurial activity and company formation.

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Throughout this chapter, we reference country and city rankings for entrepreneurship. Although there are many sources for rankings, here we use Start-upBlink's Global Start-up Ecosystem Index 2022.

This in-depth report looks at start-up ecosystems by region and provides valuable insight. The countries in this chapter are listed in order of their rank.

This chapter will look at the start-up ecosystem for various European countries. Each section also lists accelerators that are available to that country's entrepreneurs. Although these lists are not comprehensive and will always be changing, it gives a starting point as to what is available. As a point of clarification, we only cover accelerators, not incubators in this ebook.

The main difference between an incubator and an accelerator is in the maturity level of the projects supported. Incubators mainly support very early-stage start-ups, whereas accelerators tend to focus on scaling ventures. While both provide guidance and mentorship, the project's maturity will change the focus of the support it needs.

United Kingdom (UK)

Economic Data

United Kingdom	Data Source: World Bank
Population (m)	67.3
GDP (US$ billions)	$3,130
GDP per capita (US$) '000	$46.5
GDP Growth (annual %)	7.5%
Unemployment (% of total labor force)	4.5%
% of the population using the internet (2020)	95%

Introduction

According to the Office for National Statistics, the UK economy heavily favors services at 79% (including retail), with manufacturing at 10% and construction at 6%. Given this bias towards services, the UK has a distinct advantage regarding technology and innovation, given that the nation's core skills tend to be deployed toward the services sector.

With the UK leaving the European Union in January 2020 following a general referendum in 2016, dubbed *the Brexit Referendum*, the UK no longer has the direct economic and legal links to the rest of Europe it once had. Now it has to fight to maintain its relevance in an ever-evolving world. The city of London, once revered as a global financial center, was and remains under threat - with many major institutions talking about relocating their European financial headquarters to alternative locations, e.g., Frankfurt in Germany.

In many ways, the Brexit vote has forced the UK to re-think its positioning and embrace its relevance. As a result, technology is well and truly in the governmental crosshairs.

Ecosystem Overview

The UK government has been quick to support the power of innovation as a potential growth engine for the new post-Brexit economy. This drive supported the existing framework that was first established back in December 2007 with the establishment of a dedicated government agency Innovate UK.

Innovate UK is the United Kingdom's innovation agency, which provides financial and other support to business & research collaborations to accelerate innovation. This fosters new products and service development. It operates at arm's length from the government as part of the United Kingdom Research and Innovation Organization. At its core, the agency provides multiple innovation grants.

Taking this long-term approach towards innovation investment within the UK, investment in technology tech start-ups overtook that of China in mid-2022 spurring the UK government to reinforce its global position on the world stage.

As part of its strategic plans released in late 2022, the UK government agency is driving its targets forward to become a global hub for innovation by 2035. Targeting many regional locations in addition to the core hub in London, their mission is to ...."make the UK the international innovation

partner of choice and one of the most attractive places in the world to do innovation" (page 11).

Committing £3.4bn (c $4.5bn), Innovate UK intends to establish nationwide ecosystem-based Catapults across key specific industry verticals. These initiatives are in addition to the Research and Development grant funding that exists already under existing legislation.

According to HMRC (the UK's tax authority), $6.59bn was claimed from 89,300 organizations for R&D tax rebates in the financial year ending 2021. The R&D taxation rebates are focused on SMEs which can receive up to 33% of eligible rebate claims back against their R&D expenditure (larger companies can get up to 10%)

With the challenges of UK government spending particularly coming under the knife at the time of writing, it will be interesting to see how heavy the headwinds will develop to achieve their objectives.

Ranking Overview

The United Kingdom is the 2nd most innovative start-up ecosystem in the world, and has consolidated this position since 2017, according to Start-upBlink's Global Start-up Ecosystem Index 2022. The UK maintains an advantage in front of the 3rd ranked country (Israel), particularly because of a better Quantity Score.

The UK, and its capital London, remain by far the strongest European representatives in both country and city rankings, with scores way ahead of the rest of the continent. Within the UK, the top cities for entrepreneurship are London, Manchester, Cambridge, Bristol, Oxford, and Edinburgh.

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(Although part of the UK, we'll explore Scotland's start-up ecosystem in a bit more depth, next.)

Success Stories

- Thought Machine (unicorn) is based in London. Thought Machine is a fintech company that builds cloud-native technology to revolutionize core banking.
- Zopa (unicorn) is based in London, United Kingdom. Zopa offers peer-to-peer loans with low rates, flexible terms, and no early repayment fees.
- Graphcore (unicorn) is based in Bristol, United Kingdom. Graphcore is a developer of semiconductors built for AI and machine learning.

Accelerators

According to the Centre for Entrepreneurs there are currently 754 incubators and accelerators within the UK - with 314 dedicated accelerators and over 150 based in the London region. Its curated and regularly updated database is a very useful resource for those wishing to examine the sector in increased depth as it shows the size and diversity of the accelerator ecosystem. Like so many countries many of the international accelerators have an established presence within the UK including the likes of Techstars leading the way.

Research by Beauhurst examined the historic performance of accelerators in the UK. While the data is pre-COVID it gives a sense of the accelerator market and how it improves the performance of entrepreneurs. In their report, they present key findings, including

- London is home to 65% of the accelerators in the UK, with Shoreditch in East London having the highest concentration (Shoreditch is affectionately dubbed silicon roundabout after the core area of innovation based around the rather tired Old Street Roundabout)
- Companies that participate in accelerator programs raise 44% more money and are 75% more valuable than those that do not.
- When the UK was part of the EU, The European Regional Development Fund was the most frequent sponsor of accelerator programs in the UK.

Because the UK has over 300 accelerators it is hard to do justice to them all. Instead, we have looked at five different accelerators that are the largest and some outside the norm to give a sense of the overall sector.

Entrepreneur First

Entrepreneur First (EF) is an accelerator with a difference. Establishing itself in London in 2011, EF describes itself as an international talent investor. As an organization, it takes a different approach to technology investing. Rather than the typical VC methodology of seeking out interesting, scaling start-ups, it backs founders and their very, very early-stage start-up ideas. Their approach is such that EF will back great founders with great ideas before the start-up has been established - often writing the first check against a nascent idea. Founded by two ex-McKinsey consultants, EF has grown significantly with offices in Toronto, London, Berlin, Paris, Singapore, and Bangalore.

While EF is industry agnostic, they have recently established industry cohorts for Web3, climate change, and fresh graduates, with their acceleration program taking an interesting twist. Once through the selection process, EF provides individual entrepreneurs with a stipend of £2k per month (c $2.3k) to cover the basic expenses. Once on the 3-month program, entrepreneurs work with other cohort members to closely define their ideas and

go-to-market strategies. Once approved by the investment committee at the first pitching milestone of three months, an £80k investment (c $100k) is made in exchange for a 10% equity stake. Teams then get the opportunity to pitch for additional funding after six months.

EF has had more than 3,000 people go through its program creating more than 300 companies valued in excess of $10 billion as of 2022. Their success has been such that they closed a $158m funding round at a valuation of $560m in June 2022 - even during a weakened VC market at the time of raising their funding round.

EF has established an accelerator/incubator business model that many are now following across the globe.

Oxygen Accelerator

Oxygen is a full-time program for start-ups with two locations - London and Manchester. It embraces different stages of development offering both Bootcamp and incubation services. Oxygen focuses on core companies from sectors such as web 2.0, SaaS, cloud-based, mobile applications, or digital games.

The Bootcamp program lasts for 13 weeks filled with mentoring sessions, training, workshops, and preparation for investment. The investment typically comes from Oxygen Angels Investors who support teams from the very beginning of the process. Oxygen takes 8% of equity from each start-up in exchange for up to £18 000 of pre-seed investment.

Afterward, teams may apply to the incubation program that allows them to close the investment rounds and identify the next steps of the start-up's development. Oxygen highlights that 71% of their cohort members go on to receive funding.

PwC Scale Programs

There is a multitude of corporate accelerator programs within the UK. One of the most strongly recognized is that of the accounting and advisory firm PriceWaterhouseCoopers (PwC).

The program is designed for start-ups that are in the scale-up phase and that recognize the importance of the relationships PWC has with its client base. The program is typically paid for by the start-up/ scaleup - somewhere between £5k - $7k ($8.4k), rather than the program taking equity.

The scaling program is a 10-week program where key experts within PwC work closely with the team. Not only does PwC provide expertise, but it also provides access to a pipeline of new customers, new channels to market, and the opportunity to capitalize on the full PwC network. Once pitch-ready, cohort members pitch to PwC's extensive investor network.

While other accelerators look to take equity stakes in a business, a fixed fee gives the scale-up more control over what they have built. In short, it becomes a win-win opportunity for all parties.

PwC has a number of scale programs currently based around the Internet of Things (IoT), InsurTech, Retail, MediaTech, FinTech, and PropTech.

Hatch Enterprise

Since 2014, Hatch has supported close to 8,000 entrepreneurs. Hatch positions itself for inclusion. One of the issues that tend to slow down the start-up ecosystem is social inequality. Not all of the potential founders have enough money or social capital to establish a company. Hatch is open for everybody to begin their entrepreneurial opportunity.

Focusing mainly on social enterprises, young entrepreneurs from disadvantaged communities, and female founders, Hatch runs four programs:

1. Launchpad, supported by UBS bank, helps entrepreneurs test their ideas and launch their businesses with a 12-week program. Small grants of up to £1k (c $1.2k) are available
2. Incubator - supported by Pizza Hut - is designed for early-stage trading businesses. Grants of up to £5k (c $6k) are available. 18 hours of mentoring and tuition are provided
3. Accelerator - in partnership with Southwark council the accelerator program requires businesses to have £50k (c$60k) of revenues. The 6-month program has 24 hours of tuition and mentoring.

For all three programs cohort members pitch at a demo day to investors.

The newest initiative created by Hatch is the Impact Business Growth Accelerator directed towards founders working 2+ years and seeking funding.

Level 39

Given the UK's historic presence within the financial services space, no accelerator report would be complete without mention of level 39. Based in the heart of London's Business and Financial Center at Canary Wharf – this incubator/accelerator has over 1250 leaders in cybersecurity, fintech, artificial intelligence, blockchain, and retail tech based at their offices. Level 39 is home to over 200 member companies – all of which are considered 'fast-growth tech companies'.

Established in 2013, Level 39 has four floors of workspace with over 100,000 sq ft. Being surrounded by some of the world's biggest and most powerful financial institutions, Level 39's members are within a few minutes of relevant, well-financed customers enabling closer relationships to enable faster go-to-market strategies.

Level39 is wholly owned by the Canary Wharf Group and is a private, for-profit, company that has built a strong brand and community since its establishment in 2013. At this stage, the accelerator does not take equity or provide formal accelerator programs - but provides regular training and information sessions and access to a vast network of potential customers and partners.

Scotland

Introduction

Although Scotland is part of the UK (the EU's top start-up ecosystem), we'll take a more in-depth look at Scotland here.

Scotland is at a crossroads. There needs to be open, constructive feedback to have a high-growth start-up ecosystem. To compete with world-class ecosystems, the ecosystem must endeavor to be world-class. Just as founders of start-ups are chasing innovation, so too must the ecosystem as a whole.

However, Scotland's tech industry continues to go from strength to strength in 2022 as Digital Minister Chris Philp announced figures which showed the wider UK sector is now worth $1 trillion in value.

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Ecosystem Overview

The Scottish ecosystem has difficulties with a lack of prominent venture capital investors. It is crucial that the Better Business Bureau (BBB) considers the entire investment landscape in Scotland and how this differs from other parts of the UK, often best illustrated by lessons from the past. One notable difference within the investment ecosystem in

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Scotland is the lack of prominent venture capital investors within Scotland. Consequently, smaller angel and angel syndicate groups often dominate early-stage finance. Lack of consideration of the regional context can lead to UK-wide funds failing to reach Scotland or not having the impact they were aiming for. This was particularly true of the Future Fund, as while it was successful in Southeast England, that success was not replicated in Scotland. The Fund did not consider the predominance of the Enterprise Investment Scheme (EIS) (angel syndicate led) in the early-stage investment ecosystem in Scotland; the dominance of EIS funding can have implications for businesses when they are seeking further investment. We would hope that through engagement, evidence gathering, and evaluation of initiatives such as the Future Fund, BBB would seek to gather as much information about the Scottish context and Scottish perspectives before introducing new funds or initiatives in Scotland.

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Investment Overview

Within Scotland's current early-stage investment ecosystem, the Royal Society of Edinburgh (RSE) Enterprise Fellowship program has successfully provided access to early-stage finance and enhanced business development support through mentorship from RSE Fellows who have experience in business and investment. An independent evaluation by Biggar Economics shows that the program has demonstrated a clear economic impact. The analysis illustrates that for every £1 invested, the program generated £10 and £6 in the UK and Scottish economies, respectively. Despite the challenges these predominantly tech-based businesses faced, 81% were still operating after five years, almost double the national average for equivalent companies (45%). The program is now 20 years old and demonstrates the importance of sustained support for business through investment, mentorship, and skills development.

Programs and initiatives, including Converge Challenge, Scotland CAN DO, Scottish Enterprise Co-Investment Fund, CivTech, and the RSE Enterprise Fellowship program, have successfully improved early-stage finance provision to Scotland's businesses and entrepreneurs. These initiatives have a sustained footprint and proven track record. Before introducing new schemes and funding streams that risk duplicating efforts, the BBB should consider how it could support existing initiatives. Thanks to these initiatives and the role of private investors, Scotland has a robust early-stage investment ecosystem; however, there is no doubt that increasing the investment pool would benefit businesses in the long term, particularly when fundraising activity is focused on scale-up. In this area, Scotland continues to underperform.

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Success Stories

- **Skyscanner** is an online travel meta-search engine.
  - City: Edinburgh
  - Number of employees: 1001-5000
  - Funding amount: $197,207,790
- **FreeAgent.** Small enterprises and freelancers can use FreeAgent's online accounting and money management software.
  - City: Edinburgh
  - Number of employees: 101-250
  - Funding amount: $10,748,372
- **Encompass**. KYC requirements for onboarding, event-driven refresh, and remediation encompass robotically automated information and news discovery.

- City: Glasgow
- Number of employees: 51-100
- Funding amount: $8,022,232

Accelerators

AB Venture Zone

AB Venture Zone is an incubator based in Aberdeen. They run events and provide office spaces and mentoring.

Data Lab

Data Lab is an accelerator with a program in Aberdeen. They specialize in informatics and computer science. They run events and provide mentoring, advice, training, office space, meeting rooms, and research laboratories.

Enterprise Campus

Enterprise Campus is run by the universities of Aberdeen, Edinburgh, and Strathclyde. They work with postgraduate students from all Scottish universities who want to set up businesses. They offer advice and can help with market research and testing, prototyping, planning, setting up a business, application forms, and protecting Intellectual property.

Pathfinder Accelerator

Pathfinder is an accelerator based in Inverness that specializes in helping ideas for Life Science and Technology. They run events and provide advice, mentoring, funding, office space, meeting rooms, and research laboratories.

Start-up Accelerator

Start-up Accelerator is based at Robert Gordon University in Aberdeen. They offer students, staff, and recent graduates: up to £10,000 in funding, meeting investors, free office space, and mentoring. They also run showcase and networking events.

TechX

TechX is an accelerator and incubator run by The Net Zero Technology Centre (formerly The Oil and Gas Technology Centre) in Aberdeen. They can help selected start-ups: find mentors or business partners, produce prototypes, access test facilities, run field trials, and meet potential customers.

Impact 30

30 under 30 is an accelerator based in Inverness. They work with young entrepreneurs in the Highland council area, offering: mentoring, specialist advice, and industry expertise.

LINK: Business incubators and accelerators in Scotland

Sweden

Economic Data

Sweden	Data Source: World Bank
All data 2021 unless stated	
Population (m)	10.4m
GDP (US$ billions)	$627.4
GDP per capita (US$) '000	$60.2
GDP Growth (annual %)	4.8%
Unemployment (% of total labor force)	8.7%
% of the population using the internet (2020)	95%

Introduction

For a long time, Sweden has been one of the leaders in terms of living standards and the development of the domestic commercial market. In addition to an active export policy, this makes Sweden very attractive to foreign investors and the birthplace of many multinational companies.

All this also has a reflection in relation to the development of the start-up industry in the country. Some large companies become drivers of the development of new directions of accelerators and attract investments in Sweden from all over the world.

Ecosystem Overview

Sweden's start-up ecosystem capitalizes on the country's unique advantages, such as its high quality of life, gender equality, strong business climate, and global competitiveness.

Historically, Swedish entrepreneurs have built extremely high-quality global start-ups like Spotify, Minecraft, Klarna, and King. These are achievements very few European ecosystems have so far matched, signaling Sweden's ability to become a leader of tech innovation in Europe.

Considering its population of around 10 million, Sweden manages to show that smaller countries can create massive impact. The success of the Swedish start-up ecosystem is attracting new funding options, as investors and VC firms are increasing capital availability in anticipation of future unicorns.

Since Stockholm frequently produces successful start-ups, the mindset of regional entrepreneurs has changed from local to global. Ubiquitous high-speed internet connectivity, good knowledge of English, and public sector support make it easier for Swedish entrepreneurs to focus globally.

Support for the start-up scene is reflected in the number of events, co-working spaces, and accelerators in Sweden, as well as Sweden Demo Day, which is organized by Start-up Sweden and brings together start-ups, investors, and corporations.

One of the challenges standing in the way of growth is the high cost of living in Sweden, making it harder for start-ups to consider relocation unless they receive investment in an initial phase. For the Swedish start-up ecosystem to remain globally competitive, the country is taking steps in attracting and maintaining international talent. Initiatives such as the Sweden Self-Employment Residency Program enable potential entrepreneurs to start a business in Sweden while also giving them free access to higher education and a number of other benefits.

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Some key insights:

2021 was a record year for Sweden's tech ecosystem

Swedish start-ups raised a record €7.8B in 2021, up 2.4x on 2020 levels. This growth has been driven by late-stage funding rounds, which accounted for 70% of all funding.

Sweden is one of Europe's key innovation hubs

Home to IKEA, Ericsson, H&M, Volvo, and many more, Sweden has produced some of the world ' s most recognized companies. Beyond the old glories, Sweden is a fertile breeding ground for new tech unicorns. To date, Sweden has produced 35 unicorns, up from 9 just five years earlier - a 3.9x increase.

Sweden leads Europe ' s growth in impact-focused start-up innovation

In 2021, Swedish impact start-ups raised over half of the country's venture capital funding. On the European level, Sweden leads by venture capital invested in impact start-ups.

Klarna powers the Nordic region to a new VC investment high of $2 billion. The Nordic region

© Pasi Mämmelä from Pixabay

— and Sweden in particular — is a good incubator for new types of fintech innovations, apps, and solutions. Sweden is heavily influenced culturally by the US for example, so if you test something in Sweden and it works, then it's fairly easy to roll out in other markets with confidence.

- The $4.8 billion in total fintech investment in the Nordics was primarily driven by three deals in Sweden: the $2.6 billion acquisition of trading platform company Itiviti by Broadridge Financial Solutions32 and two funding rounds totaling $1.9 billion by Sweden-based 'buy now, pay later' company Klarna.
- The M&A market in the Nordic region was incredibly robust in H1'21. In addition to the completed Itiviti acquisition, open banking platform Tink acquired Germany-based open banking platform FinTecSystems.33 Shortly thereafter, Visa announced its acquisition of Tink for $2.1 billion — in a deal subject to regulatory approval.
- Sweden, which has the most mature fintech ecosystem in the Nordic region, attracted the majority of fintech investment during H1'21. The largest deals in the other Nordic countries included Norway-based Arcane Crypto's $33 million SPAC merger with Vertical Ventures AB,35 a $25 million raise by Finland-based Tesseract, and a $23 million raise by Kompasbank in Denmark.
- Looking ahead, the SME sector in the Nordic region could see some consolidation given the number of small companies with good technologies behind them. There could also be more cross-border M&A activity.

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Ranking Overview

After advancing one spot in the global Index, Sweden is now the 5th ranked start-up economy in the world. Stockholm slightly improved its position within the highly competitive "top 25 cities" ranking with a rank of 23rd.

Success Stories

- **KRY** (unicorn) based in Stockholm, Sweden. KRY is transforming the world of healthcare by making it more accessible and convenient.
- **Voi** (unicorn) located in Stockholm, Sweden. Voi is a micro-mobility start-up that provides electric scooters for transportation.
- **Einride** (unicorn) located in Stockholm, Sweden. Einride is a technology company that develops and provides freight mobility solutions based on electric and autonomous vehicles, leading the transition to sustainable transport.

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Accelerators

Stockholm is an ideal place to locate for social and leisure, energy and environment, and fintech start-ups. As the most popular industries in Stockholm, there is a sample of 219 social and leisure start-ups, 108 energy and environment start-ups, and 91 fintech start-ups in Stockholm on the Start-upBlink Map.

"Collaboration is the key to putting the Nordics on the international start-up scene. Through networks, discussion arenas, events, and Dealroom reports, we collaborate to track the development in the Nordics and to share insight and opportunities to the international market. Leading the way in the world with sustainability, diversity, and impact as the core of future businesses, thus the interest in the Nordics is increasing at a rapid speed."

Sweden has long championed innovation and entrepreneurship. The country ' s start-

up ecosystem is backed by public funds and investments targeting start-ups as well as macro initiatives to create opportunities for innovators to flourish. Several government agencies offer financial support or act as LPs to seed investors, making it possible for entrepreneurs in the early stage to access funds.

On a macro level, Sweden has a generous social welfare system. This includes national access to free education, creating a large pool of talent who both start their own companies and work within fast-growing start-ups. The government has also been actively pushing early access to new technology, including the "Home PC reform" of the late 1990s, through which one million Swedes were provided with their first computer and internet access.

The country invests more than 3% of its GDP in R&D, 0.8% of which is invested by public funding - one of the highest rates worldwide.

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Sting

Sting is undeniably one of Sweden's most famous start-up accelerators. Indeed, they have accelerated over 330 start-ups since their inception in 2012. Sting operates both a 12-month incubator program and a 4-month accelerator program.

They accept 8 start-ups twice a year to join their 4-month accelerator program. Start-ups need to have at least launched their MVP (minimum viable product) and show some kind of early traction. In addition to mentorship and workshops, start-ups also receive funding. Indeed, Sting's partner Propel Capital invested SEK 500,000 in (most) start-ups.

Chalmers Ventures

Chalmers Ventures is a venture capital firm in Sweden that focuses on coaching, financing, and business development. They also host a Start-up Camp. Chalmers Ventures has helped start 237 companies since 1999, of which 152 companies are still active. Together, these companies have had an upward trend in recent years both in terms of turnover and number of employees. The companies are mostly based on innovative technology ideas and create qualified and attractive jobs for the region and Sweden. The trend has also been positive regarding company valuations.

BizMaker

BizMaker is a start-up accelerator that runs multiple programs for different industries, they are

- Forest Business Accelerator: 7-month program for start-ups operating in the forests and woodland industries.
- Future Industry Accelerator: 7-month programs designed for start-ups developing innovative industrial solutions
- Business Incubator: 6 to 24 months incubator programs for early-stage businesses and idea-stage founders

Although BizMaker doesn't necessarily invest in the start-ups themselves (unlike other accelerator programs), they do connect founders with potential investors. Yet, if interested, be aware their program also has a cost (SEK 10,000 for the accelerator programs).

Health2B

Health2B is an entirely virtual start-up accelerator with a focus on MedTech and health tech. It supports start-ups working within digital health, mobile health, e-health, Internet of Things, Wearables, Life Log, Bio Hacking, or Quantified Self – the goal is the same: to improve the well-being and health of people. Based in Lund, Sweden – center of the most exciting health, life science, and mobile cluster in Europe.

SparxAccelerator

Sparx is an accelerator program powered by Sodexo, the world leader in quality-of-life services with 427,000 employees reaching more than 100 million users

To ignite new energy, ideas, and passion into our industry where people care for people, we launched Sparx – a three-month accelerator program, powered by Sodexo. The purpose is to help early-stage start-ups and entrepreneurs speed up their businesses and improve people's quality of life.

Fast Track Malmö

Fast Track Malmö is a top Nordic Start-up Accelerator based in Malmö, Southern Sweden, just 20 minutes away from Copenhagen airport. It was voted the Best Accelerator Program in Sweden and was originally founded to power innovation and establish Malmö as a strong part of the global start-up ecosystem.

With its cross-disciplinary team, Fast Track Malmö offers a high-quality 3-month program, including €50k investment (SAFE with market terms), weekly workshops, VC investor meetings, and mentorship. Fast Track Malmö is a part of Minc, the start-up house of Malmö.

LINK: Sweden's Top 8 Start-up Accelerators You Should Know

Germany

Economic Data

Germany	Data Source: World Bank
All data 2021 unless stated	
Population (m)	83.1m
GDP (US$ billions)	$4,220
GDP per capita (US$) '000	$50.8
GDP Growth (annual %)	2.9%
Unemployment (% of total labor force)	3.5%
% of the population using the internet (2020)	90%

Introduction

Germany, and Berlin in particular, can rightly be called one of the world's most international venture capital communities.

Thanks to its international connection to several of the most commercially exciting regions and the developed digital technology market, Berlin attracts investors and entrepreneurs from all over the world to develop new innovative projects.

Ecosystem overview

Once the meeting point for east and west, Berlin has been transformed over 30 years into a hotspot of innovation, community, internationalization, and connections. With a large English-speaking and highly educated population, favorable start-up policies, a thriving start-up scene, and a well-connected economy, ex-pats pour into Berlin from all over the world looking for opportunity and to begin their own ventures.

Investments overview

Financing rounds continue to be encouraging and further records are on the horizon. Further large financing rounds without foreign investors are being sought to reduce the risk of companies and various industry expertise leaving the country.

According to data from Dealroom, in 1,351 funding rounds, German start-ups received EUR 17.8 billion, more than twice as much as in the previous record year of 2019. Thirty-eight percent of Germany's number of funding rounds can be accounted for in Berlin, but Berlin accounts for 56% of the EURs raised.

For 2022 there are 132 financing rounds year-to-date with a total volume of EUR 2.2 billion. Fintech start-ups led the way with more than USD 3 billion, followed by food and transportation industry start-ups.

Among others, the cloud-based fintech platform Mambu recently attracted attention with a valuation of USD 5.3 billion in the most recent financing round. According to Dealroom, currently, 31 unicorns have their headquarters in Berlin.

LINK: BERLIN START-UP REPORT

Ranking overview

According to Start-upBlink's Global Start-up Ecosystem Index, Berlin is the EU's 3rd highest-ranked start-up in Europe and 12th globally. Munich, Germany's second-ranked ecosystem, now ranks 39th in the world. With these two cities in the top 40, Germany enjoys a strong and unique position.

Success Stories

German-based entrepreneurs also have the advantage of creating solutions for their local economy, which is much bigger than any other country in Europe, while also leveraging Germany's EU leadership position to connect with other markets. However, there is still work to be done in removing red tape and simplifying tax laws that negatively affect the potential growth of German start-up ecosystems. While Germany has a skilled workforce, the high cost of labor and protection laws for employees might be a drawback for start-up founders.

- **N26** (unicorn) based in Berlin, Germany. N26 offers mobile banking solutions to customers in Europe.
- **Personio** (unicorn) is located in Munich, Germany. Personio is a developer of an HR management and recruiting platform for SMEs and start-ups.
- **TIER Mobility** (unicorn) located in Berlin, Germany. TIER Mobility is an electric scooter company that aims to provide sustainable, ride-sharing solutions to its customers.

Accelerators

Currently in Berlin, we're witnessing a shift from the start-up accelerator to the incubator model.

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Incubators typically allow start-ups to share working space and resources and receive mentorship.

Let's fast forward to Berlin in 2012: several accelerators started to establish themselves in the city with the main goal of providing services to entrepreneurs and executives alike in order to foster innovation and cultivate the creation and scaling of new technologies. FOMO (fear of missing out) was driving a lot of investments in innovation programs in order to stay agile, work with cool start-ups, and attend start-up conferences across the globe.

Accelerators began to sprout up everywhere due to their fixed-term program structure which lasted three to six months and focused on start-up ideas that showed promise. These programs typically led to capital generation which is needed for further development and growth. In 2015, the start-up business became big business in Berlin. So big that the State of Berlin founded the Berlin Start-up Unit which started specifically catering to the start-up industry by aligning with local partners to improve conditions for start-up founders and their growing companies. There were 20+ early-stage start-up accelerators listed in Berlin according to the Start-up Ecosystem Resource's list published by the Founders Institute in August of last year. The list is a bit outdated but provides a snapshot of how robust the acceleration landscape was in Berlin. Currently, over half of the accelerators listed are now operating as incubators versus the traditional accelerator business model which started to invade Berlin approximately nine years ago. This trend appears to be symptomatic of a risk-averse European ecosystem and particularly the German one.

LINK

Techstars

Techstars accelerators have one goal: to help entrepreneurs succeed. During each three-month program, it surrounds companies with mentors and an unrivaled network of corporate partners, investors, and alumni. The accelerator provides funding and fundraising opportunities, workshops, and curated resources, not to mention countless moments where you can learn from your peers. It's a proven model that's helped build thousands of successful companies, all over the world. Worldwide, Techstars boasts

- $71B all-time graduate market cap
- $1.0M avg. first raise post program
- 19 graduate unicorns
- 7,100+ program mentors

Specifically, Techstars Berlin is partnering with the next generation of early-stage founders of Europe in the areas of climate tech, deep tech, and fintech/digital assets. The start-up classes demonstrate relentless perseverance united with a personal passion to make the world a better place.

Wayra

Wayra scouts for innovative solutions based on their needs. If a service or product can tackle their requirements, the accelerator will connect a start-up for a potential paid pilot project.

The business model is to resell products to Telefónica's customers or test your solution with Telefónica internally and win Telefónica as the client. The goal is to help create a customer-supplier relationship between start-ups and Telefónica!

The acceleration phase includes

- A paid pilot project with Telefónica
- €25K cash, no equity
- Customized coaching and mentoring
- Checkpoints: Bi-weekly meetings
- Access to office space in Munich city center

- The support of a vibrant & active start-up community
- Partnership perks such as AWS, IBM and Stripe

German Accelerator

German Accelerator empowers German start-ups to scale globally. It takes high-potential companies on a fast-paced learning journey to understand, discover, and access the world's leading innovation hubs in the U.S. and Asia. Through highly-customized programs, mentoring from dedicated experts, as well as access to our vast network of business partners and investors, we help start-ups from all stages and across various industries on their way to international success. Since launching in 2012, German Accelerator has nurtured over 500 start-ups which have raised more than $12 billion in funding so far. German Accelerator is run by German Entrepreneurship GmbH and is proudly financed by the German Federal Ministry for Economic Affairs and Climate Action (BMWK).

German Accelerator so far includes 500+ companies and more than 500 mentors.

Hubraum

Hubraum is Deutsche Telekom's tech incubator. By bringing early-stage start-ups and the leading European telco together, Hubraum sparks innovation transfer and creates business opportunities for both sides. Since 2012, Hubraum has been collaborating with the digital ecosystem out of its campuses in Berlin, Krakow, and Tel Aviv.

Hubraum accelerator provides some key advantages for its partners, such as

- Prototyping Campus. Develop prototypes that identify potential use cases for future commercial applications and use our co-working space for free – as a resident or temporary guest.
- Deutsche Telekom Access. Access to cutting-edge technology and infrastructure provided by Deutsche Telekom.
- Expert Network. Expert support and business know-how to give your start-up a shot of rocket fuel.
- Seed Investment. Potential investment from Hubraum of up to 1 million euros, in addition to financial support for any subsequent pilot project.

Axel Springer Plug And Play

Runs 100-day acceleration programs and provides you with a place to work, access to the global network, daily opportunities, and 25,000 Euro funding. In return, the accelerator asks to hold 5% of the company. The support does not also end after 100 days. The team, alumni network, and everyone who is known is here to support companies throughout their entrepreneurial journey.

The Axel Springer Plug And Play does not have a fixed set of requirements. They invested in many different industries. If the accelerator thinks that can help they will consider the project.

Rarely are investments made for single founders. Axel Plug And play invests in teams rather than ideas. There is a full-time commitment from all founders expected and work to keep a good balance between accelerator programs and time for operational work.

SpinLab

SpinLab – The HHL Accelerator is a start-up accelerator that supports the growth of entrepreneurial and innovative teams who want to scale up their businesses.

SpinLab prides itself on a no-nonsense approach and works hard every day to make sure start-ups are

getting the necessary resources and guidance they need.

SpinLab is in a unique position as a start-up accelerator, because it directly partnered with the HHL Leipzig Graduate School of Management, one of Europe's most prestigious business schools, and works with a diverse partner portfolio of over 25 corporations. This allows SpinLab to stay extremely agile with its start-ups, and not limit the focus to one industry or type of technology. No politics, no red tape, just progress.

NMA

NMA runs an accelerator program in Hamburg for scalable companies that bring innovation to the media industry and look for international markets. It has a six-month, tailor-made accelerator program for start-ups from the Greentech sector with a focus on innovation in Greentech and sustainability.

Early-stage start-ups from the Media and Financial Industry are benefiting from NMA's accelerator programs and strong ecosystem of start-ups, partners, mentors, and investors.

Founders Foundation

In the Founders Foundation Accelerator, B2B Tech founder teams are provided support for the successful market implementation of their business idea.

The teams profit from the personal support available through our strong, international network of entrepreneurs who individually have raised at least 10M EUR capital and generated sales worth at least 5M EUR.

The Founders Home in the heart of the German Mittelstand provides the founders access to an extensive network of Hidden Champions and global leaders and is provided feedback from German top investors in their business models.

Format

- 5-month full-time program with fixed starting and ending date
- Twice a year
- Culminating in a Demo Day in front of possible investors
- Individual coaching by mentors with a successful entrepreneurial track record

Target Group

- Teams who have reached the Problem-Solution Fit
- Preferably with a team-own developer and first beta-testers

Focus

- Executive and industry-specific workshops
- Customer acquisition and product validation
- Building a network

Goal

- Reaching the Product-Market Fit
- Preparation of subsequent scaling
- Market positioning

NCA

Next Commerce Accelerator (NCA) offers a start-up acceleration program. Together with its corporate partners, NCA is an innovation network and early-stage investment fund that empowers founders to succeed.

Key figures:

- 53 start-ups funded since 2017
- 6.000+ start-ups sourced

- 25+ corporate partners
- 60% of our portfolio companies receive follow-up funding within six months post acceleration
- 600K € average follow-up funding amount within 12 months post acceleration
- 200+ mentors

Key points:

- **Product Market Fit** - Easy testing with best-in-class commerce industry-related corporations assures working business models for our portfolio companies.
- **Coaching -** Coaching & support from passionate and experienced people. They've built companies before and are experts in their respective fields.
- **Funding -** NCA invests up to EUR 150k in each start-up. Additionally, founders get prepped for follow-on investment. Hence, we become long-term partners for start-ups beyond our 6-month program.
- **Ecosystem -** Become part of an exclusive ecosystem. The mix of industry experts and like-minded start-up founders defines the NCA network.

LINK

LINK: Germany's Top 12 Start-up Accelerators You Should Know

France

Economic Data

France	Data Source: World Bank
Population (m)	67.5
GDP (US$ billions)	$2,940
GDP per capita (US$) '000	$43.5
GDP Growth (annual %)	7.0%
Unemployment (% of total labor force)	8.1%
% of the population using the internet (2020)	85%

Introduction

France is undoubtedly one of Europe's start-up hubs, and the tech ecosystem has grown from strength to strength over recent years.

Thanks to an influx of highly skilled young professionals, booming VC investments (French Tech Seed, BpiFrance, Insurtech Capital, Weaving Invest, Aonia Ventures et French Founders to name a few), and an ecosystem that supports and promotes growth (including incubators and accelerator programs), the country has the elements to mark itself as a giant on the global start-up map.

Ecosystem overview

France's ecosystem has very solid government support in the VC field with a key focus on the small to medium enterprise (SME).

France's public sector is highly active on all fronts in developing local start-up ecosystems. It is quite unique for a country to have its president involved directly in the promotion and development efforts of the start-up scene, as is the case with President Macron. As France is poised to take over the Presidency of the Council of the European Union in the first half of 2022, the start-up policies of the country are gaining even more attention. The goal of creating a "start-up nation" opened the door for a variety of strong international organizations. The most notable is La French Tech, a platform that brings together the networks of start-up ecosystem stakeholders, and the newly launched French Tech Visa, an initiative for attracting investors, start-up founders, and foreign talent. France is also home to Station-F, the biggest start-up campus in the world.

French government initiatives aimed at boosting investments in new high-risk projects and SME modernization seem to be helpful, such as tax breaks to business angels who reinvest capital gains in innovative firms and the streamlining of business creation procedures. However, the direct investment in start-ups made by the public sector seems to be relatively high compared to other ecosystems, an example being the State bank of Bpifrance, one of the major players in start-up funding nationally. It should be noted that relatively strict labor laws and a low level of English proficiency are still limiting the potential of the French ecosystem to grow start-ups at full speed. The difficulties in reforming the economy affect the ability of the local start-up ecosystem to grow faster and achieve its

potential. This is a good lesson: regardless of the strategic vision of any country in developing its start-up ecosystem, you can't separate it from the regulations and policies on the ground.

Some French start-ups are already leaving their mark globally (BlaBlaCar and Ledger are two favorites), and there is much potential for even further future growth. The number of French unicorns is truly a success for the country, and the long-lasting impact of these achievements should translate into a higher number of foreign investments. AI is one industry that seems to be in focus over recent years in France, supported by direct government investment.

LINK

Investment overview

As part of this, nearly €15 billion will be invested to enable start-ups to spearhead innovation and the reindustrialization of France. €5 billion will most likely go to DeepTech start-ups while €1 billion will be invested in training in digital jobs.

France also has several incubators focused on various sectors that are building the pipeline. These include Agoranove for public research, La ruche for social entrepreneurship, Smart Food for agriculture technology, TechCare for start-up ehealth, The Family for digital, and Tremplin in sports.

LINK

Ranking overview

France has joined the global top 10, and is now in the 9th position after advancing three spots. France ranks #4 in the EU. This part of the Index is characterized by tight competition, as the score gaps are small between the countries ranked 9th (France), 10th (China), 11th (The Netherlands), and 12th (Switzerland).

Paris, which ranks 2nd in the EU start-up ecosystem, also joined the global top 10 after advancing one spot, benefiting from Moscow's steep decline. This year, the best-performing industry in Paris is e-commerce & retail, where it ranks 8th in the world.

Success Stories

- **Deezer** (unicorn) based in Paris, France. Deezer is a digital music streaming service.
- **BlaBlaCar** (unicorn) located in Paris, France. BlaBlaCar is the world's leading long-distance carpooling service, connecting drivers with empty seats to people traveling the same way.
- **Veepee** (unicorn) located in Saint-Denis, France. Veepee is an international e-commerce company.

Accelerators

France is one of Europe's most friendly start-up ecosystems, as evidenced by the number of start-up accelerators it has. Beyond funding, they also offer entrepreneurs and founders incredible valuable support for product development, sales, and marketing.

Whether you are looking to find a co-founder, build your MVP, and/or get the seed money you need to scale up, start-up accelerators are the way to go.

Station F

Station F is France's largest start-up accelerator. Founded in 2017 it is far more than a simple accelerator. Instead, Station F is a unique campus with more than 1,000 start-ups, 30+ programs, and 600+ workshops and events per year.

Station F doesn't invest directly in the start-ups themselves. The start-ups instead join a campus

where they can enjoy many perks, and join the program of key partners such as Facebook, Microsoft, Zendesk, etc.

The Family

The Family is a fellowship of founders. Twice a year, The Family selects 50 start-ups from around the world.

In exchange for 5% equity, they provide everything needed to build a scalable business: advice, mindset, network & a world-class investor demo day — no matter where you come from.

Schoolab

Schoolab is both a start-up incubator and an accelerator. It is specially designed for college and university students who have great business ideas but don't have the resources to make them a reality.

Their namesake suggests that idea where you could develop your "school" ideas in their "lab". Schoolab has offices in Paris, San Francisco, and Ho Chi Minh City. To date, Schoolab has welcomed over 500+ start-ups, most of which are in their incubation program.

Plug And Play

Plug and Play is a global start-up accelerator. Their core objective is to catalyze technological advancement. Since its founding in 2006, Plug And Play has raised over $6 billion in venture funding and continually commits to more than 200 investments internationally each year.

© Pete Linforth from Pixabay

Their antenna in France, launched in 2016, has accelerated over 250 start-ups to date. Their accelerator program in France runs for 3 months and offers start-ups up to €500,000 in funding.

La Maison des Start-ups (LVMH)

La Maison des Start-ups is LVMH's own start-up accelerator designed for start-ups in the fashion industry. Their accelerator program runs for 6 months and offers start-ups up to €50,000 in financing as well as mentorship, networking events, and hands-on support.

Scale by EuraTech

EuraTech is among the top 3 best and largest accelerators in the European continent. It hosts over 200 start-up projects and 500+ events (start-up applications and admissions) per year. Also, EuraTechnologies has around 150,000 m2 office space spread across 4 major cities in France.

Once a start-up is considered, they will be given €15,000 initial funding, but they'll get more than that from EuraTech. Start-ups also get support in the form of working space and offices, technical expertise, mentoring, and assistance in compiling an effective business plan.

1Kubator

1Kubator is the leading innovation accelerator network in France. Launched in 2015 the company has already helped more than 90 start-ups since that time.

Most of their branches are within France (Bordeaux, Lille, Paris, Strasbourg, etc.). However, they do also offer international incubation and acceleration programs (China and various countries in Africa).

50 Partners

50 Partners is a renowned venture capital firm and accelerator based in France. They provide incubation programs to start-ups and offer mentoring, financing, international connections, networking, and office space.

Their accelerator program, 50P Impact is supported by over 50 corporate partners (e.g., L'Oreal, Google, Veolia, etc) and offers start-ups with up to €200,000 investment to grow. Since their inception, 50 Partners has accelerated over 70 start-ups in France.

Successful start-ups can also obtain further financing from 50 Partners' own VC firm, from €500,000 to up to €5 million.

SAP.iO

SAP.iO is multinational software company SAP's own start-up accelerator. Their mission is to accelerate and scale up start-up innovation as well as incubate employee ventures in the B2B industry.

SAP.iO has helped 300+ start-ups and ventures which have now become established business organizations. Examples of these companies are the augmented reality technology 3DQR and the AI-assisted business performance maximizer Aiola.

Their accelerator program in France runs for 3 months and start-ups can receive up to €200,000 in funding.

Entrepreneur First

Entrepreneur First is a dedicated ecosystem for innovative tech projects, where ambitious start-up founders collaborate with venture capitalists, investors, and mentors to launch their businesses.

Their platform which has been running in 6 cities across 3 continents has helped individuals with great potential develop their ideas and secure funding quickly.

Via ID

Founded in 2010 by Mobivia (Norauto, Midas, and ATU), Via ID is a start-up accelerator that focuses on start-ups that develop mobility technologies.

Since 2010, they have accelerated 20 start-ups. Examples include Getaround and Xee (which capitalizes on sensor fusion technology to make driving more efficient and safe). Via ID has offices in Paris and Lille, but also in Berlin, San Francisco, and Singapore.

LINK: France's Top 10 Start-up Accelerators You Should Know

Spain

Economic Data

Spain	Data Source: World Bank
Population (m)	47.3m
GDP (US$ billions)	$1,430
GDP per capita (US$) '000	$30.1
GDP Growth (annual %)	5.1%
Unemployment (% of total labor force)	14.7%
% of the population using the internet (2020)	93%

Introduction

The economy in Spain continues to recover after the COVID-19 crisis and still has many uncertainties, which negatively affect the start-up scene.

Nevertheless, Latin America's market relationships, reasonable cost of living, and substantial financing opportunities attract entrepreneurs and tech-related companies to Spain from all over the world.

Ecosystem overview

Barcelona and Madrid are the most valuable Spanish start-up hubs, based on start-ups founded since 2000.

The Spanish start-up ecosystem is younger than that of other European countries and offers entrepreneurs a more affordable cost of living, in addition to an abundance of sunny weather. Unlike most centric European countries, Spain is blessed with two strong ecosystems, Barcelona and Madrid. While these two cities are the backbone of the Spanish start-up scene, a lot of innovation and talent has come out of Valencia and other younger start-up ecosystems in Spain. However, Spain needs to create more global start-ups to help lead its ecosystems and prevent brain drain by providing opportunities to its most ambitious talent.

Long-term high unemployment rates in Spain have had positive effects on the Spanish start-up ecosystem, as the difficulty in finding high-quality jobs pushes more people toward entrepreneurship. This phenomenon is especially relevant in times of crisis when the social safety net is contracting.

Regulations to help attract talent have already been established, and foreign entrepreneurs can use an entrepreneur visa or Start-Up visa to establish a company in Spain.

Spain's economy is known for its red tape and bureaucracy, which needs to be confronted in order to allow start-ups to truly advance. Addressing the challenge of regulation reform, the Spanish government has launched the Spain Entrepreneurial Nation, a ten-year plan to position Spain's brand as a country focused on innovation and entrepreneurship.

The plan includes a new start-up law with the goal of supporting early-stage start-ups with tax incentives and reduced bureaucracy. For example, start-ups led by women will benefit from regulatory sandboxes. With Glovo and Cabify, Spain proved its capacity to produce national/regional unicorns,

and we hope that these success stories will inspire other entrepreneurs and promote international investment in the Spanish start-up ecosystems.

A core advantage Spain enjoys is a shared language and a deep connection with Latin America. As Latin American start-up ecosystems grow, it is natural that they work with Spain as their gateway into Europe and other global markets.

LINK

Investment Overview

- Free economy with low tax burden
- Latin America market open-gate
- Direct access to large markets and a natural bridge with Latin America
- Expertise available at competitive prices
- Strong cutting-edge Infrastructure
- Technological hub of Southern Europe
- Entrepreneurial/innovation ecosystem

LINK

Ranking overview

Seven of Spain's eight top start-up ecosystems (Barcelona being the exception) had negative momentum this year, which is unfortunate for Spain's start-up scene, yet Spain's negative momentum did not affect Barcelona.

In 2021, Spain had eight cities in the top 300, a strong contrast to only four cities in 2022, according to Start-upBlink's Global Start-up Ecosystem Index (link below). While Barcelona remains stable as the 7th-ranked city in Europe and 37th worldwide, we have seen a mild negative momentum in Madrid, which managed to remain in the top 50 globally, despite a five-spot decrease.

Success Stories

- **Cabify** (unicorn) based in Madrid, Spain. Cabify is a marketplace for personal transportation.

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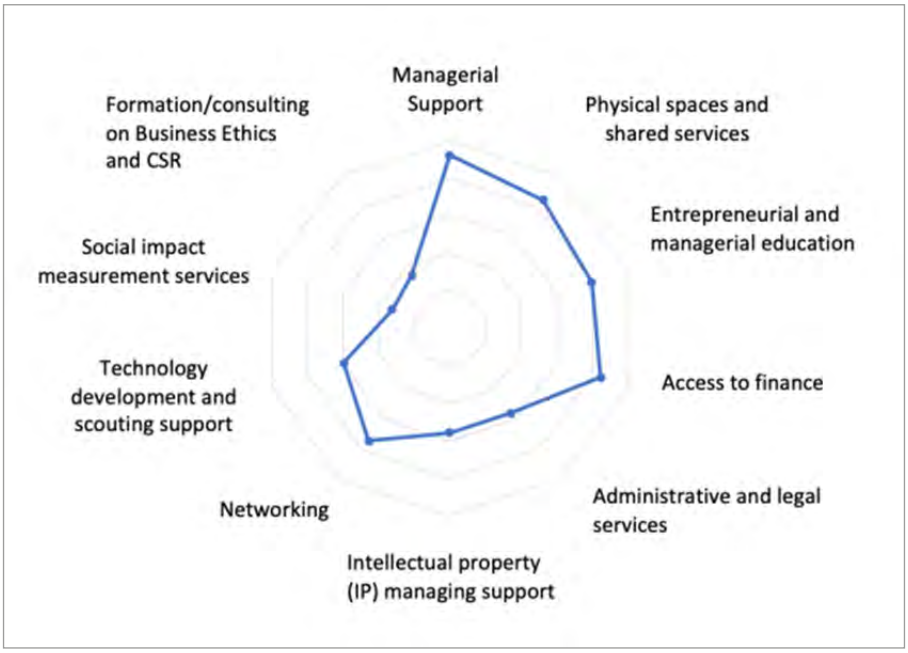

- **Jobandtalent** (unicorn) located in Madrid, Spain. Jobandtalent is an online staffing marketplace for finding and filling gig-type jobs.
- **TravelPerk** (unicorn) located in Barcelona, Spain. Aiven is an information technology company that TravelPerk is a travel platform that provides travel and expense management services for business travelers.

Accelerators

Nearly 40% of Spanish incubators do not focus on any specific sector. When incubators are specialized, the most common sectors are IT and digital, health biotech and life sciences, foodtech, and agro. The less popular ones are environmental and renewable energy and social. This shows that the sectors are also related to more private interest. The results are based on the data of 43 incubators from the Orbis and SIM 2019 databases

The graphic shows the relevance of the services offered by Spanish incubators.

According to them, the most important services are:

- managerial support,
- access to finance,
- physical spaces and shared services,
- entrepreneurial and managerial education.

The services valued as quite relevant are:

- networking, technology development, and scouting support,
- administrative and legal services,
- intellectual property (IP) managing support.

Finally, the services considered with little importance are:

- social impact measurement services
- formation/consulting on business ethics, and
- corporate social responsibility (CSR).

LINK

Tetuan Valley

Founded in 2009, Tetuan Valley is the first non-profit pre-accelerator program in Europe. It helps and trains entrepreneurs, companies, and educational institutions to implement innovative projects.

The company operates all over Europe and collaborates with the European Commission. In 2018 the company also worked in India with the aim of kick-starting a self-sustaining ecosystem that fosters high-level interactions and technology and innovation partnerships that benefit both regions.

The accelerator offers start-ups a two-month training program with experienced entrepreneurs who help turn their ideas into a business. The program is completely free and made up of two-hour weekly sessions with talks from mentors and another session for pitch practice and feedback.

- More than 900 ALUMNI and a community of entrepreneurs who share Give Back's values and are constantly growing.
- More than 80 MENTORS. A network of mentors and advisors from all disciplines ready to help early-stage projects.
- More than 12 YEARS experience. Since 2009 supporting the entrepreneurial ecosystem through entrepreneur programs.

LINK
LINK

Bind 4.0

Technologies that shape the future of intelligent industry, clean energy & sustainability, health, and food sectors have their place in the BIND 4.0 Open Innovation program. Cross-vertical access allows participants to collaborate with innovative companies in the main industries leading the Industry 4.0 transition. The technologies of interest expand each year to meet the digital transformation needs of each venture client.

The accelerator has more than 160 start-up success stories with 60% contract retention post-program rate. The Bind 4.0 has 80+ corporate clients as a low-hanging fruit market for the innovations that were launched in the accelerator. They provide up to €150k grants per company.

LINK

Conector

Conector Start-up Accelerator is a Spanish start-up accelerator that provides mentorship services for start-ups and entrepreneurs in the seed stage. The company provides its services for start-ups in the fields of telecommunications, media and entertainment, and internet technology.

Conector Start-up Accelerator was founded in 2013 and is based in Barcelona, Spain.

It has more than 300 mentors, serial entrepreneurs, and top executives.

- 32 Programs
- 201 Start-ups
- 9 Corporate Programs
- + 1,000m EUR Investment
- 400k EUR Perks

Success Stories:

- Glovo
- Goi
- Kompyte
- Meller

LINK

Ship2B

Ship2B is one of Spain's start-up accelerators that solely focuses on impact-led businesses operating in social & environmental industries.

In addition to mentorship, companies benefit from unparalleled access to corporate partners and potential investors specialized in impact investment.

They also run separate programs that focus on different industries such as healthcare, sustainability & the environment, and others.

To date, Ship2B has accelerated 174 start-ups that raised an average €450,000 funding.

- 198 Accelerated Start-ups
- 200+ Mentors
- 79 Partners
- 85m+ EUR Accomplished Funding

LINK

Lanzadera

Founded in 2013, Lanzadera is another of Spain's top start-up accelerators. Indeed, they have accelerated over 150+ start-ups to date.

Moreover, Lanzadera offers 2 separate programs with different criteria and funding terms:

- Traction for early-stage start-ups with an MVP, early metrics, and a monthly revenue anywhere from €1k to €15k. The Traction program runs for 4 to 12 months and also offers start-ups €50k pre-seed funding
- Growth for late-stage start-ups with a complete team and anywhere from €15k – €120k monthly revenue. This program runs for 4 to 8 months and also comes with up to €200k funding

Wayra

Founded in 2011, Wayra is Telefónica's own start-up accelerator with over 35 hubs worldwide (in Europe and Latin America).

Globally they have accelerated over 400 start-ups, of which half of them are out of Spain.

Wayra's objective is to find and support start-ups that can work with Telefónica or Telefónica's corporate partners and clients. They also typically invest up to €150,000 per start-up.

Although they are sector-agnostic, they are accepting companies that can work with Telefónica's solutions and partners. Therefore, they look into prioritizing start-ups in IoT, video, big data, AI, cybersecurity, fintech, and blockchain.

IMPACT

Backed by FundingBox and ISDI, IMPACT Accelerator is an accelerator that invests and accelerates start-ups in a number of industry verticals in Spain. To date, IMPACT has accelerated 102 start-ups.

The duration and funding depend on the program you're applying to. Yet, all successful applicants receive funding of anywhere from €60k (Connected Car) to €250k (Growth).

Start-ups that enlist in IMPACT Accelerator aren't simply receiving pre-seed funding for IMPACT itself. Instead, most also get funding from partner VCs (e.g. Kibo Ventures). On average, start-ups each receive in total over €1 million in funding.

SeedRocket

Founded in 2017, and with over 90 start-ups accelerated to date, SeedRocket is one of Spain's major start-up accelerators.

Unlike most accelerators, SeedRocket doesn't invest itself in the start-ups it accepts within its program. Instead, it connects start-ups with business angels that may invest later on. In order to be eligible, your start-up must have an MVP, some early traction, and be in search of investment by business angels.

It also connects successful start-ups with its in-house VC fund, SeedRocket 4Founders Capital. The fund invests anywhere from €50,000 to €500,000 and its accelerator program runs for 3 months.

I'MNOVATION

I'MNOVATION is a corporate accelerator program created and backed by Spain's renewables and infrastructure conglomerate ACCIONA. The program aims to boost the development of the most promising start-ups through close collaboration with a team of mentors, experts, and professionals from ACCIONA.

In order to apply for I'MNOVATION your start-up must operate in one of the industry verticals ACCIONA is already operating in, or interested to explore. As part of the 3-month program, start-ups receive discretionary funding from ACCIONA in order to perform a pilot project in collaboration with ACCIONA. Finally, if the pilot is successful, start-ups will obtain marketing, partnerships, or funding arrangements with ACCIONA Group and potential other investors.

Start-upLabs

Start-upLabs is an accelerator that focuses on start-ups operating in the following verticals in Spain: B2C digital content, digital marketing, and mobility. They choose start-ups that have the potential to commercialize their products and/or services and also have developed an MVP that's ready to go to market.

Unlike most other start-up accelerators, Start-upLabs doesn't directly invest in the companies it accepts in its 6 to 12-month program. Instead, it connects start-ups with potential investors via their Investor Matching process.

Link: Spain's Top 12 Start-up Accelerators You Should Know

Bulgaria

Economic Data

Bulgaria	Data Source: World Bank
Population (m)	6.9
GDP (US$ billions)	$80.3
GDP per capita (US$) '000	$11.6
GDP Growth (annual %)	4.2%
Unemployment (% of total labor force)	5.4%
% of the population using the internet (2020)	70%

Introduction

Promising Bulgarian start-ups emerge more and more in the international markets. The Bulgarian tech ecosystem is slowly gaining momentum and could already be awarded a top position in the Balkan Region venture ecosystem.

LINK
LINK
LINK

Ecosystem overview

Another big advantage is Bulgaria's first unicorn. Founded in Sofia, and with offices in London, Sofia, Berlin, and Barcelona, Payhawk is growing at a rapid pace for its payment and expense solution. The company plans to become a catalyst for the Bulgarian start-up ecosystem and continue to attract and retain the top 1% of talent in the market.

However, there is still a long road ahead to creating a stable business environment for entrepreneurs.

Bulgaria represents a small market with strong tech skills and low corporate tax rates.

Bulgaria has a relatively small market but checks several key boxes for start-ups: strong digital infrastructure, low cost of living, and top tech talent. Bulgaria has also created a strong start-up support environment with a number of successful accelerators and incubators, as well as several VC & EU funding opportunities for local early-stage founders. Showcasing the ecosystem's success and funding potential, Payhawk is Bulgaria's first unicorn.

Entrepreneurs and digital nomads from across Europe are noticing the Bulgarian start-up scene and moving ventures into the country, lured by the low cost of living and special tax benefits offered by the public sector. Bulgaria has an abundance of technically skilled talent specializing in advanced tech industries like machine learning and data analysis, which suggests that the ecosystem has the potential to become a regional technological hub if the right policies are implemented. Promising steps are being taken, with the government establishing new agencies to promote entrepreneurship and with initiatives such as a start-up visa.

LINK

Investment Overview

Moreover, Bulgaria boasts the lowest personal and corporate tax rates in the European Union, which helps attract foreign investors. More policies like these will be needed to facilitate a legal framework for entrepreneurs, encourage private investment,

and reduce dependence on public funding. Bulgaria could benefit from promoting an entrepreneurial mindset and shifting focus from outsourcing to creating new international start-ups.

Ranking overview

Bulgaria's start-up ecosystems have lost momentum. All ranked Bulgarian cities have decreased in their rankings this year. The Bulgarian capital Sofia, ranked 1st in Bulgaria, had a mild decrease of 2 spots to rank 123rd globally, maintaining its position as the 2nd highest-ranked city in the Balkans. Sofia ranks in the top 100 for five industries and is highest in Marketing & Sales at 81st globally.

Bulgaria decreased one spot to rank 36th globally but remains the highest-ranking country in the Balkans. That said, It's important to note that Bulgaria's national rank is positively influenced more by its Quantity score, where it ranks 27th worldwide than by its Quality score.

Success Stories

- **Payhawk** (Unicorn) based in Sofia, Bulgaria. Payhawk is a financial system that combines credit cards, payments, and expenses into one interface.
- **Ucha.se** located in Sofia, Bulgaria. Ucha.se is an online platform that offers educational videos and exercises on various subjects.
- **365 Data Science** located in Sofia, Bulgaria. 365 Data Science is an educational career website for aspiring business intelligence analysts, data analysts, and data scientists.
- The real champions beyond PayHawk are GTMHub and OfficeRnD, both have potential to become a "unicorn" soon.

Accelerators

Bulgaria Innovation Hub (BIH)

Fall Accelerator Program

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The online program will connect the Bulgarian founders with Silicon Valley experts, as well as with mentors, advisors, and investors from the BIH's network. The start-ups participate in 25+ virtual workshops focused on go-to-market fundamentals including business planning and forecasting, pitching, and building successful marketing and sales teams.

LINK

Eleven Alpha

Eleven Alpha is geared towards committed founders at a pre-seed stage who are currently working on their idea, product, and company. These entrepreneurs will get personalized one-on-one support through company-building expertise and a community of peers.

Eleven Alpha has designed a simple and fast process for growing and scaling companies, allowing entrepreneurs to move forward from day one.

Starfleet

Starfleet is a decentralized accelerator for Blockchain start-ups building applications on the Æternity platform.

Vitosha ACCELERATE

Vitosha ACCELERATE considers itself a new standard for new ventures with EUR 30k equity funding and over 50 world-class mentors. It provides an individually tailored program, with weekly touch points in-person and online, along with daily support for strategy, team, business development, and follow-on funding.

Vitosha ACCELERATE consists of a revolving program with cycles that take place throughout the year. Each cycle is a three-month timeline.

Romania

Economic Data

Romania	**Data Source:** World Bank All data 2021 unless stated
Population (m)	19.1m
GDP (US$ billions)	$284
GDP per capita (US$) '000	$14.9
GDP Growth (annual %)	5.9%
Unemployment (% of total labor force)	5.2%
% of the population using the internet (2020)	78%

Introduction

The Romanian start-up ecosystem has been expanding in recent years and the international success of the two Romania unicorns – UiPath & Elrond Network, proves that Romania has great potential to become one of the most vibrant innovation hubs in the CEE.

Nevertheless, despite the emergence of the Romanian start-up ecosystem, the country still needs to develop a common vision of how innovative start-ups can contribute to its economic growth.

LINK

Ecosystem overview

The Romanian start-up ecosystem will soon be reaching new milestones. Boasting a strong start-up ecosystem rooted in Eastern Europe, Romania offers entrepreneurs affordable and highly talented professionals as well as access to the European market. The country is mostly focused on IT and outsourcing and has created some noticeable hubs in Bucharest, Cluj, Timișoara, and Iași. More than 220,000 Romanians are already taking part in the IT scene, mainly as employees, freelancers, and remote workers for foreign companies capitalizing on the local talent pool.

With the outstanding success story of UiPath, Romania's first unicorn, the country has proven it can foster the entrepreneurial spirit and expand into global markets. In 2021, this trend continued with Elrond, a blockchain platform that surpassed US$1 billion valuation. While there are public strategies aimed at creating 5 unicorns by 2025, it remains to be seen if the country will manage to achieve this ambitious goal.

Much more can be done in terms of public sector involvement. The Romanian start-up ecosystem would benefit from government policies that support start-ups, as well as an increase in entrepreneurial education via secondary schools and entrepreneurship programs.

Progress is being made, however. ROstart-up, a joint public, and private action initiative has set out to create a National Start-up Ecosystem Strategy for Romania and tackle the challenges that entrepreneurs face. Encouraging signs are also coming from younger start-up ecosystems such as the one in Oradea, where the tech start-ups are coming together under the MakeITOradea initiative.

With strong internet connectivity, a healthy number of accelerators and incubators, and a network of entrepreneurs determined to put their ecosystems on the map, the Romanian start-up ecosystem may soon be reaching new milestones.

Link

Ranking overview

Romania is advancing in the Index for the third year in a row, moving up the Index by 2 spots to 39th globally.

The city of Bucharest also showed good results this year and is getting closer to the global top 100. It jumped 3 spots in the Index to 108th globally and is now the highest-ranked city in Romania and in the Balkans region. Bucharest ranks 8th in Eastern Europe, and it also ranks in the global top 100 for three industries, overperforming in Software & Data at 48th. Much of this rank improvement has to do with the country's successful unicorn, UiPath.

Success Stories

- **UiPath** is the world's leading Robotic Process Automation (RPA) company.
  It started in 2005 as a 10-people team based in Bucharest to outsource automation libraries and software to some of the world's biggest companies and now teaches RPA to over 35,000 now certified developers.
- **Bitdefender** based in Bucharest, Romania Global security technology company that provides advanced threat protection to both business and consumer customers.
- **Questo** located in Bucharest, Romania. A platform for city exploration games, built by local creators and businesses around the world.

Accelerators

InnovX

InnovX is a Business Accelerator driven by passion and hard work. Its mission is to provide entrepreneurs with the necessary tools, top education in business, and the right connections and opportunities.

InnovX is a complete approach to innovation, which allows entrepreneurs to take their start-up from idea to product and market validation in less than 3 months.

Techcelerator

Techcelerator is a start-up accelerator company based in Bucharest and was launched with the help of the government-backed RICAP (Romanian Innovation Commercialization Assistance Program) in 2018. Although they offer four different programs to start-ups, only two of those programs are actually aimed at the acceleration of the start-ups, and the rest are more oriented toward connecting founders with investors. The two main programs are NEXT FinTech Accelerator and Advancing AI.

Once you are accepted into these programs, the first 3 months will involve workshops, business development assistance, and access to an investor's network. Later on, the following 3 months will involve pitching your ideas to angel investors and VCs as Techcelerator will prepare you for your pre-seed or seed investment round. Since their inception in 2018, they have accelerated over 100+ start-ups that raised a total of $8 million.

Impact Hub

Impact Hub Bucharest is a start-up accelerator with multiple locations around the globe, including in Romania. Since 2012, they have been propagating in over 100 locations on five continents and accelerated over 500 start-ups to date. Their

chapter in Romania, Black Sea ClimAccelerator, focuses on Greentech start-ups.

Founders get 3 months' worth of in-depth training and mentoring plus €300,000 in funding to help them develop their first prototype. Also, they join Impact Hub's valuable network of alumni, mentors, and experts.

Innovation Labs

Innovation Labs is one of Romania's top start-up accelerators. They have eight different verticals designed for specific industries such as agriculture, blockchain, fintech, health tech, cybersecurity, and more.

Each year, Innovation Labs runs a 7-month program where they offer start-ups mentorship, workshops, and sessions to help them define their business plan, build their MVP, find product market fit, and grow. The accelerator program is backed by industry leaders such as Carrefour in retail, Societe Generale in fintech, Microsoft, Orange, and more.

StepFwd

StepFwd is a sector-agnostic accelerator program for start-ups in Romania. Although they are sector agnostic, companies must have at least a basic prototype or MVP to apply to the program.

Moreover, the 8-week program, fully online, gives founders the opportunity to learn about fundraising and refine their pitch before they can present at Demo Day. Indeed, while StepFwd doesn't invest directly in start-ups, companies can raise funding from external investors at the end of the program.

LINK: Romania's Top 10 Start-up Accelerators & Incubators

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Croatia

Economic Data

Croatia	Data Source: World Bank
Population (m)	3.9
GDP (US$ billions)	$67.8
GDP per capita (US$) '000	$17.4
GDP Growth (annual %)	10.4%
Unemployment (% of total labor force)	8.7%
% of the population using the internet (2020)	78%

Introduction

The Croatian start-up scene is going through a renaissance. Infobip became the first unicorn in 2020 and Rimac Automobili – the second. Romania's start-up ecosystem is gaining momentum with acquisitions, multimillion investments, new clients, and innovative projects.

Microsoft presented the Digital Futures Index research. The index shows the level of digitalization of 16 European countries, including Croatia. In addition to the current level of digitalization of the country, it detects the most prosperous areas but also the areas where there is more work to accelerate the process of digital transformation and achieve the country's full potential.

LINK
LINK

Ecosystem overview

Croatian tech company growth over recent years has been impressive. Croatia boasts one of the most promising start-up scenes in the Balkans. The center of start-up activity in Croatia, the capital of Zagreb, is developing into a regional start-up hub. There is a strong support network in the city with many start-up events and conferences, and the country's EU membership facilitates expansion into other European markets. In recent years, Croatia has shown remarkable potential after joining the unicorn club with Infobip.

Some of the main challenges that the Croatian ecosystems face are related to start-up risk aversion, low government investment in R&D, unfriendly business regulations, and difficulty accessing funding for start-ups to scale. There is too much focus on grants rather than investment. Government support helps, but also creates a closed system that should prioritize opening to the EU and global market.

Croatia is actively working on these challenges. An investment platform of over US$ 40 million will be launched by the end of 2022 to support innovation, scientific research, and the protection of intellectual property in Slovenia and Croatia.

Another notable milestone is the creation of the national Croatian start-up association CRO Start-up, which focuses on core challenges in Croatian start-up ecosystems, such as regulatory barriers.

Infobip also launched the Infobip Start-up Tribe in 2021. This new global start-up program seeks out innovative and impactful start-ups and assists them with growth tools, credit allowances, and network support.

There are many start-up events and conferences, and numbers are increasing annually. Start-ups can find support, funding, and exposure with events such as Zagreb Connect, Idea Knockout, Shift, Get in the Ring Split, and GROWit.

In order to attract foreign talent, Croatia introduced the Digital Nomad Residence Permit, also known as the "Digital Nomad Visa," in 2021, which allows non-EU nationals to live in Croatia long-term.

Ranking overview

In spite of negative momentum, Croatia remains in the top 50 globally. Croatia had a substantial decrease of eight spots to rank 45th globally in Start-upBlink's Index, showing that its growth momentum has slowed down. Regionally, Croatia is ranked 3rd in the Balkans, losing its 2nd place position to Romania, and still unable to threaten Bulgaria's top position. However, Croatia ranks 1st in the Balkans on Business score, showing it has the most entrepreneur-friendly business environment regionally.

The highest-ranking Croatian city, Zagreb, has not managed to compete with its counterparts and has dropped 16 spots this year to 194th globally. However, Zagreb ranks 15th in Eastern Europe and 5th in the Balkans. In ex-Yugoslavia countries, Zagreb is now ranked lower than Ljubljana (190th globally), and better than Belgrade (200th globally).

Success Stories

Croatian tech company growth over recent years has been impressive, and the country is becoming

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the leading technology hub in the immediate region. With success stories such as Infobip and Rimac, we are confident that the Croatian start-up ecosystems will continue their growth in the years to come.

- **Infobip** (unicorn) based in Vodnjan, Croatia. Global leader in Omni channel engagement, powering a range of messaging channels, tools, and solutions for advanced customer engagement.
- **Rimac Automobili** located in Zagreb, Croatia. Rimac Automobili produces fast and exciting electric vehicles.
- **Gideon Brothers** located in Zagreb, Croatia. Gideon Brothers solve industrial problems with autonomous mobile robots powered by AI & Visual Perception.

Accelerators

BIRD Incubator

BIRD Incubator, powered by Poslovna Inteligencija, was founded in early 2021 and within a short time conquered the Croatian start-up ecosystem. It offers a 6-month incubation program with a focus on business, intelligence, research, and development.

Founder Institute

The program is designed for a vast variety of founders from a vast variety of backgrounds as the Founder Institute team believes that great companies start with great people.

Rijeka

Start-up incubator Rijeka provides free support to people who want to develop their business idea independently or as part of a team and acquire the basic knowledge and skills needed to start their own business. The incubator is an integral part of the City Administration Department for Entrepreneurship of the City of Rijeka.

Step Ri

The Science and Technology Park Step Ri of the University of Rijeka is a place where science and business connect, offering access to a variety of new technology initiatives.

As one of the leading institutions promoting entrepreneurship in Croatia, Step Ri brings together the latest world knowledge on innovation and business through special programs.

SPOCK

Students, researchers, or scientists at the Faculty of Electrical Engineering and Computing at the University of Zagreb, have a chance to join the SPOCK program. Whether you are an individual with an idea or have already formed your team, you can apply to SPOCK and profit from offered workshops, mentoring, expert support, and a wide network of investors, VC funds, and corporate partners.

SPOCK is a 6-month program offering workshops, mentoring, expert support, and a wide network of investors, VC funds, and corporate partners.

ZICER

The name ZICER stands for a shortcut from Zagreb Innovation Center which offers everything that a team needs to develop a start-up in one place is an incubator and accelerator, coworking space, and hardware lab. Its incubation program aims to provide full support for high-tech, electronics, ICT, green tech, energy, or sustainable development-related start-ups.

LINK: Best Start-up Accelerators And Incubators In Croatia

Slovenia

Economic Data

Slovenia	Data Source: World Bank
Population (m)	2.1m
GDP (US$ billions)	$61.5
GDP per capita (US$) '000	$29.2
GDP Growth (annual %)	8.1%
Unemployment (% of total labor force)	4.4%
% of the population using the internet (2020)	87%

Introduction

According to the opinions and experience of many successful entrepreneurs, Slovenia is becoming one of the most attractive places to live and work. The idea of developing Slovenia as a dynamic hub for start-ups becomes alive with successful start-ups who are a source of connections, inspiration, and experience.

LINK

Ecosystem overview

Slovenia can form a powerful ecosystem like other small population countries in Europe. Slovenia has the most vibrant economy of all the ex-Yugoslavia countries, as it enjoys proximity to both East and West, bordering Austria, Croatia, Hungary, and Italy. The country's start-up ecosystems have been actively developed in recent years. This includes active efforts from the public sector to improve regulations and provide entrepreneurs with better conditions for innovation.

Slovenia's ecosystem has achieved significant investment and exit opportunities for start-ups. An example of an exit is Bitstamp, which increased media attention and awareness of available opportunities, in fintech and beyond, and attracted younger generations largely interested in IT development due to the increasing viability of career options.

National start-up awards, along with national entrepreneurship, are well supported by the Slovenian government, which extensively supports the PODIM conference and start-up support events. Slovenia has also made progress in simplifying administrative procedures for foreign investors and entrepreneurs.

Investments overview

An investment platform of over US $40 million will be launched by the end of 2022 to support innovation, scientific research, and the protection of intellectual property in Slovenia and Croatia. This is an initiative of The European Investment Fund (EIF), Slovenia's national promoter bank (SID Banka), and the Croatian Bank for Reconstruction and Development (HBOR).

Slovenia offers entrepreneurs and start-ups the opportunity to experiment, crowdfund, grow, and expand. The country has many innovation hubs and programs that support start-ups in their initial

phase of development. One notable independent initiative is start-up Slovenia, an open platform of the Slovenian start-up ecosystem that supports innovative entrepreneurship.

Regionally, Slovenia is struggling to defend its status as a start-up and economic hub with the growth of start-up ecosystems in more populated countries such as Croatia and Serbia, all of which share a relatively similar language. However, Slovenia's start-up ecosystem has not moved fast enough to solidify itself as the leading regional hub.

Ranking overview

Slovenia continues its decline, but Ljubljana rises locally. Slovenia dropped by one spot to rank 47th globally, unable to reverse the steep decline it experienced in 2021. Nevertheless, Slovenia ranks 11th in Eastern Europe and holds position as 4th in the Balkans.

The highest-ranking Croatian city, Zagreb, has not managed to compete with its counterparts and has dropped 16 spots this year to 194th globally. However, Zagreb ranks 15th in Eastern Europe and 5th in the Balkans. In ex-Yugoslavia countries, Zagreb is now ranked lower than Ljubljana (190th globally), and better than Belgrade (200th globally).

Success Stories

- **Viberate** is based in Ljubljana, Slovenia. A music network that collects and analyzes data points of musicians, venues, events, and other music industry stakeholders.
- **Juicy Marbles** is located in Kamnik, Slovenia. Juicy Marbles makes plant-based steaks.
- **Elly** is located in Ljubljana, Slovenia. Elly (previously Eligma) synergizes payment methods and additional POS services into one solution, transforming the POS terminal into a tool for business growth.

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Accelerators

ABC Accelerator

Based in Ljubljana, ABC Accelerator, for the past 6 years has successfully supported over 200 start-ups including Hotailor, Eligma, and Videobolt. Their famous 3-month acceleration program is held twice a year accepting only up to 12 start-ups from various sectors per batch.

Reveris

Early-stage start-ups from software, tech, and gaming industries engage with top consultants from diversified business backgrounds such as SaaS, marketplace, AI, ML, Adtech, R&D, and video games.

Kovačnica

Offers 3-month and short-term counseling motivational events, information and advice on business building, and thematic events devoted to strengthening knowledge among specific subjects.

Hekovnik Start-up School

Hekovnik acceleration programs are designed to fill the gap between education and the realities of the market. Mentors focus on identifying problems, providing a wide variety of business tools, and spotting market needs, which is followed by the process of product development, storytelling, methodology, data implementation, team building, and pitching to investors.

LINK: Best Start-up Accelerators And Incubators In Slovenia

Greece

Economic Data

Greece	Data Source: World Bank
Population (m)	10.67m
GDP (US$ billions)	$216.2
GDP per capita (US$) '000	$20.3
GDP Growth (annual %)	8.3%
Unemployment (% of total labor force)	14.8%
% of the population using the internet (2020)	78%

Introduction

Even since ancient Greeks established powerful trading colonies along the coast of the Mediterranean Sea, the country has encouraged entrepreneurship. Greece is continuing its tradition of supporting companies with high growth potential with EquiFund, an investment platform established by the Ministry of Economy and Development and the European Investment Fund.

LINK

Ecosystem overview

Greece's Start-up Ecosystem rankings have improved in terms of quantity, quality, and impact of the ecosystem. Over the last couple of years, the Ministry of Development and Investments has created "Elevate Greece", which evaluates, monitors, supports, and promotes Greek start-ups in a number of ways.

Despite being heavily impacted by the economic crisis in 2008 and by the COVID-19 pandemic in 2020, Greece remains resilient. In 2021, Greece increased start-up funding, creating exits and lining up companies to become unicorns. This has attracted global attention to the start-up ecosystems of the country and its tech potential. Greece enjoys close proximity to European markets, the Middle East, and Africa, which would all support the creation of a regional tech hub.

The country has the advantage of a highly-skilled English-speaking workforce and a promising IT sector. However, the challenge is keeping this talent in the country while also fostering an entrepreneurial mindset through education and training. With bureaucracy and a scattered network of ecosystem stakeholders, the budding start-up landscape of Greece still has a long way to go.

The public sector helps with these challenges by developing a network for promoting and mentoring potential entrepreneurs, by facilitating access to information, and by growing investor interest in early-stage start-ups. EquiFund, a fund-of-funds, is taking an active role in bridging the gap left by low venture capital and private equity activity. Resources such as Elevate Greece are starting to bring together start-ups and investors to provide a more comprehensive look at the start-up landscape.

Where bureaucracy is concerned, the government should be making entrepreneurs' lives easier. This is extremely important in Greece, as we have met freelancers and entrepreneurs who feel it is unnecessarily hard to begin freelancing or to embark

on an entrepreneurial path due to overwhelming bureaucracy and social security costs. In addition to reforming bureaucracy and taxes, the government needs to reform the justice system which is totally backlogged and inefficient.

Greece has a reputation for making it hard to do business, and before major reforms take place to make the economy more competitive, digital nomad visas and positive publicity would create real impact. Improved policies are starting to appear, and the results are noticeable. This year, Greece hit the unicorn milestone with PeopleCert and Viva Wallet, showing its capacity to create global companies.

The ongoing digital transformation of Greece, aided by EU funding programs, sends encouraging signals for the future. The start-up ecosystems of Greece have a huge potential for development, and with the right public initiatives, Greece could become a mature regional start-up hub.

LINK

Investments overview

Key Ecosystem Highlights

- **Greek Unicorns.** PeopleCert, Blueground, Viva Wallet, and more.
- **Digital Innovation Hubs in Greece.** A large number of new Digital Innovation Hubs in Greece as well as plans for future hubs, set to have a significant impact on the Greek start-up ecosystem.
- **Data Centers in Greece.** Of significant importance also are the investment plans of foreign multinational corporations, focusing on international digital transformation, data, and research centers with the aim of accelerating innovation and technology transfer within the Greek ecosystem.

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- **Strategic European and International Partnerships.** Greece offers some unique advantages. Featuring lower costs of leasing or purchasing land and a geostrategic location that serves as a gateway to East Asia and Africa, the country's offering becomes highly attractive.
- **Elevate Greece and the National Start-up Awards**. Since June 2020, a National Registry of Start-ups has been established by the Ministry of Development and Investments. This specific piece of legislation ensures that any future regulations addressing start-ups will only apply to registered start-ups.
- **Other measures for the Greek Start-up ecosystem.** Giving out company equity to employees to reward them for their performance and to motivate their commitment. Angel investors are now able to claim 50% of their capital contribution in a start-up, as income-tax deductible.
- **Digital Nomadism**. More and more people are turning into digital nomads, taking advantage of the technological advances and the working flexibility that came with the pandemic. Athens has a total rank of 71,23 and got its highest ranking in the cost of housing, security, gender equality, and healthcare sections.

2019 was a crucial and transitional year for the Greek start-up ecosystem as new companies entered the scene and caught the attention of investors. In 2020, despite the COVID-19 pandemic, the ecosystem showed solid proof of maturity and continued its growth taking advantage of the support measures and the new emerging technologies born out of the pandemic. But in 2021, the Greek start-up ecosystem is now in orbit with record-breaking funding, exits, and acquisitions, proving once more the dynamic that is building up.

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Ranking overview

After a jump of 6 spots, Greece reenters the top 50 for countries' start-up ecosystems globally at #48, and 5th in the Balkans, according to Start-upBlink's ranking.

When looking at Greek cities, except for Athens, all other Greek cities have dropped in the Index. Second in Greece, Thessaloniki had a significant fall this year, dropping 128 spots to 507th globally. These results show how centralized the Greek start-up scene is.

Greece's climb up the Index has been realized thanks to the start-up ecosystem of Athens, which had a massive jump of 21 spots, entering the global top 150 cities. It is ranked 132nd globally and the 3rd-ranked city in the Balkans. Additionally, Athens ranks high in the top 100 global ecosystems for the social and leisure industry at 51st globally.

Success Stories

- **Viva Wallet** is a totally cloud-based worldwide digital payments factory that offers creative, dependable, and secure payment solutions.
  - City: Athens
  - Started in: 2000
  - Founders: Haris Karonis, Makis Antypas, Panos Tsakos
  - Industries: Cloud Infrastructure, Financial Services, FinTech, Internet, Mobile Payments, Payments
  - Number of employees: 501-1000
  - Funding amount: $189,520,124
- **OPAP** is a gaming operator that only conducts, manages, organizes, and operates lottery sports betting and monitoring games.
  - City: Athens
  - Number of employees: 1001-5000

- Funding amount: $851,029,393

- **Spotawheel** is a tech-driven used automobile dealership platform that raises the bar on consumer trust.
  - City: Athens
  - Started in: 2016
  - Industries: Automotive, Predictive Analytics
  - Number of employees: 51-100
  - Funding amount: € 19,360,000

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Accelerators

Enlarging the ideation and pre-seed stage by making venture experimentation easier is a novel step. Greece needs to empower and support angel investments, as well as investments from accelerators and incubators. The foundation of every ecosystem is its ability to nurture (and sometimes kill) new ideas and concepts fast and move forward. The truth is, in 2020 there are a handful of active angels in Greece, a very few programs that provide financing at such an early stage. This will enable fast prototyping and new venture creation. This gap has also been identified by the EIF, which is about to introduce a new Angel Fund for Greece at some point next year.

A second opportunity for new investment can be found in venture debt. Equity and quasi-equity investments are the main financing option for technology start-ups, yet venture debt can either provide a good alternative to traditional VC financing or complement it. Start-up companies maintain their high-risk profile as an asset class even after being backed by a venture capital investor, hence it is quite unlikely they will be able to raise any form of debt financing from traditional institutions. Such an instrument would be extremely useful for capital and asset-intensive concepts, or businesses with intense marketing spending requirements. Currently, the Hellenic Development Bank is providing the latest round of venture capital funding to the VCs.

Third, impact investments should not be overlooked. The convergence of technology and modern societies should offer platforms and solutions that will promote and consider economic, social, and environmental components.

LINK

ACEin

Focused on youth entrepreneurship, the Athens Center for Entrepreneurship and Innovation (ACEin) is the incubation center of the Athens University of Economics and Business.

Found.Ation Accelerators

Found.Ation is an innovation management consulting firm, focused on leading transformations within teams and organizations. It was established in 2011 as one of the first tech incubators in South-East Europe and since then has greatly expanded its scope of activities. Found.Ation connects brands, start-ups, and business leaders to create successful, future-ready companies in the tech space and across various industries. It does so through a variety of different, specialized projects and two flagship accelerator programs – EIT Digital Venture Program and Found.Ation Spark Accelerator.

Egg Accelerator

Egg Accelerator is a leading business incubation and acceleration program that hosted more than 300 start-ups throughout its 9 years of activities and helped them to raise €34.6 million in financing. It is based in Kalithea and provides a variety of services for both start-ups and scaleups, which include financing, mentoring, support in networking, raising capital, and entering new markets. Their program consists of two phases - incubation (during which selected teams work on developing viable business

solutions) and acceleration (time for accelerated growth and fundraising). Thanks to Egg's wide network of experts and partners, selected start-ups can count on comprehensive support and a great entry point towards the Greek start-up ecosystem.

CapsuleT Accelerator

CapsuleT Accelerator is a thematic program that connects travel and hospitality industry leaders with young innovators, driving innovation in the Greek tourism sector. Its mission is to provide access to education, information, visibility, and networking opportunities to new and promising ventures entering this sector. The program lasts for 5 months and consists of workshops, mentoring sessions, pitching opportunities, industry site visits, and networking activities. It also highlights the importance of cross-border collaborations between hospitality start-ups. Tech start-ups based in Greece, with at least a working prototype, more than two founding members, and less than 500K euros in funding are eligible to participate in the program.

Athens Digital Lab

Athens Digital Lab is a tech innovation hub right at the heart of the Greek start-up ecosystem. It is organized by the city of Athens, to support the transformation of great tech ideas into advanced IoT solutions. Every year, there is a new Open Call for start-ups, young entrepreneurs, or research teams operating in different thematic areas (aligned with the municipality's strategic plans) to submit their innovative ideas. Upon selection, they are entering the incubation period, during which they are provided with a variety of resources, access to valuable data, networking as well as unique opportunities to test out their ideas in the real world, throughout many locations in the city of Athens. The most recent themes of the program included tourism, culture, public space management, and crisis management.

Optima-X

Optima-X is a maritime innovation hub, based in Attica. It has a mission to support the Greek ecosystem in generating spin-offs, new concepts, start-ups, and scale-ups and bringing their ideas to relevant markets. One of its key programs is Enso XL Accelerator - a seed-stage accelerator dedicated to the maritime ecosystem within the Athenian shipping cluster and beyond. It offers its start-ups coaching, support in piloting their ideas, cooperating with venture clients, networking, and getting international visibility in the maritime ecosystem. Start-ups eligible to apply should be focused on thematic areas such as Data and AI, Fuel and Energy Efficiency, Infrastructure for ships and assets, Maritime cyber risk management, and more.

OK!Thess

OK!Thess is the biggest innovation hub in the city of Thessaloniki, which creates a community of ambitious entrepreneurs, researchers, and creatives. An accelerator is one of its flagship initiatives. The program runs 4 times a year and is dedicated to ambitious founders of early-stage start-ups. It consists of workshops, masterclasses, and coaching sessions, during which entrepreneurs can learn all about business development and fundraising, and after the concluded run of the program, start-ups have the opportunity to pitch in front of leading investors. They also get access to OK!Thess coworking spaces.

Corallia

Corallia is one of the main pillars of the Greek innovation ecosystem and a "think tank" that supports national and regional development plans in Greece. Being the first organization for the systematic management and development of innovation ecosystems in Greece, it was founded in 2005 as a unit of the Athena Research Center, and since then it has been implementing targeted actions of integrated innovation ecosystems, with

an emphasis on the management of Clusters, Incubators, and Entrepreneurship Programs.

Technopolis Business Park Thessaloniki

The “High Technology Business Park - Technopoli Thessaloniki S.A.” is an initiative of the IT Business Association of Northern Greece (SEPBE) and was founded in 2001 with the participation of IT and High Technology businesses from all over Greece, as well as public bodies.

The purpose of the company was to establish the first High-Tech Business Park in Greece both to solve some of the problems of the companies in the sector, such as their housing needs, but at the same time to create a network of modern infrastructure and investment opportunities, which will be a lung of development both for Thessaloniki and Northern Greece, as well as for the country in general.

LINK: Best Start-up Accelerators And Incubators In Greece

Conclusion

The European start-up system has been developing quite actively and steadily lately, and in the coming years it will most likely also occupy a leading world position. A feature of the European system is a strong diversification from region to region, depending on its purchasing power, as well as international contacts with other regions.

Also, ecosystems are typically built around key cities: London, Paris, Berlin, Stockholm, Madrid, and so on. The development of unicorn start-ups in each of the regions has a very significant impact. So, for example, some Balkan regions began to develop significantly more actively with the emergence of companies worth more than 1 billion US dollars.

From the point of view of the work model itself, European accelerators do not differ much from international practices. The only thing that can be singled out is the active development of corporate accelerators, which are in search of innovations for their companies, and look at start-ups as a possible innovative impetus for their development.

Asia Pacific

Vietnam

Introduction

Vietnam's start-up ecosystem is hailed as one of the fastest-growing in the region, with over 3,800 start-ups injecting billions of dollars worth of investment into the country. A new generation of innovators is disrupting the traditional business landscape, and Vietnam isn't just a rising star; it's a force to be reckoned with.

Economic Data

Vietnam	**Data Source:** World Bank
All data 2021 unless stated	
Population (m)	98.2m
GDP (US$ billions)	$362.6
GDP per capita (US$) '000	$3.69
GDP Growth (annual %)	2.6%
Unemployment (% of total labor force)	2.2%
% of the population using the internet (2020)	70%

Ecosystem Overview

From the year 2000 through today, Vietnam has seen three generations of start-up founders with different characteristics.

The first-generation start-ups were established during the period from 2000 to 2006. They focused on three main core sectors: gaming, e-commerce, and media. Notable names during this period like VNG, Vatgia, NextTech (formerly Peacesoft), VCCorp, 24H, and Yeah1. When the core business becomes large enough, these founders diversify into new areas and often expand their companies into new business areas. Take unicorn VNG, for example; after being very successful in the gaming industry, it expanded into the financial services industry with e-wallet company ZaloPay, and in the media sector with Zing and Zalo.

The second generation was established from 2007 to 2014, including founders of big-name companies like Batdongsan, Tiki, Foody, Topica, and Nhaccuatui. They started in a more competitive environment than the first generation and took longer to dominate the market. The second generation tends to strengthen its core business by vertically expanding to form a comprehensive ecosystem around the original main product. Tiki is the most notable one; starting with the B2C e-commerce platform only selling books, they expanded to a full-fledged e-commerce platform, delivery service TikiNow, and cross-border e-commerce TikiGlobal.

The third generation with the most features has been established since 2015. This generation consists of many founders who have worked in

advanced technology ecosystems worldwide. With such experiences, founders with global skills were able to build fast-growing start-ups. They also focus on building a solid core technology foundation to create competitive advantages. The third generation has seen big global names such as Elsa, a personalized AI-powered English-speaking coach application, or unicorn SkyMavis, a technology-focused game studio.

Since 2017, the Vietnamese government has issued many laws and regulations to support start-up ecosystem development. In January 2018, the Law on Supporting Small and Medium-sized Enterprises (SMEs) was passed. It came into effect with detailed provisions for significant support to start-ups in areas such as technology transfer, training, trade promotion, investments, preferential loans, and incentives for venture capital funds.

Under Vietnam's Law on Support for Small and Medium-sized Enterprises, a start-up is defined as a "small- or medium-sized enterprise that is established to realize an idea by exploiting intellectual property, technology, and/or new business model and capable of growing fast." Therefore, this definition builds on a start-up's critical economic features: innovation and the capacity to scale.

Following this, Decree 38/ND-CP came into effect in March 2018 and focused on innovative start-up investments. It identifies and recognizes start-up investment activities as a business and provides legal status to innovative start-up companies and funds. In addition, one of the regulations stipulates that the state can also invest 30 percent of the total funding round investments in a start-up.

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The Prime Minister approved the Vietnamese Prime Minister's other Decision 844/QD-TTg/2016 and its amendment Decision No. 188/QD-TTg on the "Supporting National Innovative Start-up Ecosystem to 2025" Project. This aims to support the national innovative start-up ecosystem through 2025 and develop a legal system and a national e-portal for start-ups by 2020. In addition, it also plans to provide funding support to 200 start-up enterprises. After a two-year pandemic interruption, Vietnam's Ministry of Science and Technology (NATEC) is once again gaining momentum in continuing its plans to promote and establish cooperative relationships with partners.

Further support has been seen for the fintech industry In 2022, with the State Bank of Viet Nam (SBV) expected to complete the regulatory sandbox for fintech firms, designed which is considered as a legal framework to boost the development of digital banking and fintech within Vietnam.

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Investments Overview

In addition to the regulation, the Vietnamese government has been actively providing funding and seeking new sources of financing for start-ups.

To encourage entrepreneurship, the Vietnamese government has established several state and provincial/city funds to support start-ups. These include initiatives set up in the two most innovative cities in Vietnam:

- SpeedUP is a US$ 520,520 fund started by Ho Chi Minh City's Department of Science and Technology. The fund has a range of investments ranging from US$15,500 to US$56,792.
- Saigon Silicon City is a 52-hectare complex built to support tech-focused start-ups and international firms. It is expected to attract investments worth US$1.5 billion in target industries such as microelectronics, precision engineering, biotechnology, and nanotechnology, among others. The design and build model was unveiled in 2020, but the project is now in "wait and see" mode, again, likely due to pandemic disruptions.

In addition, the government has also collaborated with countries and banks to develop funding and innovation programs, providing loans, technical training, and business mentoring. Some of the programs include

- Vietnam-Finland Innovation Partnership Programme - jointly financed by both governments. The program's portfolio includes Abivin (big data analytics), Beeketing (online marketing), Entobel (sustainable feed supplier), and Ezcloud (integrated hotel management solutions), among others. The second phase ran from 2014-2018 with a budget of EUR 11 million.
- USAID's Improving Private Sector Competitiveness has recently initiated a program with the Ministry of Planning and Investment to support some SMEs and SGBs.

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Furthermore, Vietnam's Ministry of Science and Technology set up two government agencies to support the start-up ecosystem:

- National Technology Innovation Fund (NATIF) is a government agency and financial institution that provides grants and preferential loans for R&D, innovation, and technology transfer (geared more to university/academia).
- National Agency for Technology, Entrepreneurship, and Commercialization Development (NATECD) is a national platform

that provides training, mentorship, and financial aid NATEC, with the annual Techfest as the leading start-up event in Vietnam.

Ranking Overview

A ranking released by Start-upBlink's Global Start-up Ecosystem Index 2022, a global start-up ecosystem and research center, has put Vietnam in 5th place in its 'Best Countries for Start-ups in 2022' in the Southeast Asian region, overtaking the Philippines, and is well-positioned to overtake Thailand next year if this positive momentum continues. Vietnam is ranked 54th out of 100 countries worldwide, five places up from last year.

Start-upBlink also put Ho Chi Minh City (HCMC) as Vietnam's ideal city for start-ups. The commercial capital ranked 111th out of 1000 cities globally. Hanoi follows HCMC at 222.

According to the Start-up Blink report: "The Vietnam start-up ecosystem is a regional leader in innovation," and "Having Hanoi and Ho Chi Minh City as innovation hubs is a massive bonus to the Vietnamese ecosystem, but hopefully, more cities will follow suit."

Accelerators

ThinkZone Ventures

Founded in 2019 by Do Bui, ThinkZone Ventures is an early-stage financing firm that assists entrepreneurs and founders in raising capital for their start-up enterprises. It invests in start-ups in various verticals, including fintech, edtech, logistics, and transportation. ThinkZone Accelerator can offer a direct investment of up to $200,000, $250,000+ support packages, and 3-month support in 1:1 mentoring and partnership connection to boost start-up growth's traction.

In 2022, ThinkZone Ventures and its Strategic Investor TNB Aura organized the Global Minds Accelerator (GMA), which is an accelerator program supporting Pre-seed to Seed tech start-ups that have the potential to target global markets. The qualified start-up would receive at least $125,000 direct investment from ThinkZone Ventures and TNB Aura, as well as fundraising support.

This focus was kicked off by the first original Vietnam Accelerator and VC business which started in 2014, but is no longer active.

Zone Start-ups Vietnam

Zone Start-ups Vietnam is a key resource for the best start-ups in Ho Chi Minh City. Focusing on early-stage technology companies, it provides hands-on strategic and tactical guidance for start-ups looking to drive market validation and customer acquisition and access to investors, corporate partners, and advisors. Zone Start-ups Vietnam is part of the Zones Start-ups Global network, including multiple programs in Canada and India.

Other Accelerators

Other accelerators in Vietnam include DNES in Da Nang, which is a public-private partnership incubator, BKH, affiliated with Hanoi University of Science and Technology, and BizCare in Hanoi which is a private program that is a part accelerator and venture builder. In addition, WISE is a women's support program that runs an annual accelerator for women.

Summary

Vietnam's start-up ecosystem is a regional leader in innovation. The Vietnamese government's funding and seeking of new sources for start-up financing is an interesting model to watch.

China

Economic Data

China	Data Source: World Bank
Population (m)	1,410
GDP (US$ billions)	$17,730
GDP per capita (US$) '000	$12.6
GDP Growth (annual %)	8.1%
Unemployment (% of total labor force)	4.8%
% of the population using the internet	70%

Introduction

The last few decades saw China rise to greater heights as it became an economic powerhouse globally, especially in its technology sector industry. The digital economy accounts for nearly 40 percent of China's GDP, according to the China Academy of Information and Communications Technology (CAICT), a government-affiliated think tank. The government also supports and engages in venture capital investment itself.

A record of approximately $131 billion worth of venture capital investments was recorded in 2021, as reported by Bloomberg. Entrepreneurs and venture firms have turned away from softer internet businesses and toward hard-core technologies like semiconductors, robotics, and enterprise software. The amount of money going into biotechnology hit $14.1 billion last year, up tenfold from 2016. Furthermore, China supports more than a thousand start-ups in deeper technology, such as machinery and semiconductors, by giving tax cuts, low-interest loans, and more.

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An important factor in China's start-up ecosystem is the Chinese government's "Made in China 2025" policy. The plan was initiated in 2015 to reduce China's dependence on foreign technology and promote Chinese technological manufacturers in the global marketplace by 2025. The aim is for China to be a self-sufficient and technologically sophisticated nation, and no longer as reliant on foreign assistance. The following industries are specially mentioned in this list:

- Advanced machine tools,
- Robotics, and
- Next-generation information technology.

To assure sustainability and reduce the need for foreign assistance, the Chinese government strongly emphasizes concentrating on these industries. They started to research and develop projects and new businesses in the country to ensure they had their mark on every part of the economy. In addition, to remain competitive on the global stage, it has implemented subsidies, mobilized state-owned businesses, and pursued the acquisition of intellectual property.

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In addition, academia plays a significant role in supporting and promoting start-ups and

entrepreneurs in China. More than 20,000 technology-based oriented businesses and start-ups, including about half of China's unicorn companies, are located in Zhongguancun, also known as China's Silicon Valley.

The region has produced an average annual growth rate of around 25% over the past ten years. The district also hosts many global tech giants such as Google, Intel, and AMD.

The success and prosperity of Zhongguancun are due in part to many brilliant people with technological skills who graduated from prestigious institutions, including Peking University, Tsinghua University, and the Chinese Academy of Sciences.

One of the leading institutions, Tsinghua Holdings, is a university-owned company that supports the ecosystem in which academics, industry, and research work closely together to engage – a good illustration of academic support in action. One of China's most notable international brands, Lenovo, was also a product of the Chinese Academy of Sciences.

Ultimately, the role of academia has helped create more than 62 important and innovative technologies and commercialized 56 major scientific breakthroughs locally.

Ecosystem Overview

It is not a coincidence that China's ongoing economic growth coincides with the Open Door Policy first implemented by Deng Xiaoping and the government's encouragement of citizens to launch businesses. Through several groundbreaking policies and maintaining its brand of socialism, the country has emerged as the second-largest economy in the world. It adopted policies especially to support small-scale and larger-scale enterprise companies in the country. China has recognized

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technology entrepreneurship as a national strategy for future economic development.

The rise of technological entrepreneurship has helped both global trade and scientific research considerably. The quantity of technology businesses has grown, as have the earnings from their output, exports, employment, and, ultimately, tax contributions to the government. Between 2010 and 2014, industrial production from technology-based entrepreneurship increased by 41%.

The year 2021 marked a turning point for the Chinese tech industry. Beijing adopted historically harsh measures to restrain some of the biggest tech companies in the world, such as Alibaba and Tencent. Major administrative and legislative initiatives were launched to promote anti-monopoly and privacy. Widespread debates have centered on the reasons behind the crackdowns, linking them to Xi's consolidation of power and his well-known "shared prosperity" goal, which aims to close China's vast income disparity by incentivizing the wealthy to contribute to society.

Chinese President Xi Jinping has ordered the nation's internet behemoths to pursue "common prosperity" instead of only seeking profits. Few anticipate that the Communist Party's effort will end in businesses like Tencent Holdings Ltd. or Alibaba Group Holding Ltd. becoming state-owned corporations. Still, the dynamic between the government, business leaders, and investors is fundamentally changing.

There is increased pressure on tech firms to exchange sensitive information and move away from online commerce in favor of fundamental technology that may keep China from losing access to American suppliers. Beijing could restrain individual spending binges by enforcing tighter capital controls and introducing new requirements in early 2017. However, Beijing saw the actions of many private-sector corporations as a threat to its ability to control the economy and the soft power strategy at the heart of its international aspirations.

With these recent crackdowns on major enterprises, there is fear among business owners, and those who wish to establish a start-up in China, as some foreign investors become wary. According to Chief Operating Officer Marcelo Claure of Japan's SoftBank Group Corp., one of China's most prominent foreign investors, they take a more cautious approach to backing the country's start-ups but will continue to cut deals. Additionally, one pension fund specializing in investing in Chinese technology has halted all new funding for the nation's internet companies this year due to regulatory risks.

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It's challenging for Chinese entrepreneurs with the need for seed funding. However, due to the market's increased opening, business owners have more opportunities, particularly those running early-stage start-ups. The overall result is the dismantling of monopolistic tactics by giant internet corporations that have made it challenging for start-ups and established businesses to compete.

Ranking Overview

Globally, China ranks #10 in terms of its start-up ecosystem according to Start-upBlink's Global Start-up Ecosystem Index 2022. China experienced the most substantial loss in momentum among the top 10 countries, dropping from 7th to 10th. Beijing and Shanghai are still in the global top 10 cities.

The country has also lost its position as a leader in the Asia Pacific region where it now ranks 3rd, overtaken by both Singapore (7th globally) and Australia (8th).

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Accelerators

Blue Elephant

Founded in 2015, Blue Elephant Capital is China's first education and edtech investor located in Beijing. With a 3-month intensive accelerating program for new portfolio companies, it follows a vision to empower and promote education entrepreneurs to impact billions of people worldwide.

Blue Elephant Capital sets the education industry as its focal point due to Chinese families increasing demand for better education, generating a significant market opportunity. The unprecedented efficiency of the industry's transformation by the internet and other technologies has also propelled it towards the leading position globally.

BE Capital aims to provide new entrepreneurs frequently ignored by traditional investors by providing group workshops and integrating founders into the Blue Elephant network. Blue Elephant regularly holds Demo Days

The standard equity taken is between 3% - 8% for a 10 million RMB valuation (c $2m). Four funds have since been raised by the company whilst completing their seed round and follow-on investment in 85 edtech companies. 95% of its portfolio companies like Tengfei, Piying, and Youshikoudai are still in business.

Nest

Established in 2010 by Lawrence Morgan and Simon Squibb, Nest, also known as Nest VC, runs corporate accelerator programs and invests in seed to growth-stage start-ups. The firm welcomes companies working on various technologies and industries while running an entrepreneurial community called Mettā to connect people, ideas, resources, and opportunities. Nest has also built an innovative ecosystem to join the fast-growing markets of Asia, the Middle East, and Africa. Its headquarters is in Hong Kong, and other offices are in Nairobi, Bangkok, and Bahrain.

Nest invests in seed to Series A stage start-ups with the range of amounts from USD 100K to USD 1 million and has invested in 17 start-ups as of December 2020. Over 174 start-ups have been accelerated with their corporate partners, including Bangkok Bank, INFINITI, FedEx, DBS, Amex, and various governments since 2015, offering its programs worldwide.

Dao Ventures

Dao Ventures is a China and US-based impact investment and accelerator group. It is a cross-border group of affiliates that have established ACBridge Global Advisors, ACBridge Capital Advisors, China Impact Fund (CIF), New Ventures Global, and its not-for-profit affiliate program Green Start-ups Accelerator (formerly New Ventures China), managing start-ups accelerators across Beijing, Hebei, and Zhongguancun region.

With its launch in 2014, the Dao Ventures consortium's primary focus is to support small and medium-sized enterprises (SMEs), focusing mainly on the environmental and technology sectors. It provides a wide range of services to both Chinese and international companies.

Dao Ventures have supported and accelerated over 1,000 SMEs and 100+ ventures, including the Shenwu Environment & Energy, Landwasher, Mission Barns, and SkyCool Systems, facilitating more than USD 200 million in investments. Almost 40 seed grants of USD 500 to USD 20,000 have been made to impact ventures across the U.S., Canada, Israel, and China.

SOSV

SOSV, launched in 1995 by SOSV Managing General Partner Sean O'Sullivan, is a US-focused seed &

growth stage venture capital and accelerator firm that operates early-stage start-up development programs based in New York City, and Newark, to San Francisco, Shenzhen, Shanghai, Taipei, and Tokyo. Successes include hard tech-oriented (HAX) and human-and-planetary-health-driven (IndieBio) start-ups. Pitchbook consistently ranks it as a top investor in the climate tech and health industries as of April 2022.

SOSV's core mission is to fund visionary, deep-tech founders who will have a profound impact in the areas of human and planetary health. An initial investment of up to USD 500,000 is made, and the founders are to spend four to six months working side-by-side with SOSV staff and mentors. A select up-and-coming, seed and pre-seed start-ups of 100 or more join SOSV's programs each year to aid each start-up in proving their value by getting increased scientific and marketplace traction and clarity about their product's value positioning to solve urgent problems.

As of January 2022, SOSV had more than USD 1.3 billion in assets under management. Among the top companies in SOSV's portfolio are NotCo, Perfect Day, Upside Foods, The EVERY company, Formlabs, Yeelight, Opentrons, Shopal, Snapask, Getaround, and BitMEX.

Lenovo Capital and Incubator Group (LCIG)

Lenovo Capital and Incubator Group is a venture capital and accelerator company that aims to integrate Lenovo's global resources, enhance its internet services and intelligence ecosystem through investments, and foster innovation both inside and outside Lenovo since its launch in May 2016.

Established in Beijing by Chuanzi Liu, the global technology industry fund emphasizes building a smart ecosystem through strategic investments. Such ecosystems include IoT, edge computing, big data, cloud, artificial intelligence (AI), and smart vertical solutions. LCIG focuses primarily on early-stage IT venture capital while internally incubating ten subsidiaries and businesses, including Lenovo Enterprise Cloud and Smart Healthcare.

To date, Lenovo has invested in more than 100 companies, including several that have become unicorn companies, such as Cambricon, Face++, and NIO.

CAS Star

Founded in Xi'an, China, in 2013, CAS Star is the first professional platform for early-stage venture capital firms engaging in high-tech industry incubation in China. It mainly focuses on deep hard and core technology investments such as artificial intelligence (AI), aerospace, biotechnology, optoelectronic chips, information technology, new materials, new energy, and intelligent manufacturing.

As the creator of the concept of "hard technology" and the pioneer of hard technology investment, CAS Star is committed to building a hard technology entrepreneurial ecosystem integrating research institutions, venture funding, entrepreneurial platform, and incubation services for science and technology entrepreneurs, while actively exploring science popularization and science education. The company has successfully explored the "four-in-one" and "four-integration" models of scientific research results transformation, which highly unifies suitable leading talents, innovative technologies, and personal incubation services.

Currently, the company has 83 investments with portfolio companies such as DeepTech, TiDuYun, and ToGeek.

Chinaccelerator

Chinaccelerator is a Shanghai-based accelerator sponsored by SOSV that provides funding, mentoring, and legal support to software

businesses. Started in 2010 by Cyril Ebersweiler and Sean O'Sullivan, the program presently has 260 investments, the majority of which are in the fields of e-commerce, the internet, mobile technology, and software.

In return for about 6% equity, Chinaccelerator handpicks several promising start-ups twice a year and invites them to join the company's program. The company then invests USD 150,000 via convertible equity or directly into early funding rounds actively being raised. Each cycle culminates in a Demo Day, where the start-ups present their companies to a carefully curated audience. Participating start-ups move to Shanghai, where Chinaccelerator helps optimize product-market fit, develop local growth strategies, and closes out the program with a focus on packaging the start-up's progress to investors.

AC Accelerator

AC Accelerator is a Beijing-based start-up accelerator established in 2015 by Luozhu Jin, Tong Wang, Yong Xu, and Yuliang Tong and offers entrepreneurs and firms funding, mentoring, coworking space, and networking possibilities.

The company follows the incubation model of Y Combinator, a top global incubator. It currently focuses on early-stage projects in technology fields such as artificial intelligence, big data, and enterprise services. It is the first early-stage investment institution in China that focuses on boutique investment and heavy service investment. It relies heavily on Angel Growth Camp to provide entrepreneurial teams with comprehensive post-investment services such as entrepreneurial training, mentorship, follow-up financing, and industrial resource matching. Among its several portfolios are QYSEA, Comicloft, Zhiqingfin, YunDuoKeTang, and many more.

Songshan Lake XbotPark

Founded in 2014, Songshan Lake XbotPark, commonly referred to as XbotPark, is a facility established in Dongguan for robotic start-ups that supports and promotes aspiring start-up teams interested in robotics and intelligent hardware. The company focuses on entrepreneurial incubation in robotics, specializing in core components, robotic systems, and robotics applications.

Start-up entrepreneurs are provided the benefits of start-up activities, including boot camps, entrepreneur camps, supply chain mentorship, long- and short-term internships, industry exchanges, robotics competitions, and exhibitions & summits. XbotPark tremendously offers professional training for those entrepreneurs revolving around technicalities including computer vision, deep learning, and autonomous driving, all around product development support through skill-focused workshops and 1-on-1 consulting. They also provide access to instant practical research facilities and training through their abundance of professional laboratory and machine-testing equipment.

XbotPark has partnered with various investment organizations, including Silicon Valley's top venture capital firm, Sequoia Capital, and Hill House Capital Group, to provide their cohort incubated teams with funding from exploration to seed and angel stages. In addition to accumulating local supply chain resources, the firm works closely with several high-tech R&D companies and leaders in the semiconductors, manufacturing, logistics, and real estate industries to elevate their resident start-up teams' research and business activities.

Over 50 start-up companies are incubated by XbotPark, spanning various industries -from industry 4.0 and agriculture to consumer, health, and IoT. Their portfolio companies include Homerun Pet, QT Steam, Agile-X Robotics, Unknown Planet, Wonderlabs, and others.

Vectr Ventures

Vectr Ventures is a Hong Kong-based start-up launcher studio established in 2013, currently situated in Hong Kong. Primarily investing in regions such as the US and Asia, Vectr Ventures focuses on tech companies specializing in online retail, financial, and food technology.

The firm heavily invests in Seed to Series A companies and supports them by providing supporting teams with product development and commercialization services support through Vectr's Studio and Growth teams. Vectr Ventures has since invested in 80+ companies with a USD 19 follow-on funding for every $1 invested. 60% of its portfolio companies leveraged Vectr's network. Their portfolios include companies like Accern, Allinfra, EatLove, and Jarvish.

Summary

China has made an impressive transition from a low-tech developing country to a cutting-edge technological power as a result of the Chinese government's prioritization of technology development as a strategic goal. Yet, China's decision not to open its ecosystems globally means that most of China's start-ups are focused only on China's economy and have a limited footprint. Since China is such a huge country and economy, Chinese ecosystems have been able to achieve impressive growth and create an extraordinary number of start-ups and unicorns. Still, its lack of an open, global approach may hold the start-up ecosystem back long term.

LINK

Singapore

In 1299, the crests of the angry waves smacked into the side of the boat drenched in luxury, unleashing cascades of furious froth, as the tropical thunderstorm tossed it from side to side. Sang Nila Utama, the Sumatran prince sought refuge in a small fishing village on land nearby. In the distance he admired the bedraggled mythical creature crouching down with stealth-like precision silently, patiently, stalking its prey. From that day "Singa" "Pura" was born – the Malay words for lion and city.

While there is plenty of debate about whether lions ever existed in the region in Medieval times, lions project power, excellence, and strength. It is these attributes that reflect Singapore's global reputation as a center of excellence; as a global financial and logistics hub. It is this reputation and strength that makes the island city a natural drawcard for accelerators from all over the globe.

Economic Data

Singapore	**Data Source:** World Bank
Population (m)	5.5m
GDP (US$ billions)	$397
GDP per capita (US$) '000	$72.8
GDP Growth (annual %)	7.6%
Unemployment (% of total labor force)	3.6%
% of the population using the internet (2020)	92%

Singapore's limited geography – the challenges and the opportunity.

Singapore is a city-island-nation – simultaneously a city, a nation, and a country. As an island nation, it has a limited land mass, around 729 km^2 – about 90% of the size of New York City. It supports a population of around 5.7m and has few natural resources with very limited arable land, which creates challenges for the nation-state. At the same time, Singapore's location provides it with natural advantages.

Singapore has always been of strategic importance. As a former British colony, it was an outpost for the British empire, strategically looking after Britain's colonial interests in Australia and India in the event of international conflicts in the neighboring regions. Today, Singapore has a new strategic narrative – it lies in the very heart of the ASEAN economic zone.

ASEAN is a localized economic zone comprising 10 fast-growing economies in South-East Asia. Each of these economies is within easy reach of Singapore – typically within a two-to-three-hour flight. Singapore, as an English-speaking country, is well-positioned to offer easy access to a local market of around 640 million people. This makes it an attractive launchpad for international businesses, with many using Singapore as their regional headquarters. While it acts as a natural gateway to the ASEAN economic zone, Singapore is also a significant financial gateway.

Since its independence in 1965, Singapore has transformed into a financial center. Under Prime Minister Lee Kuan Yew, Singapore's transformation created the landscape that multinationals craved – social stability, the rule of law, and financial probity.

The financial landscape of Singapore is controlled by The Monetary Authority of Singapore which regulates and supervises over 150 deposit-taking institutions and operates a very strict regime of control. It has become a flourishing financial center of international repute servicing not only its domestic economy but also the entire Asia Pacific region. This has resulted in marked inflows of investment funds – assisted by very carefully crafted, and very favorable, tax laws. Singapore has no capital gains tax.

For international investors, no capital gains tax is very alluring– especially for those that are in the technology space. With the natural desire to ride the coattails of a unicorn's journey, investors can generate far higher returns for successful investments. This becomes a self-reinforcing and repeating cycle that benefits all involved with the core foundations highly favorable to the technology start-up community and to accelerators in the region. But the landscape just keeps getting better...

The Importance of Enterprise Singapore

Originally established in 1983, International Enterprise Singapore (IE Singapore) was a government agency with a mission to assist the growth of Singaporean companies overseas and promote international trade. In 1996, the Singaporean government also established Spring to promote enterprise development within Singapore itself. In 2018, these agencies merged to create **Enterprise Singapore**.

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As a combined agency, Enterprise Singapore has shown its commitment to the technology start-up ecosystem by initially establishing the **Start-up SG**, an initiative, designed to showcase Singapore's vibrant start-up ecosystem fostering enhanced innovation and collaboration both locally and overseas. Deep support is also given to

Deeptech, which is believed to help promote economic growth.

The Agency for Science, Technology, and Research (A*STAR) is Singapore's lead public sector agency that spearheads economic-oriented research to advance scientific discovery and develop innovative technology. Its objective is to play a key role in nurturing and developing talent and leaders for the wider research community, and industry.

In addition, Enterprise Singapore launched three additional ground-breaking initiatives:

Start-up SG Founder - the program aims to encourage and support aspiring first-time entrepreneurs to start innovative businesses, by providing mentorship and financial support.

Start-up SG Equity - where the Singaporean government, through SEEDS Capital (SC) –an investment arm of Enterprise Singapore - co-invests with around 60 accredited **partner investors.** Up to $2m is available for general tech and up to $8m for deep tech. They additionally invest in accredited VC firms that invest in start-ups.

Start-up SG Accelerator - the program supports **start-up enablers**, e.g., incubators and accelerators, to support and enhance the export growth of high-potential Singapore-based start-ups. The program provides both financial and non-financial support and also supports approved international enablers setting up in Singapore.

Overall, Enterprise Singapore has become a tour de force, creating a model of tech start-up expansion and cooperation that other nations can only aspire to.

Accelerator Models in Singapore

Together, the economic, financial, and governmental foundations make the technology start-up space so appealing for both entrepreneurs and accelerators alike. These proactive initiatives have fostered a favorable landscape resulting in 222 incubators and accelerators opening in Singapore. Start-up SG has curated a **full list of all incubators and accelerators** which is regularly updated and open access to anyone. The results are speaking for themselves.

Many entrepreneurs have relocated their headquarters to Singapore, which is made easy with Singapore's **Entrepass** program designed to welcome foreign entrepreneurs to start and operate a business in Singapore. The healthy tax regime and the high levels of localized capital do the rest.

Global accelerators have seen the potential of all these benefits. So much so, that there is fierce competition in the island nation amongst accelerators. Global names such as **500 start-ups, Techstars, Entrepreneur First, Antler, & Founders Institute** are among some of the major established accelerator programs on the island. Some newer accelerators to the island are even having to offer free programs to get entrepreneurs on board.

Key Singapore Accelerators

With so many choices for incubators and accelerators, the list below focuses on the local accelerators that have their headquarters in Singapore, and have contributed consistently to the local ecosystem.

Accelerating Asia

Established in 2019, for founders by founders, Accelerating Asia positions itself in the twilight zone for start-ups – where traction is beginning to happen but it is insufficient to warrant formalized support from Series A investors. Series A investors prefer to provide the rocket fuel to expand projects with proven product-market fit. Accelerating Asia also has an early-stage VC fund attached to the program to assist with ongoing funding. The Asia Accelerator flagship program invests up to US $250k, with the first check cut for US $100k based on a SAFE note. The accelerator program fee of US $35k + 3% equity is taken out of the initial investment, meaning the deal is cash flow neutral to entrepreneurs and considered founder friendly. Their programs also target companies in the ASEAN region outside of Singapore. Since 2019, they have supported 54 start-ups, 45% of which have female founders. 100% of the start-ups graduating from the program have received follow-on funding with US$37m of external capital raised.

GROW

Established in 2019, GROW is Southeast Asia's leading agri-food tech accelerator backed by **AgFunder,** a Silicon Valley VC firm with assets under management of $160m. GROW drives transformational change through the growth of emerging FoodTech and AgTech start-ups, which are addressing the world's biggest challenges of sustainability. GROW offers 3 core programs:

- a 12-week program for those at the idea stage to encourage homegrown Singaporean ventures
- a 12-week virtual program for regional start-ups aligned with Singapore's 30x30 food pillars – where 30% of local nutritional needs need to be met locally.
- 20-week program for scale-ups with each member of the cohort receiving a US $100k investment (via a SAFE note). In addition, they receive in-kind services of US $100k including a 20-week program that culminates in a demo day for further expansion and external investment. Since commencing in 2019, 19 companies have graduated from the impact accelerator with the alumni raising over US $20m.

Hatch.blue

Hatch blue is an accelerator that is spread across three continents, with offices in Hawaii, Norway, and Singapore. Accepted members of each cohort (usually 8-10 members) receive US $130k in funding - $75k cash and $55k in-kind services including the 16-week program. The accelerator targets sustainable aquaculture. Each cohort member is expected to visit the three office locations during the program. Hatch also has its own internal fund to enable follow-on funding and facilitates introductions to external investors. Since launching in 2018, Hatch has made 29 investments and raised about $8m in follow-on funding across the portfolio.

MoveSG

Established in 2019, MoveSG is a global accelerator program open for global companies and entrepreneurs. MoveSG is helmed by Goldbell – Singapore's largest player in the leasing and distribution of commercial and industrial vehicles, which has over 40 years of experience in Singapore and Asia. In addition, they have the further support of key industry partners such as Shell and Avis Budget Group. MoveSG nurtures technology in the area of mobility, transport, and logistics and works closely with ASEAN partners as a corporate venturing arm. For example, in late 2021 they worked with Hyundai Motor Company and Kia

Corporation to enable start-ups to solve challenges in the domains of Smart Cities, Smart Factory, Logistics & Mobility through the 'Accelerate the future challenge'. In many ways, MoveSG is more of a corporate venturing arm, but they have actively embraced the tech start-up ecosystem to provide innovative solutions for multinationals.

The Finlab

Founded in 2015, The FinLab is an Innovation Accelerator by United Overseas Bank (UOB), a Singaporean multinational banking corporation headquartered in Singapore. The Finlab assists businesses on their digitization journey and embraces new technical innovations from outside. Through FinLab's online proprietary business tools, webinars, curated events, and content, they provide the core infrastructure for businesses to embrace digitization. While the accelerator does not have a formal external Entrepreneur accelerator program, they are very supportive of new ideas and since the inception of the accelerator, they have showcased 100+ tech solutions and have connected with over 14,000 businesses globally.

Summary

For a small island nation, Singapore is a very powerful financial force that acts as the English-speaking gateway to the local ASEAN market with its 600m population. Its strong reputation has been carefully crafted to present the necessary probity that Western companies and investors expect, made even more favorable by incentivizing investors through zero capital gains tax. The Singaporean government has also proactively embraced the technology start-up ecosystem, positioning Singapore as the favored Asian headquarters for so many companies.

Australia

Economic Data

Australia	Data Source: World Bank
Population (m)	25.7
GDP (US$ billions)	$1,540
GDP per capita (US$) '000	$59.9
GDP Growth (annual %)	1.5%
Unemployment (% of total labor force)	5.1%
% of the population using the internet (2020)	90%

Background to the Australian Technology Ecosystem.

For so long, Australia has successfully relied upon the resources sector as the key driver for its economic growth. According to the Reserve Bank of Australia (RBA) the resources sector represents 11.5% of the economy and 68.7% of exports. This reliance helped Australia avoid recession during the Global Financial Crisis in 2007 – 2009, as it supported China's historic growth trajectory through the supply of high-quality mineral resources. With China's relative slowdown supported by increasingly tense relations between the two countries, this strategic reliance on resources is shifting.

In tandem with the global trends, Australia over the past 10 years has increasingly positioned itself strongly towards innovation. With consensus on both sides of the political aisle, the Australian government has instigated multiple initiatives to stimulate growth in the entire technology ecosystem. This has focused on a very favorable tax culture, especially toward Research and Development.

In 2000, the Australian Federal Government first introduced the Research and Development Taxation Credit initiative. This has continued to evolve markedly, resulting in the current Research and Development Taxation Incentives that enable up to 43.5% of all funds spent on Research and Development to be claimed as either a tax rebate for those companies that are already generating profitability or as a direct cash rebate for those that are pre-revenue.

This has been a major boost for both entrepreneurs and investors alike in the start-up ecosystem, providing some mitigation to the high risks associated with early-stage investment. Over the years, this has helped generate some notable successes that are now driving the whole ecosystem forward with increased vigor.

In 2015, Atlassian, the Australian developer of suites of tools for software development, was listed on NASDAQ at a $4.4bn valuation. At the time, this was a record for the largest initial valuation of an Australian technology firm listing on a public market. This brought a significant international spotlight on the Australian technology sector, raising interest from international investors. The Australian government, at both state and federal levels, was quick to see the potential for innovation to enhance economic growth and in 2015 launched the Innovation and Science Agenda report under the umbrella of

> **Welcome to the ideas boom**

Under the initiative, $1.1bn was committed to being spent over 4 years.

Since this time, the technology start-up space has generated significant momentum resulting in some positive headline-grabbing private investments.

Canva, the Australian-based online design and publishing tool, launched in 2013. With a mission to empower everyone in the world to design anything and publish anywhere, Canva has now raised more than $300m with the most recent "D" round valuing the business at $15bn. Furthermore, in line with the historic explosive growth in the cryptocurrency and NFT space, Immutable X, a blockchain start-up focused on blockchain and gaming also closed a funding round of $280m at a valuation of $3.5bn.

Australia turns its challenging geography into an opportunity for innovation.

Australia only has a population of 25.7m people, yet its land mass is 78% of that of the United States at 7.69m km^2. As a result, the Australian population tends to be clustered in the six key state capitals leading to innovation tending to be driven in the major centers, where talent can mingle and thrive together, with Sydney currently leading the way.

Sydney is the state capital of New South Wales (NSW). The NSW government has shown substantial commitment to the start-up ecosystem by establishing the NSW Start-up Hub in late 2017. Established in Sydney's Central Business District at a cost of $35m, the start-up hub was the largest in the Southern Hemisphere. Since its launch, it has become a focal point for start-ups, fostering extremely close relationships. It brings entrepreneurs together to share values, resources, and events. It also presents an easy centralized location for investors to review many new opportunities.

The start-up hub occupies 17,000m^2 of office space over eleven floors and comprises three high-quality co-working spaces over six floors that house over five hundred start-ups and around 2,500 technology-based residents. The start-up hub has

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become a must-visit location to network with quality tech start-ups.

To further add to their ambition, the NSW government is also working with Atlassian to build their new $546m 40-story headquarters in a region being dubbed Tech Central, close to Sydney's central station. Tech Central is set to house 250,000 m^2 of office space to help start-ups, scale-ups, and innovation ecosystem partners and is set to open in 2024. This ambition is not just restricted to Sydney.

Melbourne is the state capital of Victoria and is the second-largest Australian city. Melbourne has always been in deep competition with Sydney. In 2017 the State of Victoria announced the creation of LaunchVIC, designed to support the technology start-up ecosystem. Since launching, they have invested in nineteen accelerator programs, which have supported more than six hundred start-up founders. They have recently made a further commitment to provide up to $2m grants for established accelerators for further expansion. LaunchVIC is proud of the fact that in the twelve months to their grant announcement, the start-up sector value has risen from $3bn to AUD$23.6bn ($16.77bn).

The other states around Australia are also beginning to develop similar style initiatives to ramp up their interests in supporting innovation, especially within regional areas.

Typical Attitudes towards technology start-ups in Australia

In so many ways, the world of tech start-ups is "*the dream factory*". The media tends to gravitate towards showcasing success by ultimately "following the money". The clickbait headlines are easier to print when the latest Series B round has just closed for US $20m or the latest IPO has a $2 billion valuation meaning the CEO and founders, thirty-something millennials, have just entered the top 40 under 40 richest people in Australia. It's Darwinian - a dystopian fantasy that fails to showcase all the heartache and hard work that goes on behind the scenes to get there. Unfortunately, heartache is too much like real life, and media outlets thrive on painting positive images – those images sell – and big images sell even more.

Atlassian's $4.4bn IPO was a pivotal moment in Australia. Almost overnight it became clear that "technology could make money and drive economic growth" providing a sense of legitimacy amongst boomer parents that entrepreneurialism had almost come of age and a plausible alternative to the 9 to 5 grind boomers had to endure. And it's not only parents that have had their moment of enlightenment – universities see the new landscape of opportunity.

Universities in Australia and around the world tend to be either right at the bleeding edge of technology or way behind in providing the technology skills that start-ups need right now to scale up. In so many ways it is a conundrum that only time can resolve. Courses take time to design and produce, resource and market. It presents risks to the University. If industry has no need for the skills in the courses offered, students won't enroll. After all, students want university courses that will take them on their chosen career path – and that give them the opportunity to generate payback for three years of university fees and debt. At the same time, at the pre-commercialization stages of the latest technology, few external job opportunities are available until the technology is proven. As a result, universities tend to lag, leaving industry frustrated. Getting the timing right is challenging for universities, but for those that can do so effectively, the opportunities for growth are immense. So, as the tech start-up ecosystem continues to expand and grow, the opportunities for universities and students will rise as the timing becomes more clearly crystallized.

Blended Styles of Accelerator Models in Australia

To support the ever-increasing technology sector, the number of incubators and accelerators has risen markedly to around one hundred, with new smaller accelerators often popping up in the increasing number of co-working spaces that are bringing technology start-ups together.

Equally, because of the legacy of distance in Australia, a number of accelerators and incubators are attaching themselves to universities, both in the major cities and regional locations. Increasingly innovation is becoming part of the fabric of Australian business.

Key Australian Accelerators

In the list below, we focus on the more established accelerators, those that have demonstrated marked growth and those that have elements of uniqueness. To keep an eye on the development of the entire accelerator ecosystem, Airtree Ventures, a local Australian VC firm with a $700m AUD fund, has created an open-source list of Australian incubators and accelerators, which is freely available to view and is updated regularly.

Antler (Sydney)

Antler opened its Australian office in mid-2019. As part of the global early-stage venture capital group in over twenty countries globally, it follows a validated international model. Antler is a melting pot of entrepreneurial talent. With a rolling intake, founding talent is brought together to speedily network with others and discover like-minded individuals with complementary skills. Teams are created and ideas are rigorously validated through a ten-week program for new ideas and a five-week program for existing businesses. Teams then pitch to the Antler Investment committee for pre-seed funding. Antler provides successful portfolio projects access to their wider global investor base.

Since its launch in Australia in 2020, Antler has invested in more than sixty early-stage start-ups.

Blue Chilli (Sydney)

Established in Sydney in 2012, Blue Chilli helps early-stage start-up founders build their products, with their accelerator program typically providing a 3+3 program and taking a 5% stake in return for cash, advisory, and IT Services. Since inception, they have worked with 150 start-ups and helped raise $160m for their founders. More recently, they have established three vertical market accelerators – "**SheStarts**" for women entrepreneurs, "**Future Minds**" exploring the future of work, and "**Healthtech**", primarily focused on health outcomes in South East Asia. This recent addition has prompted the group to relocate its headquarters to Singapore.

Cicada Innovations (Sydney)

Cicada Innovations was set up over 20 years ago by four Australian universities – Australian National University, the University of Sydney, the University of Technology Sydney, and the University of New South Wales – to bring business and industry together with technology researchers to encourage new start-ups and companies. Cicada is a deep tech incubator and community, taking concepts through to commercialization. Cicada was awarded the best global incubator in 2018 and 2019 by the International Business Innovation Association (InBIA) and has a variety of programs, including its 6-month intensive program tailored specifically for deep tech ventures to help with commercialization.

Since its inception, Cicada has had $1.3bn in exits from six deep tech ventures, with 326 of their

residents raising $1.3bn and filing over five hundred patents and trademarks.

Founder Institute (National)

Established in Australia in 2009, the Founder Institute labels itself as the largest pre-seed start-up accelerator in the world, having more than 6,000 alumni companies that have raised over $1.75bn.

After an initial assessment by the local chapter, founders pay $999 AUD to join the structured, assignment-based, 15-week online program. This program is supported by a multitude of different and experienced mentors. As part of the program, a 2.5% equity stake is taken and ultimately distributed to the mentors and the Founders Institute. One of the key benefits of the program is you can join the program on a part-time basis to validate your ideas without leaving an existing job.

The Melbourne Accelerator Program (MAP)

MAP is run in collaboration with the University of Melbourne, ranked 33rd in the QS world university rankings. It was the first University-aligned accelerator in Australia. Their accelerator model aims to invest in those start-ups aligned to the University, providing $20,000 AUD equity-free funding, inner-city office space, and access to mentors to help accelerate growth supported by bespoke masterclasses and access to channel partners and investors.

River City Labs (Brisbane)

River City Labs (RCL) was established in 2012 by Steve Baxter a seasoned, twice-exiting entrepreneur from the dot com era, who was a key investor on the Australian version of *Shark Tank*. In 2018, RCL was sold to the Australian Computer Society and continues to thrive in Brisbane, the state capital of Queensland.

RCL is a co-working space but offers two accelerator programs, Activate and Activate+, for both new and established start-ups. The program is a paid 6-week program (from $1,600 AUD) supported by an additional 2-month access to a key RCL mentor. At the end of the program, the cohort pitches to investors. No equity is taken by the accelerator, but the competition to join is fierce, with only six start-ups taken per cohort. Since 2012 over 1,000 start-ups have called RCL home.

SBE (Springboard Enterprises) (Sydney)

SBE is a women-focused accelerator that has been supporting Women Innovators since 2012. In conjunction with Springboard Enterprises out of the United States, SBE is a not-for-profit community primarily by women for women, with many illustrious alumni including Melanie Perkins, CEO of CANVA.

The SBE accelerator program focuses on an 8-week program bringing in specialist advisors to projects and a 2-day boot camp for those that are at an advanced stage.

Since 2012, SBE has supported 200+ women founders and helped raise $1bn+ with 2 IPOs and 10 exits.

Startmate Accelerator (Melbourne)

Startmate (established in 2011) is one of the most well-known Australian accelerators. They run an intensive 12-week program twice yearly culminating with investor pitches at the cohort demo day. Each project in the cohort is typically supported by $120k AUD at a $1.5m AUD valuation. It is the accelerator's mentors that provide the initial capital

in a pool for each cohort providing aligned incentives for all mentors involved with Startmate.

To date, the accelerator has invested in 170+ start-ups with a combined value of more than $2 billion.

QUT Found (Brisbane)

The Queensland University of Technology (QUT), while not a formal accelerator, is worthy of inclusion as an institution that has a particular focus on entrepreneurship - running both short-form courses but also a degree program - the bachelor of business entrepreneurship and innovation for which limited scholarships are available. As a sign of their commitment to the technology start-up ecosystem, QUT has worked very closely with the MIT Sloan School of Management (MIT Sloan), where the author of this e-book was a lecturer. It's a university incubator program worth watching.

X-15 (Sydney)

X-15 launched in early 2020 and is designed for more seasoned entrepreneurs and is the corporate venture scaling arm of the Commonwealth Bank, the largest bank in Australia. X-15 has the stated objective of creating at least twenty-five new businesses by 2024, supporting experienced entrepreneurs by providing guidance and access to the customer base of the bank and the bank's distribution network. They harness the innovation and agility of start-ups within a scale-up leveraging the assets of the bank. Not only do they provide access to world-class venture experts, but they also provide funding from pre-seed to scale funding and in the appropriate cases, debt funding.

Thus far, the venture scaling arm has supported eleven projects, launching eight projects (subsequently closing two) and acquiring one internally. Three from their current cohort have also received investment.

Summary

In many ways Australia punches above its weight. For a small population based in a vast geography, Australia is creating some strong unicorns. The government has picked up on this strongly and is proactively funding start-up initiatives and incentives - especially with Research and Development Tax rebates - recognizing tech start-ups and innovation represent a powerful economic driver. Australia is a country to watch for the future of innovation.

New Zealand

Economic Data

New Zealand	Data Source: World Bank
Population (m)	5.1m
GDP (US$ billions)	$250
GDP per capita (US$) '000	$48.8
GDP Growth (annual %)	4.6%
Unemployment (% of total labor force)	4.1%
% of the population using the internet (2020)	92%

Background to the New Zealand Technology Ecosystem

New Zealand, at its core, is memorable for three key things:

Lord of the Rings – where director Peter Jackson filmed its gloriously rugged landscape in New Zealand's South Island, creating a massive boon to tourism.

The Haka – the infamous, passionate, and very traditional war cry of the All Blacks, the New Zealand Rugby Union team - where passions run so high that if the All Blacks lose two consecutive games, economists begin to raise the specter of recession.

Extreme Sports – A.J. Hacket was the first person to commercialize bungy jumping in Queenstown in New Zealand's South Island in 1989.

In many ways, bungy jumping is an ideal metaphor for the New Zealand technology start-up ecosystem. The elasticity of the cord attached to a jumper's ankles tests the courage of the passionate start-up founders to succeed as they plummet toward potential oblivion. At the same time, the elasticity keeps the whole ecosystem bouncing around as it struggles to find its feet on the global stage. This is perhaps showcased by Xero the biggest start-up to come out of the New Zealand technology ecosystem.

Xero the online accounting software company, has revenues of around US $615m and a market capitalization of around US $8.5bn. The company was first listed on the New Zealand Stock Exchange (NZX) in 2007 and subsequently, as part of a dual listing strategy, launched on the larger Australian Stock Exchange (ASX) in 2012. In 2018, however, the company delisted from the NZX. This decision to delist brought marked disappointment to the entire local ecosystem.

It made sense financially for the company to develop access to larger capital markets to enable its global expansion. With Xero's continuing, ongoing success, it was increasingly catching the attention of international investors. The investment spotlight, however, does not shine on its origins within the New Zealand ecosystem in the same way. Xero's financing strategy reflects a key challenge for New Zealand that affects the entire shape of the New Zealand technology ecosystem and the accelerator market – the lack of scale to attract both capital and resources.

With a population of only 5.1m, New Zealand has a population of only 20% of its nearest neighbor and friendly competitor, Australia. It also has the challenge of being made up of two major islands, the North and South Islands, comprising 104,000 square miles in total.

The North Island is home to 70% of the population (3.9m) and has one major city, Auckland (1.65m). In the south of the North Island, the administrative capital city of Wellington has a population of just 212,000. The South Island has a population of 1.2m, with Christchurch being the largest city with 400,000 people. As a result, innovation tends to focus on the North Island.

As a result of the lack of scale, there are foundational headwinds facing the New Zealand start-up ecosystem, which government agencies have sought to address in order to help the sector thrive.

Callaghan Innovation – the Governmental Support for Accelerators and the Ecosystem.

Callaghan Innovation is a New Zealand government agency focused on innovation. The agency was named after Sir Paul Callaghan, (1947–2012) who was a world-leading physicist specializing in nanotechnology and magnetic resonance. During his lifetime, he championed science and business as being a critical path to New Zealand's economic growth. His core vision was to establish a hub of smart, export-focused entrepreneurs, where a high-quality lifestyle could be achieved through excellence in education and R&D. His vision came to fruition in 2013, sadly a year after his passing.

Callaghan Innovation now employs more than 200 of New Zealand's leading scientists and engineers as part of their mission to stimulate innovation and help businesses grow faster. In addition, Callaghan

Innovation works closely with a range of long-established partners including nine universities, seven Crown Research Institutes, other tertiary education organizations, and private R&D providers to enable nationwide access to science and technology expertise. The ultimate objective of Callaghan Innovation is to reduce the friction and barriers to growth faced by New Zealand businesses and other government agencies and to provide financial support through tax incentives together with grant and debt funding.

Like its counterpart in Australia, the agency has created Research and Development Tax Incentive (RDTI) initiatives. The RTDI scheme is delivered by Callaghan Innovation in tandem with the Inland Revenue, where companies can typically claim 15% of eligible R&D expenditure as either a direct cash rebate or a tax credit. Callaghan is also instrumental in making funds available to start-ups to help supercharge innovation, with many of the major funding structures delivered through a select group of approved partners through its Technology Incubator program.

The program is designed to ease the flow of taking raw technology and wrapping it in commercial frameworks to ease the inflow of investment capital. As of March 2022, Callaghan Innovation has identified four approved incubators to drive two strategically important sectors, agri-food, and life sciences.

Working with the four incubators **Brandon Capital** (part of an Australasian investment group), **Bridge West Ventures** (part of a US-based investment group), **WNT Ventures**, and **Sprout**, Callaghan's support includes

Funding - up to $1m NZD funding, on a case-by-case basis, consisting of $750,000 NZD in the form of repayable loans from Callaghan Innovation and up to $250,000 NZD in private investment.

Grant funding – early stage "pre-incubation grants" are also accessible – typically up to $35,000 NZD to help companies driven by strong intellectual property, to prepare for investment funding.

While these initiatives are relatively new, Callaghan Innovation recognizes that access to support and external capital is vital to fulfilling the core strategic objectives necessary to drive the New Zealand technology ecosystem to greater heights. It will be interesting to see the outcomes of these initiatives over the coming years.

Accelerator Models in New Zealand

The lack of scale through New Zealand's limited and widely dispersed population is affecting the expansion and development of the entire technology ecosystem in general, and the accelerator market. The lines between incubators and accelerators are often blurred – where programs to enhance skills may be offered to incubate ideas. A number of universities offer smaller incubation programs – for example, the **ecenter** incubator at **Massey University** in Palmerston North. This same lack of scale also limits viability and, therefore, the level of international interest in the New Zealand accelerator market.

Auckland is only a short 3-hour flight from Sydney on Australia's east coast – a shorter flight than going from the East Coast to the West Coast of Australia. Yet, the majority of Australian accelerators have chosen not to establish a physical presence in New Zealand. Global accelerators like **Antler** and the **Founders Institute**, which already have virtual global offerings, make these same virtual offerings available for New Zealand start-ups. The only Australian accelerator to embrace the New Zealand Ecosystem is **Startmate.**

The Startmate accelerator has partnered with an Australian Venture Capital firm, **Blackbird**

that launched a local New Zealand fund of $60m NZD back in 2019. Generally speaking, venture capital firms prefer to have access to curated investment opportunities to optimize their own resource allocation to gain access to higher quality transactions for consideration and enjoy partnering with incubators and accelerators as a result.

In the absence of international acceleration programs, a number of VCs have started their own in-house programs. These programs provide the upskilling required for their investee companies. **Ice House Ventures**, for example, which has $450m assets under management, runs its own limited in-house accelerator, Flux accelerator.

New Zealand, as a result, has had to adapt to its core infrastructural issues by adopting earlier-stage models of acceleration. Stefan Korn, a seasoned name in the New Zealand tech start-up ecosystem (see **Creative HQ** below), suggested in a 2018 interview that the role of accelerators in New Zealand was different compared to the US. His comments still appear to ring true today.

"US accelerators are almost exclusively funded privately, and their absolute focus is on identifying potential unicorns and facilitating investment," he said. "The model works in the US because of the massive talent pool of highly capable entrepreneurs. In New Zealand, we don't have that and consequently, the role of accelerator and incubation programs is different."

He suggests the role of accelerators is primarily to upskill and build entrepreneurial talent and to provide opportunities for the investment community, with government agencies a valuable and necessary mechanism to provide critical areas of support.

With the ever-increasing role of Callaghan Innovation to attract international investment through working closely with incubators and accelerators to deliver innovation outcomes, the next few years may see the beginning of a sea change. Only time will tell.

Key New Zealand Accelerators

In the list below, we focus on the more established accelerators that have dedicated themselves to the local New Zealand market and that have demonstrated consistent support for the local tech start-up ecosystem. There is one exception to this criteria, however, which launched in March 2022, and has some unique features and a really interesting *attitude* (as you will see below), which warrants inclusion in the list.

Creative HQ (Wellington)

Established in 2003, Creative HQ is a hub of innovation supporting the development of high-growth start-ups, with a focus on emerging technologies. It is a wholly owned subsidiary of **WellingtonNZ**, a government-backed international trade and development agency hub. Since 2013, they have run 26 vertical market accelerator programs including four dedicated Gov Tech accelerator programs, many of which attracted outside sponsorship, e.g., Westpac Bank, Australia's first bank. The GovTech accelerators are a natural fit given the accelerator's location in Wellington, the administrative capital of New Zealand. Creative HQ runs 3-month programs for founders with the latest vertical market accelerator being climate response. As a government agency, they do not take equity as part of the program, although it openly offers up its investor network to its cohort. The programs are also open to any New Zealand-based companies outside of Wellington as they also have a virtual program.

Health Innovation Hub (Canterbury, South Island)

Established in 2012, The New Zealand Health Innovation Hub (NZHIH) is the commercialization hub designed to help accelerate and scale healthcare innovations originating from the local district health boards. NZHIH is owned by the Canterbury District Health Board and is supported by the Ministry of Health and the Ministry of Business, Innovation & Employment. No equity is taken by the hub, but there is the true benefit of access to an active market to test new products. The hub also has a deep network of specialist investors in health tech.

Kōkiri (Kirikiriroa, North Island)

The Kōkiri accelerator has been designed for the Māori people by the Māori people. The Māori people are the First Nations people of New Zealand, which are estimated by the New Zealand government in 2021 to represent 17% of the New Zealand population. The accelerator supports 10 Māori-led start-ups in each cohort. Their target companies are businesses with high-growth potential. Each program is 14 weeks, with each selected team receiving $10,000 NZD grants plus accommodation expenses for the duration of the program. The program is tailored, experiential-based learning, supported by mentors, coaches, and experts in safe and culturally appropriate learning environments. At the end of the program, the cohort joins the demo day to pitch for investment.

Sprout (Palmerston North, North Island)

Established in 2015, the Sprout accelerator is based in Palmerston North, a 2-hour drive from Wellington. While the city only has a population of 80,00 people, it is the gateway to some of the most fertile land in the North Island - the Manawatū Plains. Palmerston North also houses numerous universities and public research institutions, with many dubbing it the knowledge city. Sprout focuses its accelerator on AgriTech and FoodTech, and runs 12-week programs twice a year. They do not typically take equity, although options are available for some grant funding under the Callaghan Innovation R&D Grant initiatives detailed above, including the $1m NZD project funding. They also have access to a global network of investors supporting the AgriTech and FoodTech spaces.

Startmate Accelerator (Auckland)

Startmate was established in Melbourne, Australia in 2011 and is one of the most well-known and respected Australian accelerators, and the only accelerator to provide direct on-the-ground support in New Zealand, albeit with a very limited direct presence. They run an intensive 12-week program twice yearly culminating with investor pitches at the cohort demo day. Each project in the cohort is typically supported by $120k AUD at a $1.5m AUD valuation. It is the accelerator's mentors that provide the initial capital in a pool for each cohort providing aligned incentives for all mentors involved with Startmate.

WNT Ventures (Bay of Plenty)

Established in 2014, WNT Ventures has its HQ in Tauranga, around 100 miles from Auckland. WNT specializes in five key areas in their accelerator - Artificial Intelligence, Agritech and Food, Medtec, Automation Engineering, and Sustainability. As a Callaghan-recognized incubator, cohort members have the potential to access the $35k NZD pre-incubation funding grant in addition to active guidance on the development of the tools necessary to get investment-ready. WNT also has three VC funds, with the capability to invest up to $1m in the first round. They have invested $8.4m in 19

portfolio companies and have secured a follow-on investment of $80m.

Electrify Accelerator

There is one very special accelerator that opened up in March 2022 that is worthy of mention as it seems to mark a change in attitude towards making headway in the local New Zealand market.

Electrify is targeting high-caliber women-led start-up ventures and is specifically designed to fit around a full-time job with their 12-week program. The accelerator is backed by multiple venture funds and backed by the Ministry of Business, Innovation, and Employment (MBIE). Its program is delivered in tandem with the **Ministry of Awesome**, an incubator based in Christchurch, on the South Island.

This accelerator has attitude – and that is why it has made the list. They proudly announce the accelerator as New Zealand's "all-ecosystem-backed, start-up accelerator" designed for those that have "....huge ambition and are working on a kick-ass start-up venture!" This is definitely one to watch and could mark the beginning of a more aggressive trend toward ecosystem expansion.

Summary

New Zealand's small population spread over two large islands creates a challenge in terms of scale for technology start-ups and the technology ecosystem. While the government is helping to provide a foundation of incentives and tax initiatives it is a slow process, but some success is beginning to be seen and with time no doubt this success will breed enhanced success.

Middle East / Israel

Representative of the Middle East, we will explore Israel's start-up economy in this ebook.

Economic Data

Israel	**Data Source:** World Bank
Population (m)	9.4
GDP (US$ billions)	$488.5
GDP per capita (US$) '000	$46.5
GDP Growth (annual %)	8.6%
Unemployment (% of total labor force)	5.0%
% of the population using the internet (2020)	90%

Introduction

With good reason, Israel is known as *The Start-up Nation*. For a small population of just over 9 million and with a land mass the size of New Jersey, it has a very vibrant and thriving technology start-up ecosystem.

According to regularly updated data from IVC, an organization that provides coverage of the Israeli ecosystem, there are currently:

- 9,501 active high-tech companies, of which over half have reached the point of initial revenues and revenue growth in excess of over $10 million.
- 3,123 investors
- 444 accelerators and incubators, and
- 478 Multinational corporations

Israel has further produced such major global technology brands as Fiverr.com and Wix.com. In addition, lesser-known names that have produced ground-breaking technology that leads global markets. For example, Israel's IDE Technologies is recognized as the leading company worldwide in desalination — turning seawater into drinking water — having developed 400 desalination plants in 40 countries and producing 2,000,000 cubic meters of water a day.

Many multinationals have also used Israel as their base to develop innovative products:

- Microsoft primarily developed its Windows NT and XP Operating Systems in Israel
- Checkpoint Software Technologies - are market leaders in firewall software solutions
- The Java platform within the Amazon Kindle was developed in Israel.

Furthermore, according to TechAviv, Israeli founders have created 98 unicorns, of which 40 are directly headquartered in Israel. To put this in perspective, the UK has an estimated 48 unicorns - for a population nearly seven times larger.

This continued growth in technological excellence has helped to drive Venture Capital investment, with Venture Capital funding steadily increasing and surpassing $10bn in 2021, according to dealroom.

In summary, Israel punches well above its weight regarding performance within the technology start-up space.

So why the success?

Ecosystem Overview

The Israeli government has been exceptionally proactive in embracing the technology start-up ecosystem. With the ongoing political challenges from its geographic neighbors, including the war-torn region of Syria, Israel has placed a very strong emphasis on military technology as a driver to establish the protection of its sovereign interests.

The government has also always been entrepreneurial in its attitude towards equity investment and risk, establishing the world-renowned Yozma program in 1992 to encourage venture capital investments and kickstart the creation of an effective venture capital industry.

The Yozma Program

The first Yozma program made $20m available on a matched investment basis with external investors. The Israeli government would retain 40% equity but allowed investment partners the opportunity to cheaply buy out that stake after five years with just an agreed interest payment. In this way, the government shared the initial risk of the technology start-up, while investors got the majority of any upside. This marked the beginning of the professionalization of Venture Capital programs in Israel. One of the first Yozma funds evolved into the Jerusalem Venture Partners (JVP). By 2011, $3b capital was managed by organizations and companies funded by the Yozma program.

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Today, Yozma continues and makes equity investments in technology companies engaged in fields where Israel has demonstrated global leadership. Yozma targets high-growth companies in the Communications, Information Technology, and Life Sciences sectors.

As the Yozma programs have improved over the years, they have continued the successful strategy of making direct investments in technology companies and increasingly played a significant role as a value-added investor by assisting with senior management recruitment, business strategy, and helping to raise additional capital rounds, attracting appropriate strategic and financial investors to its portfolio companies.

The importance of the IDF (Israeli Defence Force)

In an interesting article, the Israel-based author highlights how the IDF has influenced the tech start-up ecosystem by creating a deep culture that helps tech start-ups to thrive.

According to the article, all Israelis participate in military service, which gives accountability to individuals within the IDF. On day one of enlisting for military service, recruits are told to "challenge the chief." Equally, at the end of every day in the elite military units, there is a debrief, which can last up to 90 minutes. In these debriefs, everything is challenged with the objective of improvement from any mistakes made during the day.

This debrief, supported by a flat hierarchy, leads the author to suggest that these cultural issues help foster innovation by welcoming a bottom-up approach to problem-solving and to being able to question everything and anything. These are the hallmarks of the flexibility required for success in technology start-ups, where ambiguity and the ability to adapt to change quickly are primary skills.

Ranking Overview

The 'Start-up Nation' of Israel has maintained its impressive 3rd position in the Index for the 3rd year in a row, according to Start-upBlink's Global Start-up Ecosystem Index 2022. When considering population size, Israel has produced more special entities (such as unicorns and exits) per capita than any other country, even the US.

Success Stories

- Wiz (unicorn) is based in Tel-Aviv Yafo, Israel. Wiz is a cybersecurity start-up that allows companies to address security issues in a public cloud infrastructure.
- Moon Active (unicorn) is based in Tel-Aviv Yafo, Israel. Moon Active is a game development company focused on iOS, Android, and Facebook games.
- Lightricks (unicorn) is based in Jerusalem, Israel. Lightricks develops mobile video and photo editing apps.

Accelerators

Like many countries reviewed in this report, many international accelerators have an established presence within Israel. Currently, there are 79 start-up accelerators. You can check out the latest list of all accelerators and other aspects of the entire technology ecosystem at 972vc, which has a regularly-updated database of the Israeli technology ecosystem - accelerators, incubators, and funding sources.

Culturally, local accelerators have taken their lead from venture capital firms, with many accelerators established by investment funds but supported by support programs. Unlike many of their western counterparts, most of these programs are made available without taking any equity.

In considering the top Israeli accelerators, we have explored the top five locally established accelerators with a history of success and longevity.

8200 EISP

Consistently recognized as the best Israeli accelerator through its multiple awards, 8200 EISP is headquartered in Tel Aviv. The nonprofit is backed by the alumni of Unit 8200, an Israeli Intelligence Corps unit of the Israel Defense Forces responsible for collecting signal intelligence and code decryption.

The accelerator has supported more than 180 start-ups, 82% of which remain active, according to 8200's website. These start-ups have also raised over a combined 1.1B$ and employ more than 1,800 people in Israel and overseas. Its alumni include Lacoon Security (acquired by CheckPoint), Zipory (acquired by Como), Desti (acquired by Microsoft), NextPeer (acquired by Viber), amongst many others.

The accelerator is very selective in its cohort selection. It accepts only 15 out of the 400+ applications received, providing an intensive 5-month hands-on workshop for one leading entrepreneur from each start-up, embracing the core requirements of start-ups - e.g., product & marketing, finance, fundraising, legal.

8200 EISP is funded and supported by core strategic partners, including Bank Hapoalim, EY Israel, various law firms, and a raft of Venture Capital firms, including Battery Ventures, Verizon Ventures, and Kaedan Capital.

8200 EISP is a generalist accelerator and is technology agnostic but understandably has a deep interest in cybersecurity. The accelerator does not take equity, instead providing workshops, networking, free office space, and personal mentoring for entrepreneurs.

SigmaLabs

Established in 2015. SigmaLabs considers itself a 'For Founders, By Founders' accelerator and has two locations - Tel Aviv and Haifa (in the North of Israel). The accelerator specializes in FinTech and InsurTech, supporting early-stage start-ups with in-depth mentorship, in collaboration with MAX, one of Israel's most innovative financial services companies. Accessing direct connections to the vast financial institution's network and access to C-level executives, SigmaLabs Fintech Founders work closely with a champion from MAX, to explore opportunities for business partnerships while preparing Proof of Concepts.

Sigma's Haifa location supports early-stage start-ups with an industry-based accelerator. This is in collaboration with Avery Dennison, a materials science and manufacturing company specializing in the design and manufacture of a wide variety of labeling and functional materials over the world.

The accelerator's 3-month program is designed to reach product validation, product-market fit, and building appropriate fundraising strategies for entrepreneurs.

Sigma does not take any equity for the program but does have the capability to offer up to $400k equity for the right start-ups. Their core objective is to get their cohort prepared for financing success.

One area Sigma is proud of is its ability to provide ***deep mentoring*** where they will work with cohort members, introducing them to mentors who have either exited or IPO'd.

To date, they have had over 100 start-ups join their program, raising $130m in funds, and have had eight exits.

MassChallenge

MassChallenge is Israel's largest zero-equity accelerator. Established in Jerusalem in 2016, MassChallenge accelerates around 40-50 companies annually. In addition, it runs a variety of stand-alone innovation programs throughout the year in collaboration with universities, hospitals, and corporate partners to support additional founders.

Their core areas of focus relate to enabling massive change for good and provide focus on:

- Alternative Proteins - in tandem with The Modern Agriculture Foundation (MAF) working on alternative protein start-ups, with an emphasis on sustainable alternative proteins - eg, plant-based meat-like foods and land-based aquaculture.
- Climate Tech - including Sustainable Food and packaging
- Bio-convergence and Med-tech - especially e-health and medical devices fields
- Disaster-tech - to help the prevention and mitigation of large-scale natural disasters

The beauty of their programs is they are zero cost, and zero equity is taken. They provide over 100 hours of content sessions, workshops, and events and embrace their wide network, including top mentors, corporate partners, and investors from around the world

Nielsen Innovate

Nielsen Innovate (NIF) is an early-stage incubator and investment fund that specializes in retail, research, marketing, and media technologies. NIF operates an incubator under a license agreement with the Israel Innovation Authority, providing substantial support to early-stage tech entrepreneurs.

Established in 2013 by US-based Nielsen that provides an understanding of consumers' viewing behaviors, and Partam Hi-Tech, one of Israel's top early-stage venture capital funds

NIF's goals are to help early-stage start-ups by providing mentoring, strategic guidance, operational support, and introductions to potential follow-on investments. Nielsen Innovate offers direct access to Nielsen and its globally located Fortune 1000 clients, providing up to 2M NIS seed funding (c $850k), with additional funds based on progress and follow-on rounds.

MindCET

Established in 2012, MindCET describes itself as an EdTech innovation center that brings together entrepreneurs, educators, and researchers to develop innovative, groundbreaking educational technology in Israel and beyond. MindCET is an independent body within the Center for Educational Technology (CET) and is both an investment fund and a start-up accelerator for companies in the UK and Israel.MindCet offers a selection of initiatives to support EdTech start-ups.

Their accelerator program is highly selective, only supporting ten cohorts of 10 every year from 100s of applications globally. The program runs for 3.5 months, during which start-ups have access to lectures, workshops, and group sessions on go-to-market strategy, product development, fundraising, and more. No equity is taken.

At the end of the program, start-ups go through a Demo Day, during which they can obtain funding from investors.

Summary

Israel is a small country that still manages to leave a substantial mark on the global start-up

ecosystem. Despite a difficult geo-political situation, Israel demonstrates that adverse situations make innovation a necessity. In Israel, start-ups have helped transform a low-productivity, developing economy into a high-efficiency, developed economy. The Israeli start-up ecosystem generates tax revenue for the country both from exits and high salaries. In addition, the Israeli public sector has done a commendable job of letting start-ups run loose early, without limitations and restrictions, in contrast to many other countries whose ecosystems are riddled with bureaucracy and regulation.

LINK

India

India is as beautiful as it is bizarre, chaotic as it is bureaucratic, and as culturally rich as it is diverse. It is a country full of pleasurable contradictions and yet so full of surprises around almost every corner. Whenever you visit this beautiful country it feels like it is a place that shouldn't work - but somehow does.

For first-time visitors, the major cities can appear to redefine the dictionary definition of "chaos". At peak times, the three-lane city highways turn into five lanes, where the white lines have long been eroded by tires of rush hour traffic. This shows why cars have no wing mirrors, long lost in the rush hour jousting that embraces the city's peak hour traffic.

Through a western lens, the snail's-pace speed of the rush hour is frustration on steroids; to locals, it's just another day. The traffic slows to an almost complete standstill as you approach what could vaguely pass as a roundabout. In the middle of the road is a cow lying on the ground, chewing cud with a carefree attitude, indifferent to the chaos that surrounds her.

Welcome to India, a place full of contradictions, cultural diversity, extreme poverty, and massive wealth differences, where family values, and the importance of even the extended family, provide support for so many of the problems the State cannot provide. For technology start-ups, this cocktail represents both opportunities to effect positive change but also provides a very challenging landscape than most of us in the West have experienced.

Through it all, India is showing very positive steps forward, showing the strength that is setting the foundations for growth, and solving many of its underlying issues. It's a slow and long battle, but as a country, India seems to be making headway.

Economic data

India	**Data Source:** World Bank
All data 2021 unless stated	
Population (m)	1,390m
Population Growth annual %	1.0%
Net Migration (5-year estimates) '000 (2017)	-2,663
GDP (US$ billions)	$3,170
GDP per capita (US$) '000	$2,277
GDP Growth (annual %)	8.9%
Unemployment (% of total labor force)	6.0%
% of the population using the internet (2020)	43%

In 2021, India was the second most populous country in the world (1.39 bn). Its GDP stood at $3.17 trillion, and the GDP per capita was $2,277. With annual GDP growth of 8.9%, India is an expanding economy with a sizable potential consumer market, but a poor population. This means that while the market size may appear at first glance to be very attractive for technology start-

ups, its structure presents potential commercial challenges for adoption.

That said, the start-up ecosystem is showing positive signs of growth.

Start-up ecosystem data

According to a Livemint economic survey, in 2021, India became the third-largest start-up ecosystem globally after the US and China.

The survey noted that the government recognized over 14,000 new start-ups in 2021 with the total start-ups exceeding 61,400. Within the start-up community, 44 became unicorns in 2021, overtaking the UK, and bringing India's total number of unicorns to 83 with a total valuation of $278 billion. Most are in the services sector, which contributes over 50% to India's GDP.

India now has the third-highest number of unicorns after the US and China, which added 487 and 301 unicorns, respectively. In so many ways, the increased political will and government support have played an important part in India's ongoing start-up success.

Government Support for the Ecosystem

The Indian government has put digital transformation at the center of its plans. The Federal government as well as some state governments, increasingly recognize start-ups as engines for economic growth and job creation.

In a press release in August '22, the Ministry of Commerce & Industry confirmed that the start-up ecosystem created 746,000 jobs, which represents 0.15% of the working population of 500m. This job creation has grown markedly following the launch

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of "startup India" in 2016 by the Modi Government, where the number of technology start-up jobs has risen from the estimated 49,000 jobs in 2017

In early 2021, the government announced the creation of the startup India Seed Fund Scheme (SISFS). The government allocated close to $100m in funding for the scheme. Under the scheme, successful applicants receive financial assistance to enhance the development and commercialization of projects. Their target is to support 3,600 entrepreneurs through 300 incubators for the period ending 2025.

This continued growth, combined with its increasing success with unicorns, makes India an attractive financial proposition internationally, drawing the attention of international accelerators.

Types of Accelerators in India

Given the size, diversity, and history of India's population, in addition to private accelerators, there are five core categories, each seeking to push forward a strong agenda and commitment from the Indian government:

- Corporate accelerators
- VC-operated accelerators and incubators
- State or central government-run programs
- Education sector programs
- International accelerators

Corporate accelerators

Many large multinationals have set up incubator and accelerator programs, targeting the latest in innovation, and offering technical expertise and mentorship for young start-ups. Tech giants such as Cisco, Qualcomm, Intel, and Microsoft now run incubation centers throughout the country.

Venture Capital operated accelerators and incubators

To facilitate faster growth of start-ups, a few venture capital firms have started accelerators and incubators. Some of these include Kalaari Capital, Sequoia Capital, and Venture Gurukool.

State or central government-run programs

To give impetus to the start-up ecosystem in their respective states, local governments have initiated incubation and accelerator programs. These include iStart Nest Incubator in Rajasthan, Kerala start-up Mission (KSUM), and Center for Incubation and Business Acceleration (CIBA) in Goa, amongst many others.

Education sector programs

India's higher education system continues to enhance its reputation within the technology sector, especially deep technology. Both the Indian Institute of Technology, which has a national footprint, and the Indian Institute of Science (est. 1909) are among the top 350 universities globally. They have also established education-backed accelerators and incubators across their network and actively partner with outside agencies and investors.

Indeed, the Science, Technology, and Innovation government department established the India Innovation Growth Programme (IIGP) 2.0 aimed at enhancing the Indian innovation ecosystem by empowering innovators and entrepreneurs to incubate ideas sourced from universities through the provision of grants to fund additional research and commercialization - typically up to $30k.

International Accelerators

A number of high-profile US accelerators have now entered the Indian ecosystem. Mostly partnering with local organizations, 500 Global (previously 500 Startups), Techstars, and Y Combinator, among others, have established presences within the country. As an indication of the increasing interest from international accelerators, Techcrunch highlighted in early 2022 that India now represents Y Combinator's largest international cohort. Equally, 191 companies have been funded through Y Combinator's program, with over half within the previous 12 months.

Given Y Combinator's strong branding and the rising number of unicorns, expect to see bigger things happening in the international accelerator market in India.

Top Accelerators (by the number of investments)

At the time of writing, there were 175 accelerators in India, according to Startup India's database of accelerators in India. This link provides a flavor of the accelerator system based on those that have had the greatest number of investments. Where possible, it provides local accelerators rather than international accelerators to give insights into the local ecosystem.

Venture Catalysts

Established in Mumbai in 2016 as a full-service incubator that provides investment, limited mentorship, and networking opportunities, Venture Catalysts' approach is very hands-off. Rather than providing a formalized program, they provide gap mentoring to support teams that may have a skills gap. They are a sector-agnostic incubator and have considered over 21,000 start-ups, selecting only 300 (1.4%) of the applications submitted.

From an investment perspective, they offer between $200k - $1m, with their portfolio comprising 176 companies to date, with a combined valuation of $3bn.

Venture Catalysts have also now established a limited presence in overseas countries such as the UK, USA, Singapore, and the United Arab Emirates.

Its most successful exit of the year was BharatPe with 80X returns, while other significant exits were in start-ups such as Dukaan, ImpactGuru, and Rooter.

Axilor Ventures

Established in 2014 by the co-founders of Infosys, Axilor Ventures was launched as an early-stage seed fund and start-up accelerator and is based in Bangalore in southern India. Its primary focus is health tech and life sciences together with Artificial Intelligence in health, establishing Axilor Labs to develop a health tech and life sciences venture curation program dedicated to high-impact, research-oriented, IP-led ideas focusing on:

- AI in health to accelerate diagnosis, drug/vaccine discovery, and measuring therapeutic effectiveness
- Chronic diseases - to improve the quality of life for patients
- Cancer research - to improve cancer survival rates.
- Sustainability - technologies targeting 100x impact in crop yields, carbon capture, pollutant reduction, and water purification
- Healthy aging - to reduce bodily and cognitive function decline

Axilor typically invests $500k - $750k in 8-12 start-ups annually.

In addition to the healthcare specialty, Axilor has a generalist accelerator program for technology start-ups outside the health space with a 100-day program. They announced in July '22 the launch of their second $100m seed fund

9Unicorns

Established in 2020 in Mumbai, 9Unicorns is a venture capital and accelerator investment firm based, calling themselves India's first accelerator VC. Their initial investment is up to $100k in first-round funding. Rather than providing a formalized accelerator program, they provide hands-on support from the team and external mentors. They have the facility to support with additional equity in subsequent rounds - $500k - $2m with co-investors.

9Unicorns, like so many accelerators and investment firms, is very selective in its approach, having funded 168 deals out of 16,500 applications submitted (just over one percent acceptance rate) and over 30 exits.

10,000 Startups

Originally established in 2013 in the planned city of Noida (short for New Okhla Industrial Development Authority) in northern India, 10,000 Startups was an initiative initially developed by NASSCOM - The National Association of Software and Service Companies - the not-for-profit trade association focused on the Indian IT ecosystem.

The 10,000 Startups model is a national model that offers a warehouse program - a premium co-working space for tech start-ups. Each state government supports and funds the local warehouse as a *micro-ecosystem* where start-up founders can come together to support each other. The warehouse program does have some education programs available (via their virtual warehouse programs) but offers access to their network of investors, mentors, industry experts, and enterprises that enable the fast-tracking of growth.

10,000 Startups recently launched their Tech.WE program, a program focused on empowering Women Technology Entrepreneurs nationwide to scale their start-ups by giving them access to networks, together with the learning resources required to build scalable, global businesses

IIM Calcutta Innovation Park

The IIM Calcutta (IIMC) Innovation Park is a non-profit organization dedicated to fostering entrepreneurship and innovation. The IIMC works alongside the Indian government's Department of Science and Technology to offer very early-stage funding and incubation for start-up projects, which comprises:

- A small monthly fellowship per month for a year for the validation and development of a technology business idea or prototype.
- Pre-incubation at the IIMC Innovation Park followed by
- Opportunities to pitch for seed funding on completion of the program.

They also run sector-specific acceleration programs, which typically last for six months in deep tech, social venture, and healthcare.

CIIE.CO

Originally established in 2007 within the campus of the Indian Institute of Management in the city of Ahmedabad, CIIE stands for Capital Incubation Insights Everything. It is a technology business incubator and accelerator that helps entrepreneurs

in the fields of information technology, the Internet of Things, cleantech, healthcare, and education.

CIIE has established both incubator and accelerator programs, with the formalized accelerator programs focused on core sectors, including sustainability (in association with the management consultancy firm Accenture) and financial inclusion. The programs run for 3 - 6 months.

CIIE acts as a conduit for various non-diluting grants that are available for companies at the idea stage, and they act as seed investors, typically for between USD$25,000 - USD$125,000. They also have a fund that can enable follow-on funding from USD $350,000 - USD$1.5m. CIIE also acts as manager of a cleantech fund.

WE Hub

Established in 2018 in Hyderabad, a city in the northern part of southern India, WE Hub was India's first state-led incubator for women entrepreneurs, providing women with pre-incubation, incubation, and accelerator programs. Seed capital, mentoring, virtual programs, and business advice. Their accelerator programs are usually sector-focused, with their urban entrepreneur program and their social-impact programs both targeting eight of the UN's sustainability goals.

At this stage, WE hub does not take equity stakes, but they act as conduits to their network of investors.

India Accelerator

Established in Gurgaon, southwest of Delhi, in 2017, India Accelerator offers mentorship-driven acceleration programs. The accelerator curates its cohort closely, with only 2% of applicants taken into their program, which comprises a 16-week program for single-digit equity for early-stage funding, which includes services initial funding of up to $30k. Their sector preferences are cybersecurity and agri-tech. They have an extensive network of investors and will often co-invest in subsequent rounds.

India Accelerator is also a proud member of the GAN - Global Accelerator Network - a curated community of independent accelerators

GSF

Established in Gurgaon in 2012, GSF is a venture capital-backed incubator and accelerator. GSF provides seed funding from $100k - $500K. The incubator is tech-focused but sector-agnostic. They have invested in 130 start-ups since their establishment.

GSF has established the GSF Academy for cohort members to validate their business ideas through 90-day mentor-driven programs to take their start-ups to the next level.

Target Accelerator

Launched in 2014, in Bangalore, with support from the global retailer, Target Accelerator supports companies focused on innovation within the global retail space. In many ways, as a corporate venture-based accelerator, the Target accelerator was ahead of its time when launching.

Typically, the accelerator has a 90-day acceleration program with a small stipend.

Conclusion

After a comparatively slow start, India is really starting to see some great inroads into the growth of its technology ecosystem, especially its accelerator programs. While the country has an extensive population, its population is comparatively poor in

terms of its capacity to spend as consumers. With the enhanced economic growth, however, we should expect to see a rising middle class, which will see a greater capacity for enhanced consumer spending.

The Indian ecosystem seems to be at a key turning point, with the increase in unicorns fueling the increased interest in the technology ecosystem with potentially exceptional returns available for the right investments. This is exemplified by the most recent Y Combinator cohort being the largest international cohort within the Y Combinator ecosystem.

Undoubtedly, the Startup India initiative helped kick start the initial impetus to the sector and was supported by increased global digitization. It may be that India is close to reaching a tipping point ahead of explosive growth in its technology ecosystem. Undoubtedly, a space to watch for future growth.

Conclusion

I sincerely hope this ebook has provided you with some insight and resources on entrepreneurship around the globe. To reiterate, this is just a sampling of countries and a sampling of start-up accelerators – things will always be evolving and changing.

I encourage you to explore your local resources, including universities and government programs, that support start-ups in your entrepreneurial community. Because start-ups are such a vital piece of the world economy, there are often incentives to help fledgling businesses launch, grow, and thrive. If you are reading this and are a member of a government or accelerator program, I hope you will use this resource to learn from other programs.

We are living in an exciting time for entrepreneurs. I hope you will pursue your dreams of starting your own company and make the best use of the available programs and support to create a solid plan for your emerging business endeavors.

Date published: March 2023

ISBN 9798218163488
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