



CONNECTING INVESTMENT
ECOSYSTEMS BY STRENGTHENING
TRANSPARENCY AND INCLUSION

D 1.5 SOLUTIONS ROADMAPS

Grant Agreement no: 101114238

Funded by the European Union. Views and opinions expressed are however those of the author(s) only and do not necessarily reflect those of the European Union or European Innovation Council and SMEs Executive Agency (EISMEA). Neither the European Union nor the granting authority can be held responsible for them.

Project Title	Connecting Investment Ecosystems by Strengthening Transparency and Inclusion
Grant Agreement Number	101114238
Funding programme	HORIZON-EIE-2022-SCALEUP-02
Deliverable Number	D1.5
Deliverable Name	Solutions Roadmaps
Deliverable Type	R — Document, report
Dissemination Level	PU – Public, fully open, e.g. web (Deliverables flagged as public will be automatically published in CORDIS project’s page)
Due Date	03.06.2024
Date Released	18.06.2024
Date Submitted	19.06.2024
Author(s)	Booster Labs S.A.S
Reviewers	Found.ation Techcelerator Tech Tour

History of Changes

Version	By	Revision Date	Description
01	Booster Labs	18.06.2024	Delivery of the final draft of the document

Table of contents

1.	<i>Introduction</i>	3
2.	<i>CO-INVESTIN Investment Roadmaps</i>	3
	2.1 Objectives	3
	2.2 Format and composition of the Investment Roadmaps	3
	FIRST SECTION.....	4
	SECOND SECTION	4
	THIRD SECTION	5
	2.3 Investment Roadmap Greece	5
	Introduction	5
	Economic indicators and key sectors.....	5
	Startup Ecosystem	5
	Investor Ecosystem	7
	Incentives and Support	7
	2.4 Investment Roadmap Bulgaria	8
	Introduction	8
	Economic indicators and key sectors.....	8
	Startup Ecosystem	9
	Investor Ecosystem	9
	Incentives and support	10
	2.5 Investment Roadmap Romania	11
	Introduction	11
	Economic indicators and key sectors.....	11
	Startup ecosystem	11
	Investor ecosystem	12
	Taxation and Incentives	13
	Local Contacts	14
3.	<i>Conclusion</i>	14
	<i>Annex 1 – Investment Roadmaps for Greece, Bulgaria and Romania</i>	15

1. Introduction

The purpose of this deliverable is to provide a comprehensive roadmap for foreign investors interested in exploring investment or co-investment opportunities within the emerging and moderate ecosystems of the CO-INVESTIN project, starting with the 3 ecosystems directly involved in the consortium (**Greece, Bulgaria, and Romania**), with potential for expansion to other European countries.

In addition to showcasing key takeaways for the targeted ecosystems through infographics, this document outlines the objectives of the Investment Roadmaps and explains the rationale behind their structure.

2. CO-INVESTIN Investment Roadmaps

2.1 Objectives

The main objective of the Solution Roadmaps, or **Investment Roadmaps**, is to offer preliminary action plans for cross-border investments, assisting investors in navigating the complexities of entering new markets and providing resources for further investigation and analysis. These roadmaps are **country-specific**, presenting essential data in a compelling infographic format that is both informative and visually appealing, as well as easily accessible by anyone interested. This approach ensures that information is conveyed effectively, enhancing comprehension and engagement among potential investors.

Each infographic follows a standardised format tailored to the specific characteristics and opportunities of the countries targeted in the preliminary step - Greece, Bulgaria, and Romania, ensuring consistency with the CO-INVESTIN visual identity, while maintaining unique customisation.

For more in-depth information about each country, investors will refer to the **Country Repository** section of the CO-INVESTIN Digital Tool, which provides comprehensive details and deeper insights on the establishment conditions, funding measures, and support initiatives in emerging and moderate ecosystems. The ultimate goal is to facilitate cross-border investments and ensure the sustainability of the CO-INVESTIN project outcomes.

Access to the Investment Roadmaps is ensured by a specific section of the Digital Tool, available at this link: <https://co-investin.eu/digital-tool/investment-roadmaps/>

2.2 Format and composition of the Investment Roadmaps

The infographics are structured to cover several critical areas and are organised in three main sections:

FIRST SECTION

Title and introduction:

- **Title:** Investment Roadmap for *[Country]*
- **Introduction:** the first part of the infographic, that corresponds to the header, offers a short overview of the *[Country]* investment appeal, highlighting key economic strengths and strategic advantages that make it an attractive destination for investors. It serves as a compelling entry point, outlining the country's economic potential and the rationale for investment.

SECOND SECTION

WHY INVEST IN *[COUNTRY]*?

Key economic indicators

- Includes essential economic metrics such as GDP, public debt, population size, and employment rate.
- Highlights the percentage of higher education graduates and R&D expenditure, showcasing Romania's skilled workforce and commitment to innovation.
- Identifies key economic sectors driving growth (e.g. automotive, manufacturing, tourism, ...) and emerging sectors.

Key characteristics of the startup ecosystem

- Provides insights into the top regional startup ecosystems within the *[Country]*, detailing the number of tech startups and key verticals.
- Offers data on recent investments in startups, notable exits, and unicorn companies, illustrating the opportunities and potential of the *[Country]* startup ecosystem.

Key characteristics of the investor ecosystem:

- Details on venture capital expenditure and support from national or EU institutions like the European Investment Fund (EIF) and European Investment Bank (EIB).
- Lists angel networks, VC firms, and significant corporate programs fostering investment.
- Highlights the most successful startups in recent years and corporate investments contributing to the ecosystem's growth.

Incentives for investors:

- Outlines tax policies relevant to corporate profits, labor, dividends, income, VAT, and real estate.
- Summarises state and fiscal incentives aimed at promoting startup initiatives, innovation, and R&D investments.

Other key local assets and support organisations:

- Includes information on prominent incubators, accelerators, and research facilities enhancing the *[Country]* innovation ecosystem.
- Mentions key networks and resources available to support investors and startups.

THIRD SECTION

Contacts and Resources:

3. **Local contacts:** provides essential contacts such as investment agencies, chambers of commerce, and legal advisors, facilitating direct engagement for prospective investors.
4. **Useful links:** Offers web links and resources for deeper exploration of investment opportunities and regulatory frameworks.
5. **How can CO-INVESTIN help you:** this section describes the support provided by CO-INVESTIN in the [Country], including market insights, networking opportunities, and guidance on leveraging local incentives.

2.3 Investment Roadmap Greece

Introduction

Greece presents a compelling investment potential, marked by its strategic location, flourishing tourism sector, and expanding economy. Investors are drawn to Greece not only for its natural and cultural appeal but also for the substantial government incentives, improving infrastructure, and a highly educated workforce. Investing in Greece provides a gateway to the broader European markets and opportunities in diverse sectors such as technology, energy, and real estate.

Economic indicators and key sectors

In 2023, Greece's GDP stood at \$249 billion USD, reflecting a robust and growing economy¹. Despite a high public debt of around 171% of GDP, the country maintains a population of 10.4 million people with an employment rate of 59.2%. A notable 44% of the population aged 25-64 have completed higher education, and the country allocates about 1.5% of its GDP to R&D, underlining its commitment to innovation.

The key economic sectors in Greece include **tourism, shipping, agriculture, and manufacturing**, particularly in food and beverages, chemicals, and pharmaceuticals². The Information and Communications Technology (ICT) sector is also significant, although Greece ranks 25th out of the 27 EU member states on the *Digital Economy and Society Index* (DESI), indicating room for improvement in digitalisation³.

Startup Ecosystem

Greece's startup ecosystem is thriving, particularly in cities like **Athens, Thessaloniki, Crete, Patras**, and emerging hubs such as Larissa and Volos. Athens

¹ <https://www.trade.gov/country-commercial-guides/greece-information-and-communications-technology>

² <https://www.trade.gov/country-commercial-guides/greece-information-and-communications-technology>

³ <https://digital-skills-jobs.europa.eu/en/actions/national-initiatives/national-strategies/greece-digital-transformation-strategy-2020-2025>

<https://ec.europa.eu/eurostat/web/interactive-publications/digitalisation-2024>

is the epicenter of startup activities, boasting numerous accelerators, incubators, and co-working spaces⁴.

The country hosts **over 500 high-quality startups** across various verticals, including RetailTech, AI, AgriTech, HealthTech, FinTech, E-commerce, Greentech, and software and IT services⁵.

In 2023, Greek startups secured **more than €485 million in funding** despite a global downturn in investments, demonstrating resilience and growing early-stage investment activity⁶.

Among the **notable exits** can be mentioned:

- [Instashop](#), an on-demand grocery delivery platform operating in the Middle East.
- [Softomotive](#), a robotic process automation (RPA) software company, acquired by Microsoft in 2020.
- [Augmenta](#), which develops AI-powered precision agriculture technology for optimising farming operations.
- [MarineTraffic](#), a global ship tracking and maritime intelligence platform.
- [Helic](#), which provides electromagnetic modelling and analysis software solutions for RFIC and PCB design.
- [Niometrics](#), a telecommunications analytics company specialising in network traffic intelligence.
- [Pollfish](#), a mobile survey platform that connects businesses with global audiences.
- [Lenses.io](#), a dataOps platform for managing and scaling Apache Kafka.
- [Accusonus](#), which develops audio software products for content creators, focusing on noise reduction and audio repair.
- [DeepSea](#), an AI-driven predictive analytics platform for ocean shipping and logistics.

While some of the **prominent unicorns** include:

- [Viva Wallet](#), a European neobank providing digital banking services and payment solutions.
- [FlexCar](#), a car subscription service offering flexible vehicle ownership options.
- [Skroutz](#), a leading Greek e-commerce platform that aggregates products from various retailers.
- [Blueground](#), which provides fully furnished apartments for rent in several cities worldwide, offering flexible leasing options.

⁴ <https://elevategreece.gov.gr/>

<https://www.in.gr/2023/01/25/english-edition/greek-startups-performance-regions-startup-ecosystem/>

⁵ <https://elevategreece.gov.gr/>

<https://thefoundation.gr/2023/12/14/startups-in-greece-2023-2024-venture-financing-report/>

⁶ <https://thefoundation.gr/innovation-platform/our-publications/startups-in-greece/>

<https://thefoundation.gr/2023/12/14/startups-in-greece-2023-2024-venture-financing-report/>

- [Spotawheel](#), an online marketplace for buying and selling used cars in Greece.
- [Workable](#), a recruitment software company providing tools for managing hiring processes efficiently.

Investor Ecosystem

In 2023, Greek venture capital firms invested approximately €485 million across various startups. This represented a decrease of 24.5% from previous years due to global economic conditions⁷.

The **Hellenic Development Bank of Investments** (HDBI) manages a total fund of €2.1 billion, which includes contributions from the European Investment Fund (EIF) and European Investment Bank (EIB). This support plays a crucial role in funding Greek startups and fostering the local venture capital ecosystem⁸.

Greece has **13 active venture capital** firms primarily focused on startups. These firms collectively manage around €540 million and were responsible for 85% of the total deal volume in 2023. Additionally, angel investors participated in 42% of investment rounds, highlighting their significant role in the ecosystem⁹.

Top funded startups include **Viva Wallet, FlexCar, Skroutz, Blueground, Spotawheel, EdgeQ, Causaly, Persado, Plum, and Workable**, highlighting the strong investor interest in the Greek startup ecosystem¹⁰.

Several multinational corporations have invested significantly in Greece, contributing to the growth of its startup ecosystem. Notable examples include:

- **Microsoft:** establishing data centers and launching digital skills programmes.
- **Cisco:** setting up an international innovation and digital skills development center.
- **Deloitte:** operating the Alexander Competence Center in Thessaloniki.
- **HP Enterprise, Cisco, Dell, and Intel:** Acquiring Greek startups and integrating them into their global operations¹¹.

Incentives and Support

Greece offers various incentives to attract foreign investment. The **corporate income tax rate is 22%**, with additional contributions from employers and employees to social security. There are also tax incentives for startups and innovative projects, such as the Investment Law, Strategic Investments, and the Recovery and Resilience Fund.

⁷ <https://thefoundation.gr/2023/12/14/startups-in-greece-2023-2024-venture-financing-report/>

⁸ <https://thefoundation.gr/2023/12/14/startups-in-greece-2023-2024-venture-financing-report/>

⁹ <https://thefoundation.gr/2023/12/14/startups-in-greece-2023-2024-venture-financing-report/>
<https://www.euromonitor.com/income-and-expenditure-greece/report>

¹⁰ <https://www.tovima.com/society/greeces-startup-ecosystem-set-to-make-waves/>

<https://www.in.gr/2023/01/25/english-edition/greek-startups-performance-regions-startup-ecosystem/>

¹¹ <https://elevategreece.gov.gr/>

Significant contacts and local support include organisations like **Enterprise Greece**, the national investment promotion agency responsible for attracting foreign investment and promoting exports; the **Hellenic Development Bank of Investments** (HDBI), the **Athens Chamber of Commerce and Industry** (ACCI), which provides support and resources for businesses and investors, including legal advice and market information; and the **Greek Exporters Association** (SEVE), which provides information on international trade and investment.

Legal advisors such as **KLC Law Firm** and **Potamitis Vekris** provide essential legal support to investors.

2.4 Investment Roadmap Bulgaria

Introduction

Bulgaria offers compelling investment opportunities, highlighted by a **growing GDP of €93.71 billion in 2023** and vibrant sectors such as automotive, electronics, IT, and healthtech. The country's investment appeal is bolstered by low corporate and personal tax rates, strategic financial incentives, and substantial EU support. Bulgaria's dynamic startup ecosystem, featuring **800 active startups** and robust government and investor backing, creates a fertile ground for innovation and economic growth, making it an attractive destination for investors.

Economic indicators and key sectors

Bulgaria's economy is on an upward trajectory, with a GDP of €93.71 billion in 2023, an increase of GDP by 1.8% compared to 2022¹². The country's public debt stands at 32.8% of GDP, a manageable level that reflects fiscal prudence (2021, [World Bank](#)). With a population of 6.52 million and an employment rate of 70.7%¹³, Bulgaria boasts a productive workforce. The tertiary educational attainment among the age group 25-34 is 35.8%, with a notable 43.3% among women, indicating a well-educated talent pool (NSI). However, R&D expenditure is relatively low, at 0.22% of GDP (2022, Eurostat).

Key economic sectors in Bulgaria include **automotive, electronics, IT & BPO, robotics & mechatronics, agriculture, tourism, and manufacturing**, including food and beverages, chemicals, and pharmaceuticals. The automotive sector alone contributes 10% of GDP, with Bulgaria being a significant producer of automotive parts for electric vehicles in Europe. The electronics sector accounts for 11% of Bulgarian exports, and the IT industry is rapidly expanding, supported by significant operations from global IT leaders like SAP Labs, HP, and IBM¹⁴.

Concerning the digitalisation level, Bulgaria ranks **26th of the 27 EU Member States** in the *European Commission Digital Economy and Society Index* (DESI) in 2022. Bulgaria's DESI score grew at an annual average of 9% over the past five years.

¹² [National Statistical Institute of the Republic of Bulgaria](#) (NSI)

¹³ <https://investbg.government.bg/about-bulgaria/>

¹⁴ <https://investbg.government.bg/key-sectors/>

Given the positioning of Bulgaria, this growth rate requires intensifying for the country to catch up with the other EU Member States.

Startup Ecosystem

Bulgaria's startup ecosystem is vibrant, particularly in Sofia, Plovdiv, and Varna. **Sofia** is the **biggest local startup ecosystem** with 23 universities, 63 research centers and 20+ independent software schools. 23 universities, over 100.000 students, 63 research centers and 20+ independent software schools. Sofia is the 3rd city in Europe in number of start-ups, with 90% of them in the ICT sector. Global IT R&D leaders like SAP Labs, HP, Bosch, VMware, IBM, CISCO already operate large R&D centers employing, educating and developing thousands of highly qualified professionals¹⁵.

Plovdiv is home to some of the best developed industrial zones in Southeast Europe, which has transformed Plovdiv into a leading centre in the Automotive and Mechatronics sectors, which amount to 25% of the added value of the same for the country. Plovdiv experiences a dynamic expansion in the IT&BPO, the fastest growing sector in the local economy with over 8 500 employees and potential to increase with 5000 more in the next 3 to 5 years.

Finally, the economic profile of the Region of **Varna** includes machine-building, shipbuilding, chemical industry, sea and air transport, tourism, food processing and wine industries.

The industrial zones of Varna and Provadia are composed of over 100 enterprises, shipbuilding and sea navigation, communications, chemical industry, textile, agriculture.

The country is home **to over 800 active startups**, fostering innovation in key verticals such as **aviation, fintech, life sciences, healthtech, and agritech**. In 2022, Bulgarian startups attracted over €244 million in investments, despite a global downturn. Notable exits include [Telerik](#), a software company specialising in development tools and user interface components for web, mobile, and desktop applications, acquired for \$262.5 million, and [Payhawk](#), a financial technology company that provides corporate card and expense management solutions for businesses, which achieved unicorn status.

Investor Ecosystem

In 2022, **local venture capital firms invested over €244 million in Bulgarian startups**. However, Bulgarian VC funds report a shortage of quality projects in the local startup ecosystem, attributing this to factors such as lack of commitment and ambition, lack of experienced founders, and the small scale of the Bulgarian market where VCs compete fiercely in a small pool of projects. **The European Investment Fund (EIF)** and **European Investment Bank (EIB)** have significantly supported the ecosystem, with Bulgaria receiving €1.11 billion in EIB Group financial commitments in 2023. This support includes a **new advisory pilot programme**

¹⁵ <https://investsofia.com/en/>

that will help startups access to growth equity funding for innovative Bulgarian startups and small companies. While the programme will initially focus on companies planning to apply for the European Innovation Council Accelerator programme, it will also help develop a fertile environment for innovative startup businesses as a whole to grow and thrive¹⁶.

Bulgaria hosts **55 venture capital and angel investors**, contributing to a robust investment landscape. Top funded startups include:

- [Develiot](#), which develops smart city and industrial IoT solutions to improve air quality monitoring and water management.
- [Dronamics](#), a leading cargo drone developer, focusing on building unmanned aerial vehicles for fast and cost-effective delivery.
- [EnduroSat](#), which designs, builds, and operates nanosatellites for commercial and scientific missions.
- [EvroTrust](#), which offers a digital identity and trust services platform for secure online transactions and electronic signatures.
- [FindMeCure](#), a platform that connects patients with clinical trials, helping them find new treatment options and access to innovative therapies.
- [Healee](#), a telehealth platform that provides secure and efficient online consultations between doctors and patients.
- [Nasekomo](#), which uses biotechnology to convert organic waste into valuable insect-based protein for animal feed.
- [Payhawk](#), which offers an expense management platform for businesses, integrating corporate cards, payments, and accounting software.
- [Phos](#), a software solution that transforms smartphones and tablets into secure, contactless payment terminals.
- [Printivo](#), offering on-demand printing services, specialising in providing customised printing solutions for businesses and individuals.

Incentives and support

Bulgaria offers attractive incentives for investors, including a 10% flat corporate and personal income tax rate, 20% VAT, and a 5% withholding tax on dividends distributed to non-EU/EEA companies. Additional financial incentives include support for training, social security cash back, and grants for infrastructure development.

Key local contacts for investors include the **Bulgarian Chamber of Commerce and Industry**, **InvestBulgaria Agency**, and various regional investment agencies. Legal advisors such as **TechLex** and **Schoenherr Bulgaria** provide essential legal support for investors navigating the Bulgarian market.

¹⁶ <https://www.eib.org/en/press/all/2024-087-eib-group-support-for-bulgaria-more-than-doubles-in-2023>

2.5 Investment Roadmap Romania

Introduction

Romania offers a compelling investment potential with a growing GDP of €319.84 billion in 2023 and key sectors like automotive, electronics, IT, and renewable energy. The country's competitive advantages include low corporate tax rates, strategic financial incentives, and significant EU support. Despite challenges, Romania's skilled workforce, vibrant startup ecosystem, and substantial investments in key sectors make it an attractive destination for investors¹⁷.

Economic indicators and key sectors

Romania's economy is robust, with a GDP of approximately €319.84 billion in 2023. Public debt stands at around 48.8% of GDP, reflecting fiscal challenges but also potential for growth. The country has a population of 19.05 million people and an employment rate of 63%. Tertiary educational attainment is at 20%, indicating a growing pool of skilled labor. R&D expenditure is 0.47% of GDP, highlighting ongoing efforts to boost innovation.

Key economic sectors in Romania include **automotive, electronics, IT, renewable energy, agriculture, and tourism**. The automotive sector contributes significantly to Romania's GDP, with a robust manufacturing base including major companies like *Automobile Dacia* and *Ford Romania*. The electronics sector is growing with increasing exports and 778 enterprises in the computer, electronics, and optical manufacturing industry as of 2022¹⁸. Romania is also emerging as a tech hub in Eastern Europe, with significant investments in wind and solar energy marking its potential in renewable energy. Agriculture remains a traditional stronghold, leveraging Romania's vast agricultural land, while tourism benefits from diverse cultural heritage and natural attractions.

Romania **ranks 27th out of the 27 EU member states** in the 2022 *Digital Economy and Society Index* (DESI). Notably, its annual growth rate is lower than that of comparable countries, indicating a lack of convergence with the rest of the EU. The country lagged behind in a number of indicators of the size of human capital, with a very low level of basic digital skills compared to the EU average¹⁹.

Startup ecosystem

Bucharest stands out as the major hub with numerous startups, a strong university presence, and vibrant VC activity. **Cluj-Napoca** is known for tech startups and innovation, supported by a tech university. **Timișoara** boasts a growing tech scene with increasing investment, while **Iași** is emerging as a startup ecosystem with a focus on innovation and research, and **Piatra Neamț** is becoming an emerging startup hub.

¹⁷ <https://www.statista.com/topics/2710/romania/#statisticChapter>

¹⁸ <https://www.statista.com/statistics/383780/enterprises-manufacturing-computer-electronic-optical-products-romania/>

¹⁹ https://european-union.europa.eu/principles-countries-history/eu-countries/romania_en

Romania hosts **over 1,662 tech startups**, with a total enterprise value of €19 billion. Key verticals include **AI and machine learning, fintech, healthtech, SaaS, and e-commerce**. In 2023, €129.6 million was invested across 50 rounds, excluding notable outliers²⁰.

Notable exits and unicorns include [UiPath](#), Romania's first unicorn, and [eMag](#), the leading e-commerce company in Romania, Bulgaria, and Hungary. Other significant companies are [Bitdefender](#), a global cybersecurity leader, and [FintechOS](#), a rapidly growing fintech startup. [Druid](#) is a leader in conversational AI technology, while [Vector Watch](#), specialising in smartwatches, was acquired by Fitbit²¹.

Investor ecosystem

Romanian startups saw **54 investment rounds in 2023**, totaling approximately €129.6 million. It's important to note that the figures do not include *DRUID*'s €27.4M (\$30M) round and *FlowX.AI*'s €32M (\$35M) round. The decision to exclude these amounts is driven by the desire to present a more realistic situation of the general funding trends in Romania, as these particular investment sums are considered outliers within the context of the overall local funding landscape and their investors are from outside Romania.

The **European Investment Fund (EIF)** has provided over €3.6 billion in SME financing since 2010, including €400 million for venture capital funds through the **Recovery Equity Fund of Funds Instrument (REF)**²².

Angel networks in Romania include [Techangels](#), [Growceanu](#), [Transylvania Angels Network](#), [Brawva Angels](#), and [WIT Angels Club](#), while among the **venture capital firms** that are worth mentioning can be found: [GapMinder VC](#), II, [Early Game Ventures](#), II, [SeedBlink](#) (Crowdfunding), [Catalyst Romania](#), II, [Underline Ventures](#), [Morpheus Ventures](#), [Simple Capital](#), [eMAG Ventures](#), [Cleverage VC](#), [Fortech Investments](#), [Sarmis Capital](#), [Sparking Capital](#), and [Roca & RocaX](#).

In 2023, notable startups in Romania secured significant investments, including:

- [Z3](#), a technology company specialising in AI and machine learning solutions, which secured €86.3 million in late VC funding.
- [MaintainX](#), a software company that provides a platform for managing maintenance and operations workflows, which raised €46.1 million in Series C funding.
- [FlowX.AI](#), a fintech startup offering a platform for transforming legacy IT systems into modern digital architectures, which secured €35 million in Series A funding.
- [Druid](#), a conversational AI platform that enables companies to build intelligent virtual assistants, which raised €30 million in Series B funding.

²⁰ <https://www.howtowebe.co/venture-in-eastern-europe-2023/>

²¹ <https://www.vestbee.com/blog/articles/romanian-startup-and-vc-ecosystem-report>

²² https://www.eif.org/what_we_do/resources/rff-romania/index.htm

- [Creatopy](#), a creative automation platform that helps teams design visual content at scale, which secured €10 million in Series A funding.
- [hackajob](#), a tech recruitment platform that connects companies with tech talent through a skills-based hiring approach, which raised €25 million in Series B funding.

Among the most significant corporate programmes and investments, can be found:

- [UiPath Automation Awards](#): it recognises and supports innovative automation solutions; UiPath Automation Awards.
- [Orange Fab](#), which accelerates startups with Orange's global resources and expertise.
- [Techcelerator](#), which supports tech startups in Romania through mentoring and funding.
- [Microsoft for Startups](#), provides access to Microsoft Azure and sales opportunities.
- [Google for Startups](#): empowers startups globally through mentorship and cloud credits.
- [Startup Wise Guys](#): Europe's leading B2B startup accelerator.
- [RubikHub](#): incubator and co-working space supporting tech startups in Romania.
- [Innovation Labs](#): accelerates startups through mentoring and funding opportunities.
- [Spherik Accelerator](#): it focuses on supporting tech startups in Eastern Europe.
- [Fix Cluj](#): which supports technology startups in Cluj-Napoca, Romania.
- [The F&B Business Accelerator](#), which accelerates innovation in food and beverage startups.
- [Upcelerator](#): it supports startups in the CEE region with mentoring and networking.
- **The iDEA Program**: supports digital entrepreneurship in Romania.

Taxation and Incentives

Romania's corporate income tax rate is a flat 16%. For smaller companies, there is an alternative microenterprise tax rate of 1% (for companies with at least one employee) or 3% (for companies with no employees), applicable to companies with annual revenues up to €500k.

Personal income in Romania is taxed at a flat rate of 10%, one of the lowest in the EU. The standard VAT rate is 19%, with reduced rates for certain goods and services.

Incentives for startups include the micro-company tax regime and income tax exemption for IT professionals. For innovation and R&D investments, companies can benefit from an additional 50% deduction on eligible R&D expenses, accelerated depreciation for R&D equipment, and potential tax exemptions for income from R&D outcomes such as patents.

Romania also provides grants and state aid for innovation and R&D, particularly in job creation and economically disadvantaged regions, covering a significant part of project expenses.

Local Contacts

The **Regional Development Agencies** play a crucial role in fostering balanced economic growth, infrastructure development, and social inclusion across different regions of Romania. These include RDA North-West, RDA West, RDA North-East, RDA South-West Oltenia, RDA South Muntenia, RDA South East, RDA Centre, and RDA Bucharest-Ilfov.

InvestRomania focuses on attracting foreign direct investment, supporting investors throughout the investment process, and fostering economic development in the country. The **European Enterprise Network (EEN) Romania** provides support for businesses, offering access to international partnerships, innovation opportunities, and EU funding.

ROTSA (The Romanian Tech Startups Association) acts as a hub for tech startups, providing support, networking opportunities, advocacy, and resources. **ROStartup** is dedicated to nurturing the startup ecosystem in Romania by offering resources, networking, and support to entrepreneurs. **The Chamber of Commerce & Industry of Romania (CCIR)** facilitates trade, fosters business growth, and represents the interests of Romanian companies both domestically and internationally. The **Romanian Agency for Foreign Investments and Foreign Trade (ARICE)** promotes foreign investments and facilitates trade opportunities.

Legal advisors like **Ventures'n'Law** provide specialised legal support for startups, **Stratulat Albulescu Law Firm** offers comprehensive legal services, and **AXPartners Law Firm** provides strategic legal guidance.

3. Conclusion

The CO-INVESTIN Investment Roadmaps can be an important resource for foreign investors, providing a clear and concise guide to investing in selected ecosystems. By distilling comprehensive data into a visually appealing format, these roadmaps make it easier for investors to explore the complexities of cross-border investments. With detailed insights into economic indicators, startup and investor ecosystems, incentives, and key contacts, the roadmaps serve as essential tools for fostering sustainable investment and driving economic growth within the targeted regions. Through the CO-INVESTIN project, the consortium aims to enhance the visibility and attractiveness of these ecosystems, paving the way for increased foreign investment and long-term economic development.



Funded by
the European Union

Annex 1 – Investment Roadmaps for Greece, Bulgaria and Romania

Investment Roadmap for Greece

Greece offers strong investment potential with its strategic location, booming tourism, and growing economy. Key highlights include government incentives, expanding infrastructure, and a skilled workforce. Investing in Greece opens doors to European markets and opportunities in sectors like technology, energy, and real estate.



KEY ECONOMIC INDICATORS

01



\$249 BILLION USD IN 2023

PUBLIC DEBT
171% OF GDP



POPULATION SIZE
10.4 MILLION

EMPLOYMENT RATE
59.2%



% OF HIGHER EDUCATION GRADUATES
44% OF THE GREEK POPULATION AGED 25-64 HAVE COMPLETED HIGHER EDUCATION

R&D EXPENDITURE
GREECE SPENDS ABOUT
1.5% OF ITS GDP ON R&D



KEY ECONOMIC SECTORS

- Tourism
- Shipping
- Agriculture
- Manufacturing (including food and beverages, chemicals, and pharmaceuticals)
- Information and Communications Technology

(Trade.gov)



DIGITALIZATION LEVEL

According to the Digital Economy and Society Index (DESI), **Greece ranks 25th out of the 27 EU member states**, showing significant room for improvement despite recent advancements in digital public services and infrastructure.

(Digital Skills and Jobs Platform)(European Commission)

TOP 5 KEY REGIONAL STARTUP ECOSYSTEMS

Athens: The capital city hosts the majority of the startup activities with 21 accelerators, 22 incubators, and several co-working spaces spread across districts like Kifissia, Marousi, Halandri, Peristeri, Piraeus, and Glyfada.

Thessaloniki: Known for its vibrant tech community and innovation centers like the Alexander Competence Center and international innovation hubs.

Crete: With a strong focus on research and development, particularly in the cities of Heraklio and Chania.

Patras: Significant for its technological institutes and innovation hubs.

Larissa and Volos: Emerging hubs with growing startup activities and support networks.

AMOUNTS INVESTED IN STARTUPS

In 2023, **Greek startups secured more than €485 million** in funding despite a global decrease in investments.

This was a **24.5% drop from previous years**, but still reflected resilience in the market with increased activity in early-stage investments.

(Found.ation)



02

KEY CHARACTERISTICS OF THE STARTUP ECOSYSTEM



NUMBER OF TECH STARTUPS

OVER 500
HIGH-QUALITY STARTUPS THRIVE IN GREECE

KEY VERTICALS

- RetailTech
- Artificial Intelligence (AI)
- AgriTech
- HealthTech
- FinTech
- E-commerce
- Greentech
- Software and IT services

(Found.ation)(Elevate Greece)

NOTABLE EXITS

- Instashop
- Softomotive
- Augmenta
- MarineTraffic
- Helic
- Niometrics
- Pollfish
- Lenses.io
- Accusonus
- DeepSea

UNICORNS

- Viva Wallet
- FlexCar
- Skroutz
- Blueground
- Spotawheel
- Workable

KEY CHARACTERISTICS OF THE INVESTOR ECOSYSTEM

03



VC EXPENDITURE

In 2023, Greek venture capital firms invested approximately **€485 million** across various startups. (Found.ation).

EUROPEAN INVESTMENT FUND & EUROPEAN INVESTMENT BANK SUPPORT

The **Hellenic Development Bank of Investments** (HDBI) manages a total fund of **€2.1 billion**, which includes contributions from the European Investment Fund (EIF) and European Investment Bank (EIB).

This support **plays a crucial role** in funding **Greek startups** and fostering the local venture capital ecosystem. (Found.ation)

NUMBER OF ANGEL NETWORKS AND VC FIRMS

Greece has **13 active venture** capital firms primarily **focused on startups**. These firms collectively manage around **€540 million** and were responsible for **85%** of the total deal volume in 2023.

Additionally, angel investors participated in **42% of investment** rounds, highlighting their significant role in the ecosystem.

(Found.ation)(Euromonitor)



TOP 10 MOST FUNDED STARTUPS

These startups have received substantial funding over the past years, showcasing the growing investment interest in the Greek startup ecosystem. (tovima.com)(in.gr)

- Viva Wallet
- FlexCar
- Skroutz
- Blueground
- Spotawheel
- EdgeQ
- Causaly
- Persado
- Plum
- Workable

CORPORATE PROGRAMS AND INVESTMENT

Several **multinational corporations** have **invested in Greece**, contributing to the growth of its startup ecosystem. Notable examples include:

- **Microsoft**: Establishing data centers and launching digital skills programs.
- **Cisco**: Setting up an international innovation and digital skills development center.
- **Deloitte**: Operating the Alexander Competence Center in Thessaloniki.
- **HP Enterprise, Cisco, Dell, and Intel**: Acquiring Greek startups and integrating them into their global operations. (Elevate Greece)(Found.ation)



04

INCENTIVES FOR INVESTORS

FINANCIAL INCENTIVES

Investment Law:

Provides tax exemptions, cash grants, and leasing subsidies for various investment projects.

Strategic Investments:

Special incentives for large-scale projects that are considered to have significant impact on the national economy.

Recovery and Resilience Fund:

Loans and state aid projects aimed at supporting the digital and green transition, as well as economic recovery post-COVID-19.

Public Employment Service Grants:

Subsidies for employment costs.

Tax Incentives:

Various tax benefits including alternative income taxation for foreign investors (Non-Dom), foreign retirees, and foreign workers.

Entrepreneurship Fund II:

Supports technology-driven SMEs with capital aids.

(KPMG)(Worldwide Tax Summaries Online)



TAXATION

Corporate income tax rate: 22%

Labor/Salaries/Social Contributions:

Employers contribute **22.54%** and employees contribute **15.33%** of their salaries to social security.

Dividends Tax: 5%

Individual income tax rates range from **9%** to **44%** depending on income brackets.

Value Added Tax (VAT): The standard VAT rate is **24%**

Real Estate Tax: Real estate in Greece is subject to an annual property tax based on the value of the property.

(ECOVIS International)(Worldwide Tax Summaries Online)(Business Daily)



CONTACTS AND RESOURCES

Local Contacts:

Enterprise Greece

National investment promotion agency responsible for attracting foreign investment and promoting exports.

Website: enterprisegreece.gov.gr
Phone: +30 210 335 5700
Email: info@enterprisegreece.gov.gr

Hellenic Development Bank of Investments (HDBI)

Facilitates the financing of small and medium-sized enterprises (SMEs) and supports innovative projects.

Website: enterprisegreece.gov.gr
Phone: +30 210 3319 800
Email: info@hdbi.gr

Athens Chamber of Commerce and Industry (ACCI)

Provides support and resources for businesses and investors, including legal advice and market information.

Website: acci.gr
Phone: +30 210 3319 800
Email: info@acci.gr

Legal Advisors:

KLC Law Firm

Provides legal services and advice on investment and business law.

Website: klclawfirm.com
Phone: +30 210 726 4500
Email: info@klclawfirm.com

Potamitis Vekris

Leading Greek law firm offering legal support in corporate and commercial matters.

Website: potamitisvekris.com/
Phone: +30 210 338 0000
Email: info@potamitisvekris.com

Hellenic Federation of Enterprises (SEV)

Represents Greek businesses and provides advocacy, information, and networking opportunities.

Website: sev.org.gr
Phone: +30 211 500 6100
Email: info@sev.org.gr

Greek Exporters Association (SEVE)

Supports Greek exporters and provides information on international trade and investment.

Website: seve.gr
Phone: +30 2310 535 333
Email: info@seve.gr

Useful Links:

OECD Economic Surveys – Greece

Provides comprehensive economic analysis and data on Greece, including investment climate and economic policies.

Website: oecd.org

European Commission – Greece

Offers detailed information on Greece's economic performance, structural reforms, and funding opportunities.

Website: economy-finance.ec.europa.eu

World Bank – Greece

Contains reports and data on Greece's economic performance, investment projects, and funding programs.

Website: worldbank.org

Invest Europe – Country Reports

Provides detailed investment data and analysis for European countries, including Greece.

Website: investeurope.eu

Eurostat – Greece

Offers statistical data on various economic indicators for Greece, including GDP, employment, and R&D expenditure.

Website: ec.europa.eu/eurostat/

Global Innovation Index – Greece

Provides detailed analysis of Greece's innovation capabilities and performance compared to other countries.

Website: wipo.int/global_innovation_index/

DESI Index – Greece

The Digital Economy and Society Index (DESI) tracks Greece's digital performance and integration of digital technology.

Website: digital-strategy.ec.europa.eu/en/policies/desi

How can CO-INVESTIN help you



CO-INVESTIN can support your investment journey in Greece by facilitating connections with local venture capital firms, providing access to comprehensive market insights, and offering guidance on leveraging state and fiscal incentives for innovative projects.

Investment Roadmap for Bulgaria

Bulgaria offers a compelling investment potential with a growing GDP of €93.71 billion in 2023 and key sectors like automotive, electronics, IT, and healthtech. Bulgaria's competitive advantages include low corporate and personal tax rates, strategic financial incentives, and significant EU support. With a dynamic startup ecosystem featuring 800 active startups and strong government and investor backing, Bulgaria presents a fertile ground for innovation and economic growth, making it an attractive destination for investors.



KEY ECONOMIC INDICATORS

01

GDP



\$93,71 BILLION EUR IN 2023

(NSI)

PUBLIC DEBT

32.8% OF GDP



POPULATION SIZE

6,52 MILLION

(2021 census, NSI)

EMPLOYMENT RATE

70.7%

(InvestBulgaria Agency)



% OF HIGHER EDUCATION GRADUATES

TERTIARY EDUCATIONAL ATTAINMENT, AGE GROUP 25-34 (POOL OF TALENT) IS 35.8%, OF WHICH MEN 28.7% AND WOMEN 43.3%

(NSI)



R&D EXPENDITURE

BULGARIA SPENDS ABOUT 0.22% OF ITS GDP ON R&D

(2022, Eurostat)



KEY ECONOMIC SECTORS

Automotive (10% of GDP, 80% of the electric vehicles produced in Europe use automotive parts produced in Bulgaria)

Electronics (11% of Bulgarian export)

IT & BPO Industry

Robotics & Mechatronics

Agriculture

Tourism

Manufacturing, including food and beverage

Chemicals & Pharmaceuticals

(InvestBulgaria Agency)



DIGITALIZATION LEVEL

Bulgaria ranks 26th of the 27 EU Member States in the European Commission Digital Economy and Society Index (DESI) in 2022.

Bulgaria's DESI score grew at an annual average of **9%** over the past five years.

TOP 3 KEY REGIONAL STARTUP ECOSYSTEMS

Sofia boasts the largest local startup ecosystem with 23 universities, 63 research centres, and 20+ software schools. It ranks 3rd in the EU for startups, with 90% in the ICT sector. Major IT R&D leaders like SAP Labs, HP, Bosch, VMware, IBM, and CISCO have significant operations, employing thousands of highly qualified professionals.

Plovdiv hosts top industrial zones in Southeast Europe, making it a leader in the Automotive and Mechatronics sectors. The city's IT & BPO sector is rapidly growing, employing over 8,500 people with potential to add 5,000 more in the next 3 to 5 years.

Varna's economy includes machine-building, shipbuilding, chemical industry, sea and air transport, tourism, food processing and wine industries. The industrial zones in Varna and Provadia feature over 100 enterprises in shipbuilding, sea navigation, communications, chemical industry, textiles, and agriculture.

AMOUNTS INVESTED IN STARTUPS

Over **€244 MILLION** were invested in Bulgarian startups in 2022.



02

KEY CHARACTERISTICS OF THE STARTUP ECOSYSTEM



NUMBER OF TECH STARTUPS

HOSTS 800

ACTIVE STARTUPS, FUELING INNOVATION AND GROWTH

KEY VERTICALS

Aviation

Fintech

Life sciences and healthtech

Agritech

NOTABLE EXITS AND UNICORNS

- **Telerik**, acquired by Progress Software for **\$262.5 million**.
- **Payhawk**, which achieved unicorn status with a valuation exceeding **\$1 billion**.

KEY CHARACTERISTICS OF THE INVESTOR ECOSYSTEM

03



VC EXPENDITURE

In 2022, **over €244 million was invested** in Bulgarian startups. However, local VC funds report a shortage of quality projects due to lack of commitment, experienced founders, and the small scale of the Bulgarian market, leading to intense competition among VCs in a small pool of projects.

EUROPEAN INVESTMENT FUND & EUROPEAN INVESTMENT BANK SUPPORT

Bulgaria received **€1.11 billion in EIB Group financial commitments** in 2023, up from **€494 million** in 2022. A new advisory pilot programme will help Bulgarian startups access growth equity funding, initially focusing on those applying for the European Innovation Council Accelerator, and fostering a supportive environment for innovative businesses. (EIB)



NUMBER OF ANGEL NETWORKS AND VC FIRMS

There are **55 venture capital investors & angel investors** in Bulgaria, according to Angel Match.



TOP 10 MOST FUNDED STARTUPS

- Develiot, Smart Cities
- Dronamics, Aircraft/Logistics
- EnduroSat, Space Tech
- EvroTrust, Digital Identity
- FindMeCure, Healthtech
- Healee, Healthtech
- Nasekomo, Agritech
- Payhawk, Fintech
- Phos, Fintech
- Printivo, Healthtech

04

INCENTIVES FOR INVESTORS

FINANCIAL INCENTIVES

- Financial support for training
- The social security cash back
- Financial support for construction of elements of the technical infrastructure
- Cash Grants



BULGARIA OFFERS TO INVESTORS

10% Flat Corporate and Personal income tax Rate

20% VAT

5% Withholding Tax on Dividends distributed to non-EU/EEA companies

34.8% Taxes on Labor as % of labour costs

CONTACTS AND RESOURCES

Local Contacts:

Plovdiv Investment Agency

Promotes investment opportunities and provides support for investors in Plovdiv.

Website: sinvest.plovdiv.bg
Phone: +359 32 656 712
Email: invest@plovdiv.bg

Sofia Investment Agency

Supports investment projects and business development in Sofia.

Website: sev.org.gr
Email: investsofia.com

Bulgarian Chamber of Commerce and Industry

Provides support and resources for business development and international trade.

Website: bccibg.com
Phone: +359 2 811 7400
Email: bccibg.com

InvestBulgaria Agency

Facilitates foreign investment by offering guidance and incentives to investors.

Website: investbg.government.bg
Phone: +359 2 985-5500
Email: iba@investbg.government.bg

The Recursive Media

Offers media coverage and insights on the startup ecosystem in Southeast Europe.

Website: therecursive.com
Email: office@therecursive.com

BESCO The Bulgarian Entrepreneurial Association

Advocates for the interests of startups and entrepreneurs in Bulgaria.

Website: besco.bg
Email: hello@besco.bg

Legal Advisors:

TechLex

Provides legal and advisory services for tech startups and investors.

Website: techlex.bg
Phone: +359 892 997 482
Email: office@techlex.bg

Schoenherr Bulgaria

Offers comprehensive legal support for businesses and investors.

Website: schoenherr.eu
Phone: +359 2 933 10 70
Email: office.bulgaria@schoenherr.eu

How can CO-INVESTIN help you



CO-INVESTIN can enhance your investment journey in Bulgaria by facilitating connections with local and European venture capital firms, providing exposure to top-class scale-ups, and offering networking opportunities within regional and European ecosystems.

Investment Roadmap for Romania

Romania offers a compelling investment potential with a growing GDP of €319.84 billion in 2023 and key sectors like automotive, electronics, IT, and renewable energy. The country boasts a 63% employment rate and a 25% tertiary educational attainment, fostering a skilled workforce. Romania's competitive advantages include low corporate tax, strategic financial incentives, and significant EU support.



KEY ECONOMIC INDICATORS

01



\$319,84 BILLION EUR IN 2023

**PUBLIC DEBT
AROUND 48.8% OF GDP**



**POPULATION SIZE
19.05 MILION**

**EMPLOYMENT RATE
63% IN 2023**



**% OF HIGHER EDUCATION GRADUATES
20%** OF 25-64 YEAR-OLDS HAVE A TERTIARY QUALIFICATION AS THEIR HIGHEST LEVEL ATTAINED, A SMALLER SHARE THAN THOSE HAVING UPPER SECONDARY OR POST-SECONDARY NON-TERTIARY ATTAINMENT (57%)

**R&D EXPENDITURE
ROMANIA SPENDS ABOUT
0.47% OF ITS GDP ON R&D**



KEY ECONOMIC SECTORS

Automotive: Contributes significantly to Romania's GDP with a robust manufacturing base (Automobile Dacia, Ford Romania).

Electronics: A growing sector with increasing exports. In 2022, the number of enterprises in the computer, electronics, and optical manufacturing industry was 778 enterprises.

IT: Romania is emerging as a tech hub in Eastern Europe.

Renewable Energy: Significant investments and potential in wind and solar energy.

Agriculture: Traditional stronghold with vast agricultural land.

Tourism: Diverse cultural heritage and natural attractions boost tourism.



DIGITALIZATION LEVEL

Romania ranks 27th out of the 27 EU member states in the 2022 edition of the Index digital economy and society (DESI). It is important to note that its relative annual growth is lower than that of similar countries, which indicates that it is not convergent with the rest of the state's limbs.

The country lagged behind in a number of indicators of the size of human capital, with a very low level of basic digital skills compared to the EU average.

https://european-union.europa.eu/principles-countries-history/eu-countries/romania_en

02

KEY CHARACTERISTICS OF THE STARTUP ECOSYSTEM



TOP 5 KEY REGIONAL STARTUP ECOSYSTEMS

Bucharest: Major hub with numerous startups and VC activity, strong university centre.

Cluj-Napoca: Known for tech startups and innovation, tech university pole.

Timișoara: Growing tech scene with increasing investment.

Iasi: An emerging startup ecosystem with a growing tech community and a focus on innovation and research.

Piatra Neamț: Emerging startup hub.

AMOUNTS INVESTED IN STARTUPS

Total 2023: **€129.6M** across 50 rounds (excluding notable outliers)
(Source)

KEY VERTICALS

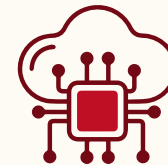
AI and Machine Learning

Fintech

Healthtech

SaaS (Software as a Service)

E-commerce



NUMBER OF TECH STARTUPS

OVER 1.662
WITH A TOTAL OF €19 BILLION IN ENTERPRISE VALUE

NOTABLE EXITS AND UNICORNS

- UiPath:** (first Romanian unicorn)
- eMag:** Founded in 2001, is one of the most valuable e-commerce companies, the market leader in Romania, Bulgaria and Hungary
- Bitdefender:** Founded in 2001 in Bucharest and known for its cybersecurity solutions, it has become one of the leading cybersecurity companies globally
- FintechOS:** Founded in 2017 in Bucharest, it is a rapidly growing fintech startup offering technology solutions to financial institutions. While not yet a unicorn, it has attracted **\$146M** in 6 rounds, and is seen as a promising player in the industry
- Druid:** Founded in 2018, is a leader in the field of conversational AI technology and a pioneer of the Conversational Business Applications category. Total investment raised **\$45M**
- Avangate:** A Romanian-founded e-commerce platform specialized in digital goods and services, was acquired by the global payment processor, and competitor, 2Checkout in 2017. The acquisition was valued at over \$200 million
- Vector Watch:** Founded in 2013 in Romania, it specialized in smartwatches. In 2017, Fitbit acquired the company, integrating some of its technology into Fitbit products.

(Vestbee Report 2023)

KEY CHARACTERISTICS OF THE INVESTOR ECOSYSTEM

03

VC EXPENDITURE

In 2023, Romanian startups saw **54 investment** rounds, with 2 undisclosed, totaling approximately **€129.6M** across 50 rounds. This excludes DRUID's **€27.4M** and FlowX.AI's **€32M** rounds, as these large sums are considered outliers and their investors are from outside Romania, presenting a more realistic view of the local funding trends.

EUROPEAN INVESTMENT FUND & EUROPEAN INVESTMENT BANK SUPPORT

The EIF began its journey with Romania in 2010. Since then, EIF provided over **EUR 3.6 billion** in new SME financing to the Romanian market, which has reached over 21k SMEs. Out of it, 400M EUR are allocated for building Venture Capital funds through the **Recovery Equity Fund** of Funds Instrument or **REF**.

(EIF in Romania Brochure - https://www.eif.org/what_we_do/resources/rf-romania/index.htm)

ANGEL NETWORKS

- Techangels
- Growceanu
- Transylvania Angels Network
- Bravva Angels
- WIT Angels Club

VC FIRMS

- GapMinder VC, II
- Early Game Ventures, II
- SeedBlink (Crowdfunding)
- Catalyst Romania, II
- Underline Ventures
- Morpheus Ventures
- Simple Capital
- eMAG Ventures
- Cleverage VC
- Fortech Investments
- Sarmis Capital
- Sparking Capital
- Roca & RocaX



TOP 6 MOST FUNDED STARTUPS

- **Z3:** Late VC - €86.3M
- **MaintainX:** Series C - €46.1M - August Capital, Bessemer Venture Partners, Bain Capital Ventures, Jeff Immelt, Jeff Lawson
- **FlowX.AI:** (€35M, series A, investors: Dawn Capital, Day One Capital, PortfoLion, SeedBlink)
- **Druid:** (€30M, series B, investors: TQ Ventures, Smedvig Capital, Endeavour, Verve Ventures, GapMinder, Hoxton Ventures, Karma Ventures)
- **Creatopy:** (€10M, series A, investors: 3VC, Point Nine)
- **Hackajob:** Series B - €25M - AXA Venture Partners, Volition Capital, Foresight Group

CORPORATE PROGRAMS AND INVESTMENT

- UiPath Automation Awards
- Orange Fab
- Techclevator
- Microsoft for Startups
- Google for Startups
- Startup Wise Guys
- RubikHub
- Startup Reaktor
- Innovation Labs
- Spherik Accelerator
- Fix Cluj
- The F&B Business Accelerator
- Upclevator
- The iDEA Program



INCENTIVES AND DEDUCTIONS FOR STARTUPS

Micro-Company Tax Regime: Companies with annual revenues up to **€500k** can choose a microenterprise tax, set at **1%** of revenue if they have at least one employee, or **3%** if they have none. This tax option simplifies the process and lightens the tax load for these companies.

Exemption from Income Tax for IT Professionals working for software development companies, offering significant relief on tax burdens for tech startups.

(<https://accace.ro/exceptarea-angajatilor-din-domeniul-it-de-la-plata-impozitului-pe-salariu/>)

04

INCENTIVES FOR INVESTORS



TAXATION

Corporate Income Tax: Romania has a relatively low flat corporate income tax rate of **16%**, which is competitive compared to many other European countries.

Micro-Company Tax: For smaller companies there is an alternative microenterprise tax rate of **1%** (for companies with at least one employee), or **3%** (for companies with no employees), applicable to companies with annual revenues up to €500k.

Personal income in Romania is taxed at a flat rate of **10%**, one of the lowest in the EU. This rate applies to employment, business, rental income, and other personal income sources, with some exceptions.

Value-Added Tax (VAT): Standard Rate: **19%**, which is relatively moderate compared to other EU countries.

Reduced VAT rates in Romania include **5%** for medicines, hotel accommodations, and certain food products, and a super-reduced rate of **5%** for books, school supplies, and residential housing under certain conditions.

Real Estate Tax

Residential Buildings: Property tax ranges from **0.08%** to **0.2%** of the taxable value, set by local councils

Non-Residential Buildings: Property tax ranges from **0.2%** to **1.3%** of the taxable value, also determined by local councils (PWC)

FOR INNOVATION AND R&D INVESTMENTS

- **Additional Deduction for R&D Expenses:** Companies can enjoy a 50% deduction on eligible R&D expenses, aiming to cut R&D costs and spur innovation investment.
- **Accelerated Depreciation for R&D Equipment:** Firms can depreciate R&D equipment faster, easing tax burdens in initial years and boosting cash flow.
- **Tax Exemptions for R&D Income:** Income from R&D outcomes like patents might be tax-exempt, offering significant savings for successful commercialization.
- **Grants and State Aid:** Romania provides grants and aid for innovation and R&D, especially in job creation and economically disadvantaged regions, covering a significant part of project expenses.

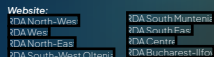


CONTACTS AND RESOURCES

Local Contacts:

The Regional Development Agencies

Fostering balanced economic growth, infrastructure development, and social inclusion across different regions of the country.



InvestRomania

Attracting foreign direct investment, supporting investors throughout the investment process, and fostering economic development in the country.

Website: investromania.gov.ro
Email: office@investromania.gov.ro

European Enterprise Network (EEN) Romania

Support system for businesses, providing access to international partnerships, innovation opportunities, and EU funding.

Website: een.ec.europa.eu/local-contact-points/ro/

RO TSA (The Romanian Tech Startups Association)

A hub for tech startups in Romania, offering support, networking opportunities, advocacy, and resources to foster innovation, entrepreneurship, and growth within the country's tech ecosystem.

Website: tsa.ro/en/homepage
Phone: +40 726 303 537
Email: contact@rotsa.ro

ROStartup

A platform dedicated to nurturing the startup ecosystem in Romania, providing resources, networking, and support to entrepreneurs to catalyze innovation.

Website: rostartup.com
Phone: 0741-363-388
Email: rostartup@admirdest.ro

CCIR The Chamber of Commerce & Industry of Romania

Attracting foreign direct investment, supporting investors throughout the investment process, and fostering economic development in the country.

Website: ccir.ro
Phone: +40 21 319 0173
Email: ccir@ccir.ro

ARICE The Romanian Agency for Foreign Investments and Foreign Trade

Promoting foreign investments and facilitating trade opportunities.

Website: www.arice.ro/categorii/comunicatii
Email: comunicatii@arice.gov.ro

Legal Advisors:

Stratulat Albuлесcu Law firm

Providing comprehensive legal services and strategic counsel to domestic and international clients contributing to the success and growth of businesses across various industries within the country.

Website: saa.ro/en/
Email: office@saa.ro

Ventures'n'Law

A legal support platform tailored to the needs of startups and ventures in Romania, offering specialized legal counsel and guidance to navigate the complexities of business law.

Website: venturesnlaw.com
Email: office@venturesnlaw.com

AXPartners Law firm

Offering specialized legal services and strategic guidance to clients.

Website: axpartners.ro

Useful Links:

Digital 2023: Romania

It contains all the latest data, insights, and trends you need to help you understand how people in Romania use digital devices and services in 2023.

Website: statista.com/en/

Education at a Glance 2023: OECD Indicators - Romania

This country note provides an overview of the key characteristics of the education system in Romania.

Website: www.oecd.org/dataoecd/22/1/11244398.pdf

România în Indicele Economiei și Societății Digitale

The latest analysis and data on digitization in Romania, covering topics such as connectivity, digital skills, e-governance.

Website: www.strategie.gov.ro/wp-content/uploads/2023/05/2023-05-08-Romania-Digital-Index-2023.pdf

Venture in eastern Europe report 2023

An analysis of the startup and venture capital landscape across Eastern Europe, highlighting investment activities and emerging opportunities.

Website: www.vvpe.com/

Funding for Romania - based startups during 2023

The report focuses on funding trends for startups based in Romania throughout 2023.

Website: initiative.tech/

Overview on Startup Venture Capital Funding in Romania - 2023

The report provides an overview of venture capital funding for startups in Romania during 2023.

Website: initiative.tech/

Romanian Startup & VC Ecosystem Report

The Digital Economy and Society Index (DESI) tracks Greece's digital performance and integration of digital technology.

Website: www.leadbase.com/

How can CO-INVESTIN help you



CO-INVESTIN can support your investment journey in Romania by facilitating connections with local venture capital funds (10+) (total of €200M+), business angels' groups (3) and crowdfunding platform (1), providing access to market insights, best programs for startups, and guidance on leveraging state and fiscal incentives for innovative projects.