



Startup Nations Standards

Report 2023



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FOREWORD

The Startup Nations Standards Report 2023 is a pivotal document charting the journey of the EU's collective ambition towards fostering a startup-friendly European ecosystem. It encapsulates the strides of a visionary political union of diverse Member States and underscores the challenges in elevating the startup landscape across Europe.

2023 has been a year of notable achievements and insightful learnings. With an overarching objective to crystallise the progress in implementing the eight Startup Nations Standards (SNS), we developed a robust methodology that served as the backbone for this year's analysis. The participation of ESNA's signatory members, yielding a 91% response rate, underscores the collective commitment to bring Europe to the lead of the global startup ecosystem.

The preliminary highlights paint an optimistic yet cautious picture. While we celebrate the high implementation levels of the Standards "Digital First," and "Fast Startup Creation," we are also reminded that our journey is far from over, notably when it comes to "Innovation in Regulation" and "Social Inclusion." The disparities in Standards implementation across countries demonstrate the vast potential to keep improving business conditions.

This report is a snapshot illustrating where Europe stands today. We salute the countries that lead the charge in these eight dimensions, with commendable overall scores and exemplifying what can be achieved with targeted policies and a conducive startup environment. The standards with low performance among countries are a testament to the anticipated room for improvement, emphasising the need for tailored strategies that respect local contexts while striving for our common goals.

As we look ahead, we also embrace the challenges highlighted in this report as opportunities for growth, collaboration, and innovation to build an ever more inclusive, dynamic, and resilient European startup ecosystem.

In closing, I extend my deepest gratitude to our Focal Points and our members whose insights and dedication are invaluable as we strive for a startup-friendly Europe.



Arthur Jordão
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EXECUTIVE SUMMARY

The Startup Nations Standards Report 2023, also referred as SNS Report 2023, aims to understand the main progress related to the Startup Nations Standards (SNS) implementation by Europe Startup Nations Alliance (ESNA) signatory countries in 2023. This core objective is achieved by developing a robust methodology to monitor the implementation of the eight SNS. The methodology is expected to be adopted in the SNS Scoreboard 2024 onwards, which will be subject to annual updates.

An overall positive snapshot is identified in the SNS implementation, with an average SNS score of 55%. Notably, SNS #8 "Digital First," SNS #1 "Fast Startup Creation," and SNS #5 "Innovation in Procurement" display high implementation levels, while SNS #4 "Innovation in Regulation" and SNS #7 "Social Inclusion" lag behind.

The implementation of **SNS #1 "Fast Startup Creation, Smooth Market Entry"** is generally positive, scoring 64%. Key findings reveal that 33% of countries allow company setup within a day, with 57% requiring less than 100 euros. Additionally, 29% offer robust online company setup services, while 14% provide comprehensive market access helpdesks, and 38% offer fast-track regulatory support. Furthermore, 48% of surveyed countries accept legal documents from other European Union (EU) nations as evidence for business establishment.

A 50% overall implementation level may be observed for **SNS #2 "Attracting and Retaining Talent"**. Additionally, 33% of the surveyed countries process visa applications from third-country founders supported by a trusted partner within one month, while 24% show evidence of having programs to attract EU tech talent back to their home region. Visa processes for non-EU citizens show a positive framework, while talent programmes should be further elaborated to attract highly skilled professionals, both EU and non-EU citizens.

The recorded level of achievement for **SNS #3 "Stock Options"** yields an overall positive result of 57%. Key findings indicate that in 43% of countries, Stock Options (SO) are taxed only at the moment of sale, while 76% allow the issuance of SO without voting rights to minority shareholders. Additionally, 52% of countries have a specific scheme in place for SO. Nonetheless, further improvements related to their taxation regime would be beneficial in order to improve EU competitiveness in this field.

The overall implementation level for the **SNS #4 "Innovation in Regulation"** principles stands at 45%, indicating room for improvement. Key findings show that 67% of countries are implementing the "Think Small First" principle, while only 33% are addressing regulation compliance for startups to promote innovation. These results indicate that startups and Small and Medium-sized Enterprises (SMEs) tend to be included in decision-making processes. However, there is a need for further improvement concerning startup compliance frameworks. Even though 52% of countries have regulatory sandboxes, only 35% of the analysed countries have startups involved, with an average of eight startups per surveyed country. These figures highlight the necessity for further startup engagement in regulatory sandboxes.

SNS #5 "Innovation in Procurement" achieves an overall positive score of 62%. Key findings include that 86% of surveyed countries reported no legal or administrative impediments disadvantaging startups/scaleups in innovation procurement opportunities. Additionally, 76% allow startups/scaleups to retain ownership of Intellectual Property Rights (IPR). In 12% of the countries, the public sector may not retain ownership of IPR due to overriding public

interests. Furthermore, 48% of countries support startups contributing to and benefiting from open-source assets, while 71% have technology transfer policies in place. Procurement opportunities and technology transfer policies stand out as positive trends, however IPR and open-source asset provide a contrast with a lower implementation level.

SNS #6 “Access to Finance” has an overall positive implementation score of 55%. Key findings reveal that 58% of countries use part of their Recovery and Resilience Facility (RRF) funding to enhance access to Venture Capital (VC) for startups, while 67% utilise the European Investment Bank (EIB) and promotional banks to bridge the VC investment gap. Additionally, 33% of countries offer initiatives to diversify private capital for high-growth startup co-investment, and 38% offer tax reliefs specifically targeted at Business Angels (BA). Public grants are typically used by the surveyed countries, while indirect access to finance achieves slightly lower scores. Tax reliefs are the main field that requires additional measures and further improvements.

SNS #7 “Social Inclusion, Diversity and Protecting Democratic Values” attains an overall score of 29%, marking it as the SNS with the lowest level of implementation. Key findings include that 62% of countries actively promote diverse role models in the startup community, in areas such as gender, ethnicity and social background. 43% of countries engage with startups to address issues of marginalisation and social exclusion among underprivileged communities. Additionally, 25% of the countries offer specific incentives for startups to prioritise hiring a diverse workforce, and only one country demonstrates measures to support founders from underprivileged backgrounds in creating companies. Further attention must therefore be directed towards inclusiveness through incentives for founders, particularly in supporting startup creation by individuals from underprivileged backgrounds.

SNS #8 “Digital First” achieves an overall score of 75%, making it the SNS with the highest level of implementation. Key findings include that 86% of countries are implementing a national digitalisation strategy targeting different sectors and technologies, while 67% have digitalised services in place such as company creation, tax filing, participation in public procurement, and electronic identification & digital signatures. Additionally, 62% have established knowledge-sharing practices between public entities and startups, such as GovTech labs. These results indicate that countries’ digitalisation is underway, although further efforts should be deployed towards knowledge exchange practices between public entities and startups.

Introduction

01.

01. Introduction

This document is the second release of the SNS Report, following the publication of the first edition in the SNS Report 2022 (Baseline). The primary objective of this exercise is to assess the methodology designed to be applied in the forthcoming SNS Scoreboard. The SNS Scoreboard is an annual report specifically dedicated to monitoring the progress and implementation of the eight SNS (Startup Nations Standard). It is slated to be launched by the end of 2024, with provisions for annual updates.

The current SNS Report 2023 provides an analytical overview of the implementation status of each SNS featured in the [EU Startup Nations Standard of Excellence Declaration](#) (SNS Declaration). The [Figure 1](#) below outlines the eight SNS.



Figure 1. The eight SNS within the SNS Declaration

SOURCE: EU Startup Nations Standard of Excellence Declaration

The [04. SNS adoption: Status](#) chapter of the present report entails a specific subchapter for each SNS, featuring both an overview and a substandard analysis. The overview includes a framework of the SNS corresponding to the substandards' description and its primary objectives. Subsequently, the analysis section indicates the SNS implementation score percentages, providing an overall performance breakdown by indicator and ESNA signatory country.

Methodological notes

02.

02. Methodological notes

Applying the appropriate methodology is paramount to produce robust and reliable results that depict the current reality of the SNS Declaration (The EU Startup Nations Standard of Excellence, 2021^[1]) in a simple way. Hence, within the present exercise, various tools are implemented and tested to establish the future SNS Scoreboard as a strong means of monitoring Europe’s progress in relation to the SNS Declaration.

The previous SNS Report 2022 (Baseline) and the current SNS Report 2023 were prepared based on two main sources: desk research involving the collection of indicators from reliable third-party sources and a survey directed at ESNA’s Focal Points (FP) network, entrusted by national governments. This is exemplified in [Figure 2](#) below.

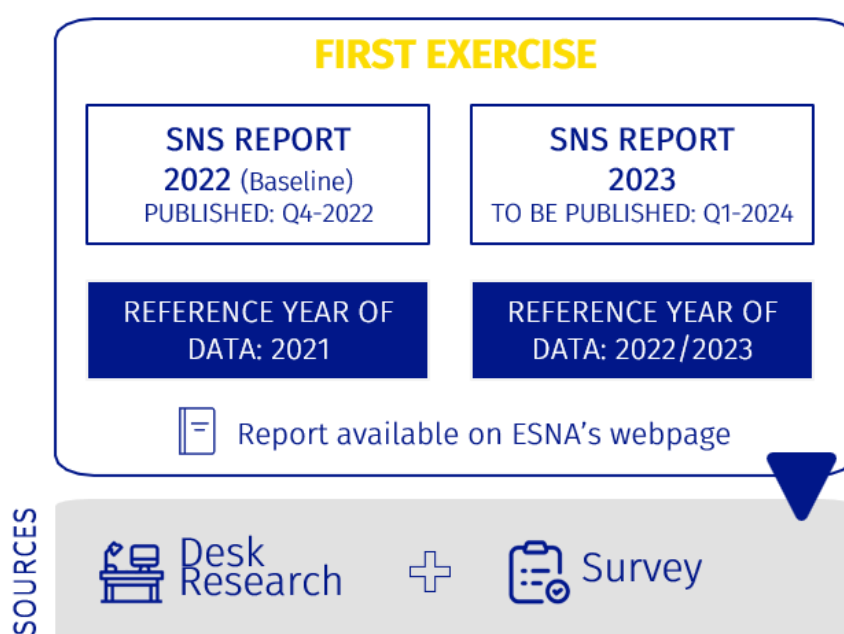


Figure 2. Structure of the first exercise composed of two reports

SOURCE: ESNA (2024)

The initial SNS Report 2022 revealed certain limitations, such as a restricted number of indicators and data to cover all eight SNS, indicators that needed to be refined and gaps for the reference year. Consequently, the current edition underwent enhancements to obtain more reliable data and reflect the SNS’ principles more accurately.

2.1 Approach

The methodological approach of the current report has been refined to attain more detailed and in-depth insights into the implementation of the SNS. As a result, some improvements were introduced in the following fields: survey, selected indicators, categorical scale, data transformation and aggregation, and reference year.



Survey

The survey developed for the current report the survey was conducted by ESNA and included 73 questions across all eight SNS. The survey was formed of multiple-choice questions (as single answer and multiple answers), binary questions (yes or no), and open-ended questions. The response rate was high, 91%¹, which corresponds to a coverage rate of 78% of the European Union (EU).

Indicators selection

Data collected from the survey was complemented by information from third parties, as the ESNA team conducted **desk research** by utilising a diverse range of reliable and official data. They span from international organisations such as the Organisation for Economic Co-operation and Development (OECD) or the World Intellectual Property Organisation (WIPO) to European institutions such as the European Commission (EC).

Therefore, this composite index is derived from a total of 36 indicators created based on the official information provided by the countries through a survey (32 indicators) and additional indicators from third parties (four indicators).

Categorical scale

A **0-100% categorical scale was adopted for indicators**, which was created based on the remaining closed questions. Here, 100% denotes evidence of full implementation, and 0% means non-implementation. The formulation of this scale involves distinct criteria tailored to the scope of each indicator. Cross-checking was conducted using the evidence provided by the FP when available.

Data transformation

The **min-max transformation was used to normalise indicators** expressed into different units. It involves a linear projection to normalise indicators, ensuring they have the same range. This process entails subtracting the minimum observable value and dividing by the range of observable values in the sample. As a result, all data values are rescaled to a value ranging from 0% to 100%, where 0 is the lowest attainable score, and 100 represents the highest possible score.

Aggregation

The **scores** of the current version, meaning the respective implementation level, were aggregated through simple averages, implying that an SNS' score is the simple average of its substandards' scores. Substandards' scores result from the simple average of the indicators composing it. In instances where substandards are composed of a sole indicator, the value of the substandard is equal to the score of the single indicator that comprises it. This rationale is illustrated in [Table 1](#) below.

¹ As the number of countries answering the survey (21) over the number of countries that received the survey (23).

<i>Overall index</i>	<i>SNS</i>	<i>Substandards</i>	<i>Indicators</i>
SNS Declaration – Overall index Simple average of the eight Standards’ scores	SNS #1 Simple average of the respective substandards	Substandard 1.1 Simple average of the indicators	Indicator 1.1.1
			Indicator 1.1.2
			Indicator 1.1.3
		Substandard 1.2 Simple average of the indicators	Indicator 1.2.1
		Indicator 1.2.2	
		(...)	
		(...)	
		(...)	
	SNS #8 Simple average of the respective substandards	Substandard 8.2 Simple average of the indicators	Indicator 8.2.1

Table 1. Structure of the composite index

SOURCE: ESNA (2024)

Scope

The current version covers the following **21 European countries**²: Austria (AUT), Belgium (BEL), Bulgaria (BGR), Croatia (HRV), Cyprus (CYP), Czechia (CZE), Denmark (DNK), Estonia (EST), France (FRA), Greece (GRC), Ireland (IRL), Lithuania (LTU), Luxembourg (LUX), Malta (MLT), Poland (POL), Portugal (PRT), Romania (ROU), Slovakia (SVK), Slovenia (SVN), Spain (ESP) and Sweden (SWE).

The vast majority of the data is referenced to 2023 to highlight the main progress made by countries over 2023. In instances where data for this specific year is unavailable, older data may be used. Additionally, it is worth highlighting that all presented numbers were **rounded to the closest unit**.

2.2 Data and sources

The SNS Report 2023 is structured around an analysis that **comprises 36 indicators**, which represents a notable increase of 10 indicators compared to the past version. This substantial adjustment means that most of the current indicators may not be compared with those included in the SNS Report 2022. More specifically, the survey conducted with the FP served as a foundational exercise and held a pivotal role in the data compilation process. This tool enables ESNA to gather specific information tailored to the SNS model, which would not be achievable by relying solely on external sources.

More information on the indicators utilised in this report for each SNS and its substandards can be found in Annexes, [A2. SNS and substandards’ structure](#).

² Signatory countries missing in this analysis: Finland, Germany, Iceland, Italy, Latvia, Netherlands.

2.3 Additional considerations

ESNA aims to establish a robust and reliable monitoring system for the eight SNS, with the introduction of a Scoreboard in 2024. Given the critical role of methodology in this monitoring system, the following section discusses potential opportunities to improve the **methodological approach** to be developed in the future SNS Scoreboard.

The previous SNS Report 2022 analysis relied on 26 indicators, revealing an insufficiency to encompass the entire scope of each SNS. For the current version of the report, 36 indicators were used as a basis for this study. While this addressed the issue somewhat, future efforts should consider incorporating additional indicators to ensure comprehensive coverage of each substandard by more than one indicator. Conversely, the past and current SNS Reports granted an even weight to indicators across the substandards, contributing equally to the standards and substandards scores calculation. This matter may be reconsidered when preparing the forthcoming Scoreboard by studying different levels of relevance for specific indicators, thereby ensuring an improved assessment of the SNS implementation, in keeping with the SNS Declaration. Detailed information on the selection criteria for the indicators (such as series, breakdowns, and official sources) will be included in the future Scoreboard.

On another note, scaleups are an important unit of measure to evaluate Europe's startup ecosystem success. While it is not reflected in the current methodology, their inclusion shall be analysed for future publications.

Moreover, addressing the lack of one European startup definition is crucial to overcoming some bottlenecks. Adopting a clear definition of a startup is necessary to enhance indicators' accuracy and subsequent evaluations. With this explicit definition, ESNA can objectively assess the specific topics directed at startups.

Finally, as ESNA adopted the composite indicators methodology, its generic strengths and limitations are highlighted below.

Strengths	Limitations
<ul style="list-style-type: none"> • Allowing comparisons between different countries in terms of SNS implementation • Establishing dynamic analysis for future editions • Providing additional context about the most common and best practices of different countries 	<ul style="list-style-type: none"> • Different reference years for some of the indicators • Addressing more theoretical dimensions of the composite indicators, particularly related to their relevance and accuracy • Acknowledging that some variables used are <i>proxies</i>, measuring not only the startups ecosystem but a broader environment beyond startups

Table 2. Strengths and limitations of the approach

Despite the limitations, the results and conclusions can be regarded as an additional tool for analysing the complexity of reality, establishing benchmarks between different practices in various countries, and monitoring the implementation of the SNS Declaration across nations.

Overview of the SNS Declaration's implementation

03.

03. Overview of the SNS Declaration’s implementation

Despite a considerable disparity in the level of implementation between the signatory countries, a positive snapshot may be observed. The overall index average for all surveyed countries – covering all SNS – stands at 55%. When analysed by SNS, specific differences in the level of implementation may be worth noting, as shown in [Figure 3](#).

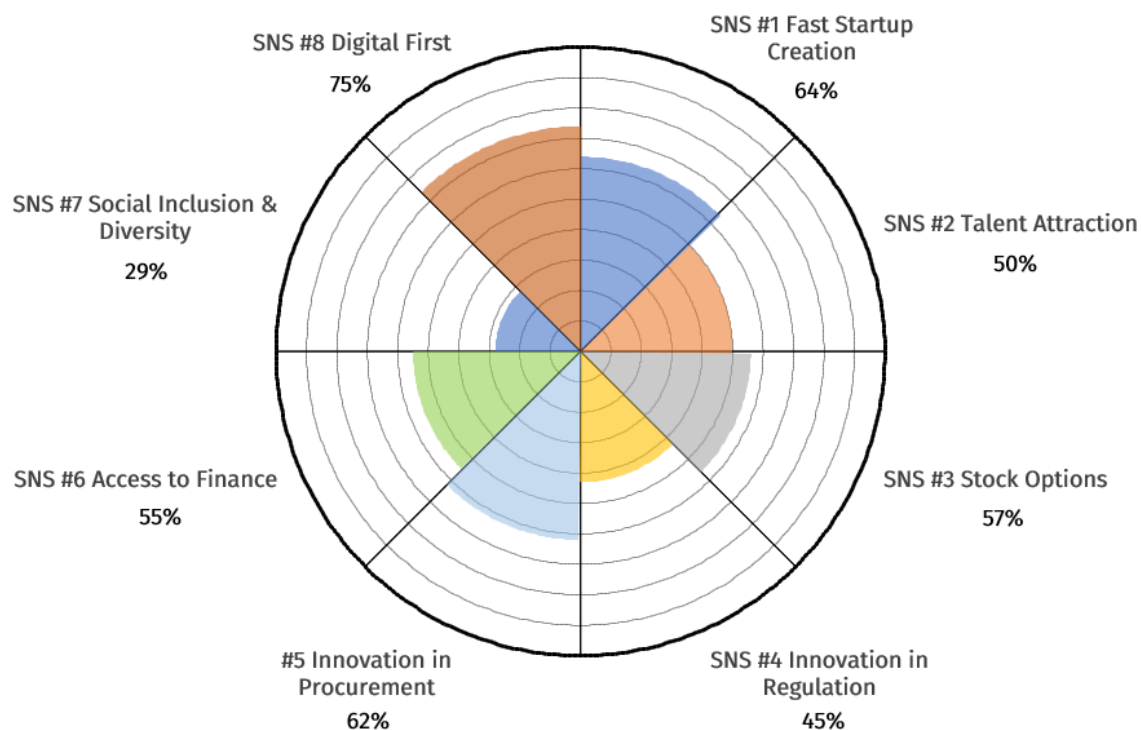


Figure 3. SNS implementation level

SOURCE: ESNA analysis (2024)

The SNS standing out as per their overall high level of implementation across Europe are SNS #8 “Digital First”, SNS #1 “Fast Startup Creation” and SNS #5 “Innovation in Procurement”.

SNS #8 “Digital First” has the highest score, 75%. This score demonstrates the substantial investments and initiatives the European Commission (EC) and the Member States (MS) undertake to enhance digital public services, such as the Single Digital Gateway (SDG). This aligns with the State of the Digital Decade, also directly impacting SNS #1.

SNS #1 “Fast Startup Creation, Smooth Market Entry” comes second with a score of 64%. European countries have been advancing their digitalisation efforts, resulting in reduced complexity and time spent on administrative processes. The associated costs for establishing a company are generally affordable, promoting accessibility for entrepreneurs from diverse backgrounds. However, cross-border processes are not seamlessly integrated into existing administrative procedures, introducing additional bureaucracy for foreign nationals – including EU citizens – when entering a new market within Europe.

SNS #5 “Innovation in Procurement” achieves a score of 62%. The EU Public Procurement directives have played a pivotal role in guiding Members States to formulate national policy frameworks for procurement. Additionally, notable increases in GovTech initiatives and

policies facilitating technology transfer have been significant in the past few years. Nevertheless, the FP underlined a lack of strategic framework in this domain and specific, strict criteria that may be disadvantageous for startups as areas to be improved. Additionally, accessing public procurement markets remains a challenge due to bureaucratic hurdles startups face.

While acknowledging recent progress is essential, it is equally important to stress areas that present opportunities for improvement, such as SNS #4 and #7, achieving the lowest scores.

At 45%, **SNS #4 “Innovation in Regulation”**, stands as the second lowest score. Regulatory issues cause a heavy burden experienced across most European countries, exemplified by the complex challenges faced by regulatory sandboxes. The concept remains widely unclear, and the collected answers displayed contradictory statements (e.g. countries that claim to have sandboxes in place, but when questioned about their number answer 0, implying a contradiction). The actual involvement of startups in regulatory advancements is still uncertain. Governments should set up mechanisms fostering optimal and fair conditions for startups to add value to the current ecosystem, notably through IPR and regulatory sandboxes.

SNS #7 “Social Inclusion”, is the lowest-scoring SNS at 29%. This outcome is primarily influenced by the nature of the programmes focusing on social inclusion. Countries commonly categorise such initiatives under broader social policies rather than specifically targeting startups. Programmes aiming at more diversity are often directed towards closing the gender gap. However, many other profiles are usually not represented in the ecosystem. Incentives are also much more abundant for existing startups to include diverse backgrounds in their recruitment process. Nonetheless, not focusing on early-stage diversity may lead to a diversity debt, making it more difficult to get a more varied working environment.

Upon analysing the overall performance of ESNA members in the different SNS, [Figure 4](#) illustrates variations in the implementation level by country. The results indicate that 12 of the 21 countries considered surpass the overall average (55%), while the remaining nine are yet to reach it.

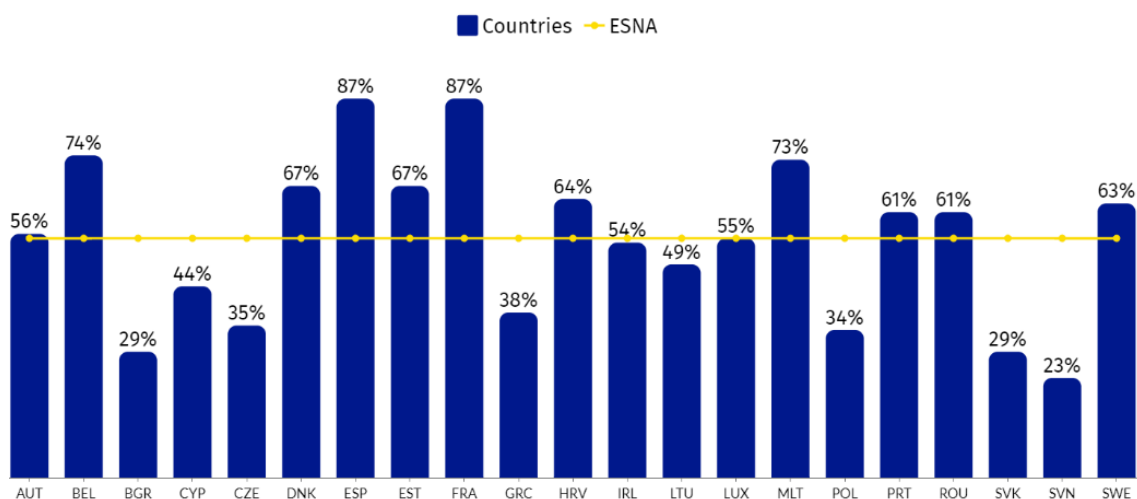


Figure 4. SNS implementation level in Europe (%) – overall score

SOURCE: ESNA analysis (2024)



Nations scoring above 50% obtain significantly high implementation levels in SNS #8, mirroring the overarching pattern of all analysed countries. Moreover, SNS #1 and #5 also yield higher results, in accordance with the implementation levels of all analysed countries. This denotes a notable emphasis placed on the adoption of technological and innovative solutions by the top-performing countries, reflecting their commitment to leveraging cutting-edge approaches towards startup-friendly measures.

As per the countries scoring under 50%, they tend to perform best in SNS #1, #6 and #8, however SNS #2, #4 and #7 display lower performance. While this aligns with the overall framework observed, it is worth highlighting the impact of lower talent attraction and retention in these countries, thereby limiting the resources for their national startup ecosystems' potential growth. These nations seem to give a bigger focus on a different resource: funding. This shift could result in a more positive pattern going forward if easier access to finance becomes a reality.

SNS adoption: Status

04.

04. SNS adoption: Status

4.1 SNS #1 “Fast Startup Creation, Smooth Market Entry”

4.1.1 Overview

The first SNS listed in the SNS Declaration addresses an easy startup creation and market entry process. An agile and simplified company creation process is essential to promote entrepreneurship. Various elements must be examined when considering an optimised framework for innovative business setup. The price, process duration and level of support granted to the entrepreneur should not represent barriers to prospective founders.

Europe has made notable progress, particularly in investing in digital public services through various tools, such as the SDG, simplified registration processes, Public-Private Partnerships (PPP) and supportive ecosystems. These initiatives have successfully attracted more investments, reduced costs, and simplified market entry.

Based on the answers provided in the survey and on the eGovernment Benchmark, an overall positive implementation of the SNS #1 is observed, with a 64% score. The full description of this SNS #1 can be found in the Annexes, [A1. Startup Nations Standards – Description](#).

While no country achieves a 100% score, Malta reaches a noteworthy 98% level of implementation, followed by Denmark with 92%, as shown in [Figure 5](#).

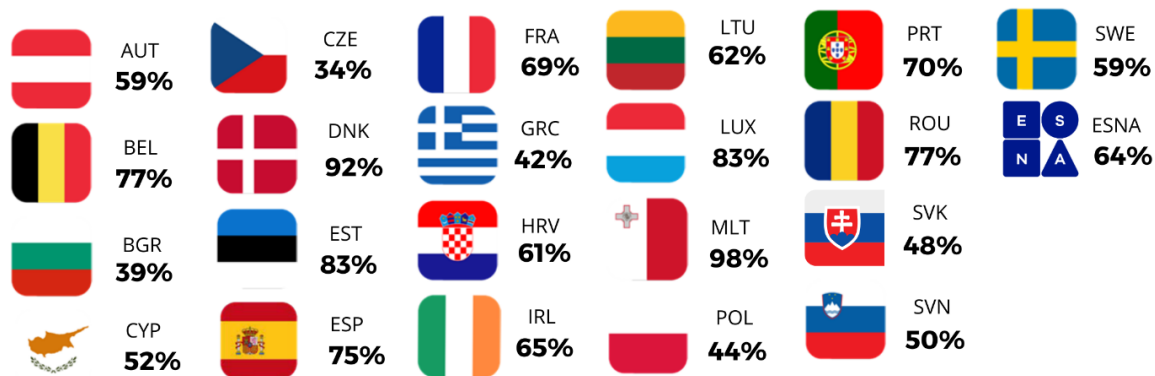


Figure 5. Countries' scores for level of achievement of SNS #1

SOURCE: ESNA analysis based on FP Survey & eGovernment Benchmark 2023 (2024)

To enhance the depth of the analysis, the SNS #1 is divided into three substandards. More information about the substandards can be found below in [Table 3](#).

1.1 Time & Cost

At the moment of starting a business, time spent setting up the company is an important factor, and the administrative burden may pose an obstacle. The cost associated with the creation of a company also holds significance, particularly in facilitating business creation. Early-stage companies entail subsequent investment costs, making a high fee for setting up a company a potential deterrent. Administrative costs should not be an impediment to business creation and entrepreneurship.

1.2 Startup Fast Lane

Administrative processes for setting up a business are typically complex. Consequently, it is recommended that countries support entrepreneurs extensively by establishing helpdesks to assist them. Additionally, providing comprehensive information on setting up a business, specific regulations, funding opportunities and facilitating market entry can significantly contribute to initiating successful ventures.

1.3 Cross-Border Services

The European ecosystem places a high value on freedom of movement and the possibility of establishing companies across borders, ultimately benefiting the countries in which the new companies are formed. It is therefore imperative to create favourable conditions for the establishment of companies by non-nationals.

Table 3. Substandards of SNS #1 “Fast Startup Creation, Smooth Market Entry”

The Substandard 1.1 – Time & Cost showcases a positive implementation level of 69%, impacting SNS #1 as the best-achieving substandard. In contrast, the Substandard 1.2 – Startup Fast Lane achieves a lower implementation level of 60%. The

Substandard 1.3 – Cross-Border Services scores 63%, in line with the overall implementation level of this SNS.

The main takeaways from the SNS #1 analysis can be found below. Additionally, a detailed analysis of each substandard composing the SNS #1 can be found in the following section.

Main Takeaways

- It is possible to set up a company in 1 day in 33% of the countries, and it is possible to do it with less than 100 euros in 57% of them, in line with SNS #1.
- 29% of the countries show evidence that it is possible to use an online service to set up a company without any obstacles.
- 14% of the countries show evidence of providing a comprehensive service with a market access helpdesk and 38% a fast-track regulatory support.
- 48% of the countries show evidence that legal documents from other EU countries may be used to establish a business.

4.1.2 Substandards analysis

Substandard 1.1 – Time & Cost

Regarding the time required to start a business³, a startup can be created within a day in seven out of 21 countries (33%), achieving a 100% level of implementation. These countries include Croatia, Denmark, Estonia, Malta, Romania, Slovakia, and Spain, as shown in [Figure 6](#) below.

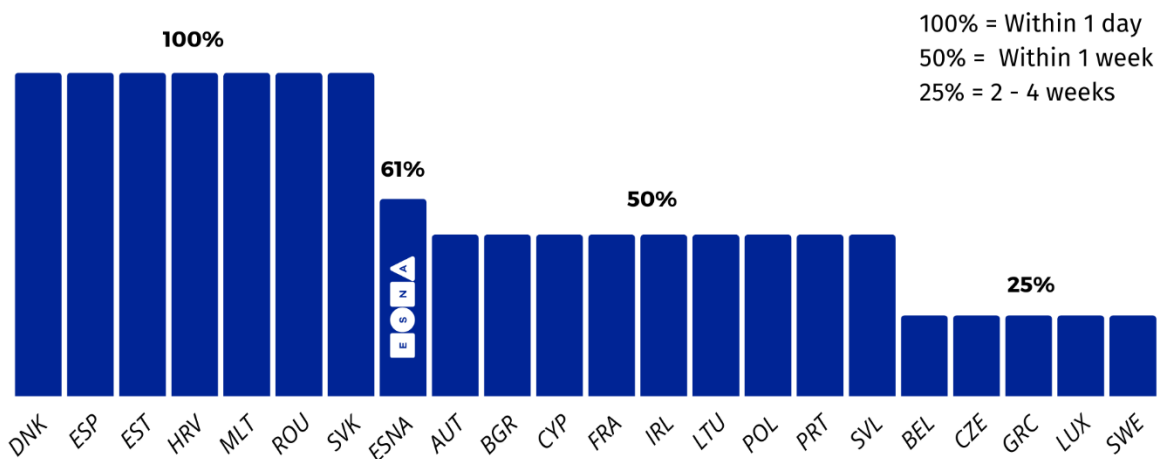


Figure 6. Time to start a business – number of days & implementation level in % (Indicator 1.1.1)

SOURCE: ESNA analysis based on FP Survey (2024)

Even though establishing a company takes on average longer than one day, which represents an implementation average of 61%, the pricing framework proves to be favourable, facilitating the creation of startups.

Concerning the **cost of establishing a business**, the administrative fee for establishing a legal entity is **less than 100 euros** in most countries – 12 out of 21 (57%) – thus achieving a 100% level of implementation. These costs are directly linked to the mandatory State services required to set up a company. Countries meeting this low-cost requirement are Belgium,

³ The time to undergo all necessary legal, administrative, and supportive services involved were included in the process of establishing a startup as a legal entity.

Bulgaria, Croatia, Denmark, France, Ireland, Lithuania, Luxembourg, Malta, Romania, Slovenia, and Spain, as shown in [Figure 7](#) below.

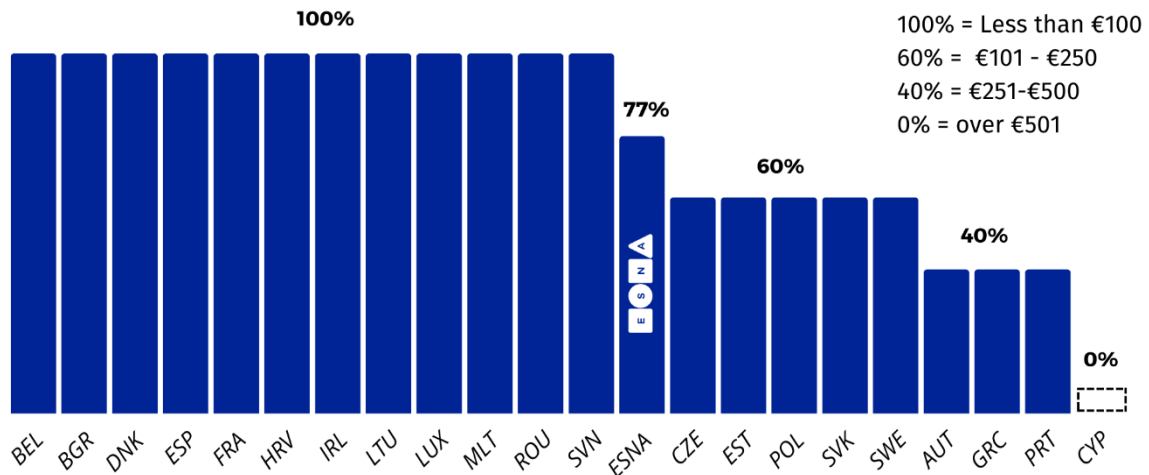


Figure 7. Administrative costs for establishing a startup - cost & implementation level in % (Indicator 1.1.2)

SOURCE: ESNA analysis based on FP Survey (2024)

With a high average of 77% implementation level, it can be observed that the majority of the countries offer an agile service to establish a company, having this process within a day, also charge a low fee (above 101 euros) for the administrative costs.

Substandard 1.2 – Startup Fast Lane

The online availability is the first component to be analysed, showing that six out of 21 countries (29%) reported having a **robust online service to set up a company**, achieving a 100% level of implementation. These countries are Denmark, Estonia, Greece, Luxembourg, Malta, and Portugal, as shown in [Figure 8](#) below.

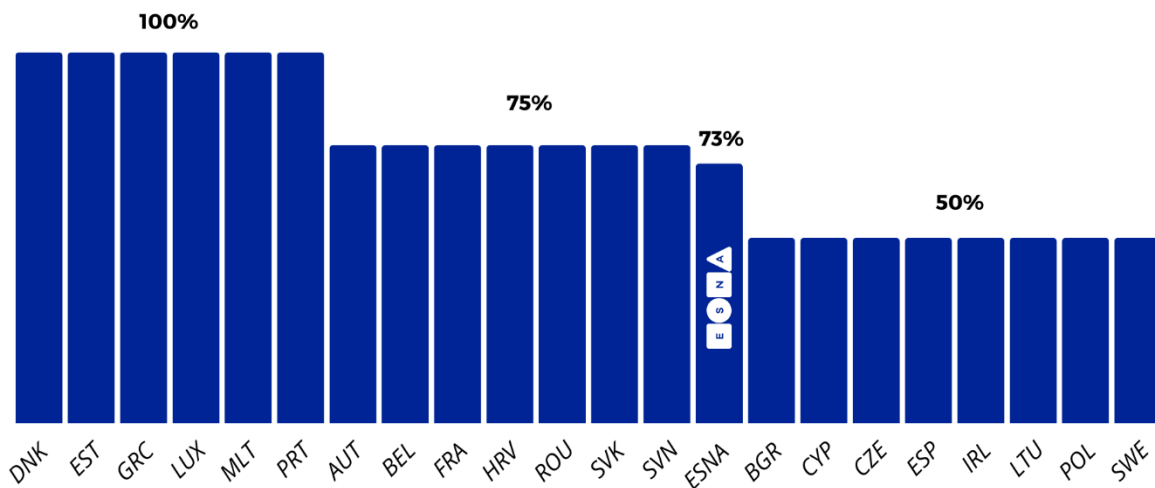


Figure 8. Existence of an online service to set up a company (Indicator 1.2.1)

SOURCE: ESNA analysis based on FP Survey (2024)

When asked about a fast lane service for entrepreneurs, three out of 21 countries (14%) presented evidence of having a comprehensive service with a market access helpdesk. This service allows entrepreneurs to find all necessary information about national regulations and funding opportunities in a single online location. Countries providing this service include Estonia, Malta, and Spain, as shown in [Figure 9](#) below.

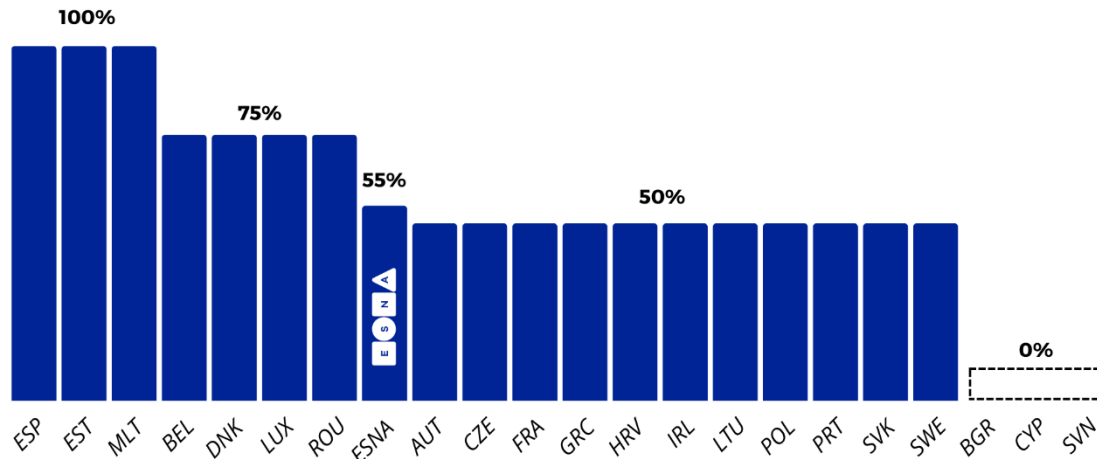


Figure 9. Existence of fast lane & helpdesk availability for entrepreneurs (Indicator 1.2.2)

SOURCE: ESNA analysis based on FP Survey (2024)

Concerning the provision of a virtual helpdesk for startups and scaleups from other EU Member States (MS), eight out of 21 countries (38%) provided evidence of operating a service for entrepreneurs encountering regulatory issues and/or impediments when attempting to enter a new market. Austria, Belgium, Cyprus, Denmark, Estonia, Luxembourg, Malta, and Portugal offer such services, as shown in [Figure 10](#) below.

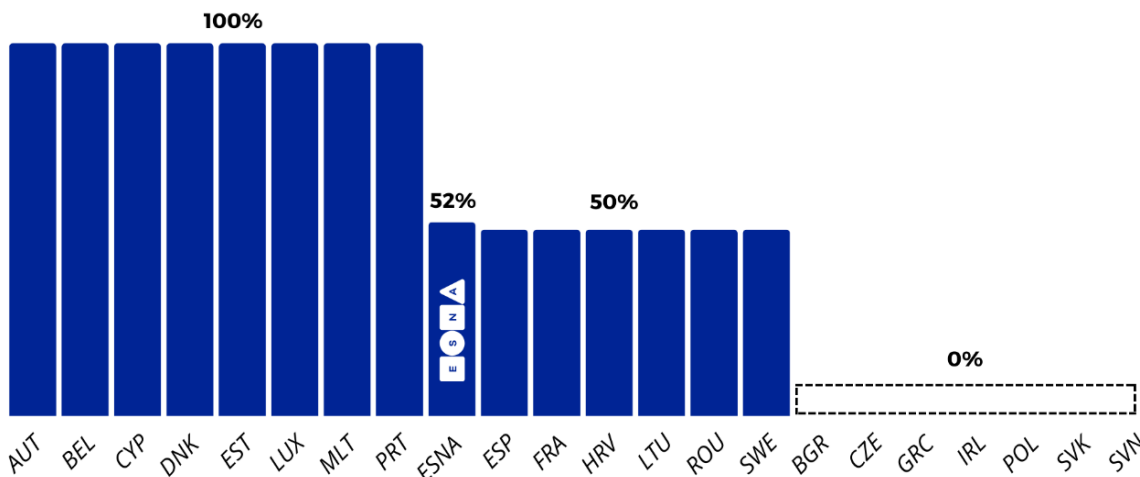


Figure 10. Existence of a virtual helpdesk for regulatory issues for startups and scaleups (Indicator 1.2.3)

SOURCE: ESNA analysis based on FP Survey (2024)

Substandard 1.3 – Cross-Border Services

The **index of cross-border services**⁴ (European Commission, 2023_[2]) in [Figure 11](#) displays disparities between the countries, with Luxembourg, Estonia, and Malta (14% of analysed countries) standing out as their indexes rank above or equal to 90%. Considering the average implementation score of 61%, it may be concluded that cross-border services are typically offered in most of the analysed countries, however with some limitations.

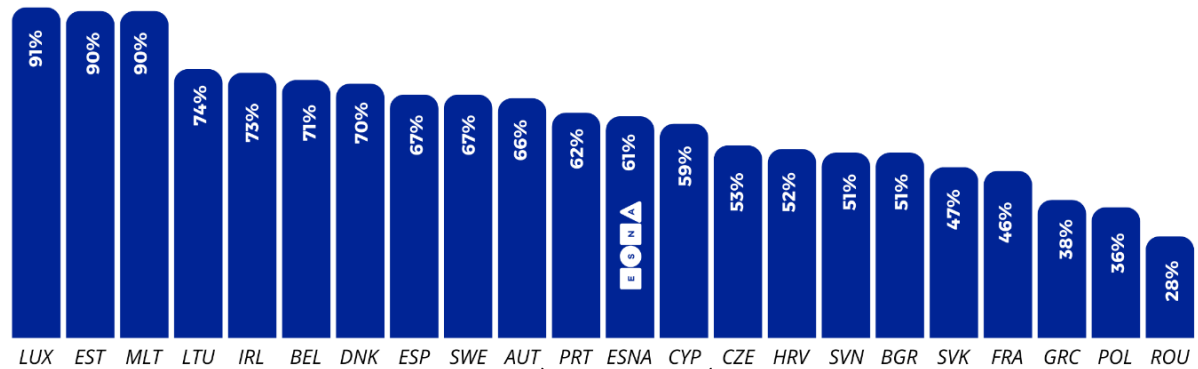


Figure 11. Index of the cross-border services (Indicator 1.3.1)

SOURCE: eGovernment Benchmark 2023

Lastly, 10 out of 21 countries (48%) allow **using legal documents from other EU countries as evidence** when establishing a startup or creating a subsidiary of an existing startup expanding within the single market. Countries applying this practice are Belgium, Cyprus, Denmark, France, Ireland, Luxembourg, Malta, Portugal, Romania, and Sweden, as shown in [Figure 12](#) below.

⁴ The Cross-border services index “Indicates to what extent EU citizens can use online services in another country”. (European Commission, 2023 _[1])

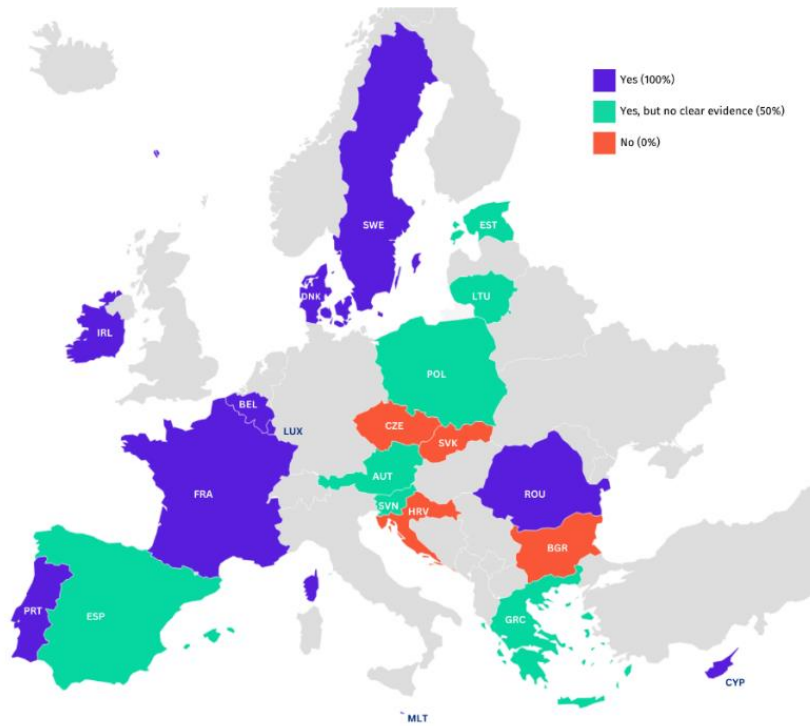


Figure 12. Utilisation of legal documents from other EU countries for startups within the single market (Indicator 1.3.2)

SOURCE: ESNA analysis based on FP Survey (2024)

4.2 SNS #2 “Attracting and Retaining Talent”

4.2.1 Overview

Attracting and retaining talent is paramount in driving innovation, developing cutting-edge technologies, and ultimately for economic growth. Broadly defined as the stock of knowledge, skills, and other personal characteristics, they are a prerequisite for the effective operation of businesses and public services (OECD, 2023_[3]). Across Europe, there has been a concerted effort to attract international talent, especially tech talent.

Providing the right conditions to attract and retain highly skilled and tech professionals and entrepreneurs to set up their businesses in Europe is key, notably in ensuring their smooth relocation and development in Europe. The full description of the SNS #2 can be found in the Annexes, [A1. Startup Nations Standards – Description](#).

Based on the survey answers and the Talent Attractiveness Index, an overall score of 50% implementation level is observed. Croatia and Malta were the only two out of 21 countries (10%) to attain a 100% level of implementation, as shown in [Figure 13](#).

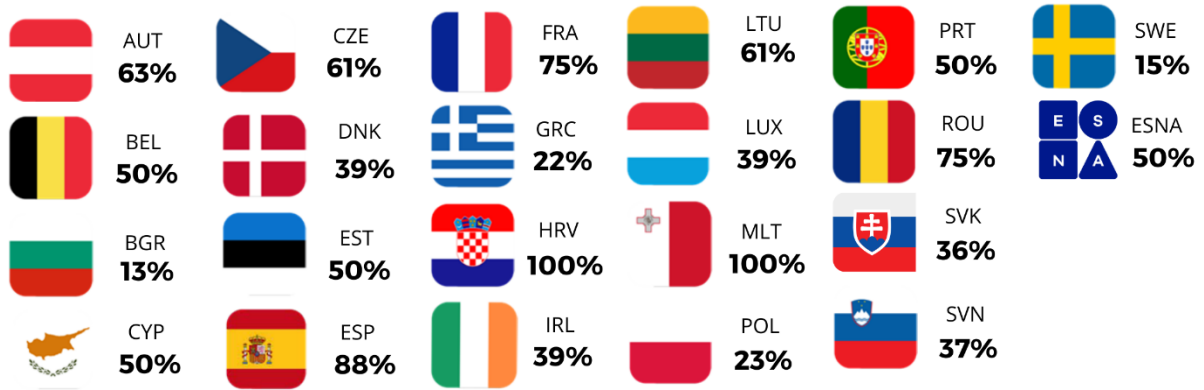


Figure 13. Countries' scores for level of achievement of SNS #2

SOURCE: ESNA analysis based on FP Survey & OECD Talent Attractiveness Index (2023)

To enhance the depth of the analysis, the SNS is divided into two substandards. More information about the substandards can be found in [Table 4](#) below.

2.1 Visa Applications

Visas play a crucial role in talent attraction, as they usually are a fundamental condition for relocating to another country. Visa acquisition processes are often perceived as time-consuming and burdensome, and thus represent a setback in the decision-making process to move abroad. The focus of this substandard is to monitor measures aimed at streamlining these procedures.

2.2 Programmes for Talent

Attracting and retaining talent implies creating and developing programmes tailored for highly qualified individuals possessing a specific set of skills, namely in the tech sector. The substandard also entails programmes designed to reattract talent back to their home regions.

Table 4. Substandards of SNS #2 "Talent Attraction"

The [Substandard 2.1 – Visa Applications](#) focusing on the time required to process visa applications, demonstrates a positive implementation level of 60%, impacting the SNS as the best-achieving substandard. In contrast, [Substandard 2.2 – Programmes for Talent](#) displays a lower level of implementation at 41%.

The main takeaways from the SNS #2 analysis can be found below. Additionally, a detailed analysis of each substandard composing the SNS #2 can be found in the following section.

Main Takeaways

- Visa applications from third-country founders backed by a trusted partner, in line with this SNS #2, are typically processed within one month in 33% of the countries.
- 24% of the countries demonstrate the existence of programmes to attract EU tech talent back to the region.

4.2.2 Substandards analysis

Substandard 2.1 – Visa Applications

Regarding **visa applications from founders**, seven out of 21 countries (33%) have a processing time for visa applications from third-country founders backed by a trusted partner **within one month**, achieving a 100% score. Austria, Croatia, Czechia, France, Lithuania, Malta, and Spain meet this criterion, therefore scoring above the average (60%), as shown in [Figure 14](#) below.

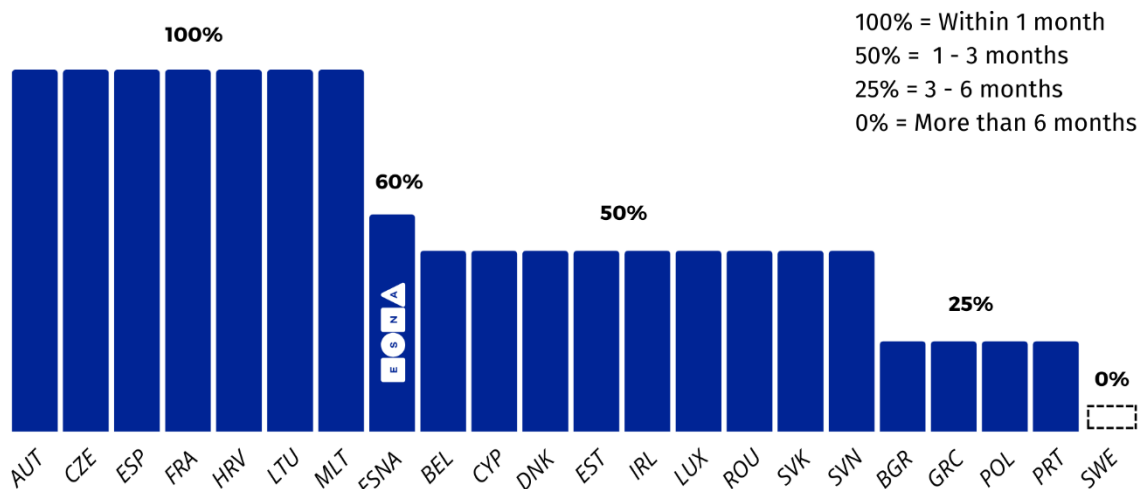


Figure 14. Time to complete visa applications from founders – time & implementation level in % (Indicator 2.1.1)

SOURCE: ESNA analysis based on FP Survey (2024)

Substandard 2.2 – Programmes for Talent

Regarding the existence of **return of tech diaspora schemes**, it is concluded, based on the answers provided in the survey, that five out of 21 countries (24%) provided evidence of having programmes or incentives in place - scoring 100%. These programmes are designed to attract EU tech talent back to their home region after a period abroad. They include Croatia, Malta, Portugal, Romania, and Spain, as shown in [Figure 15](#) below.

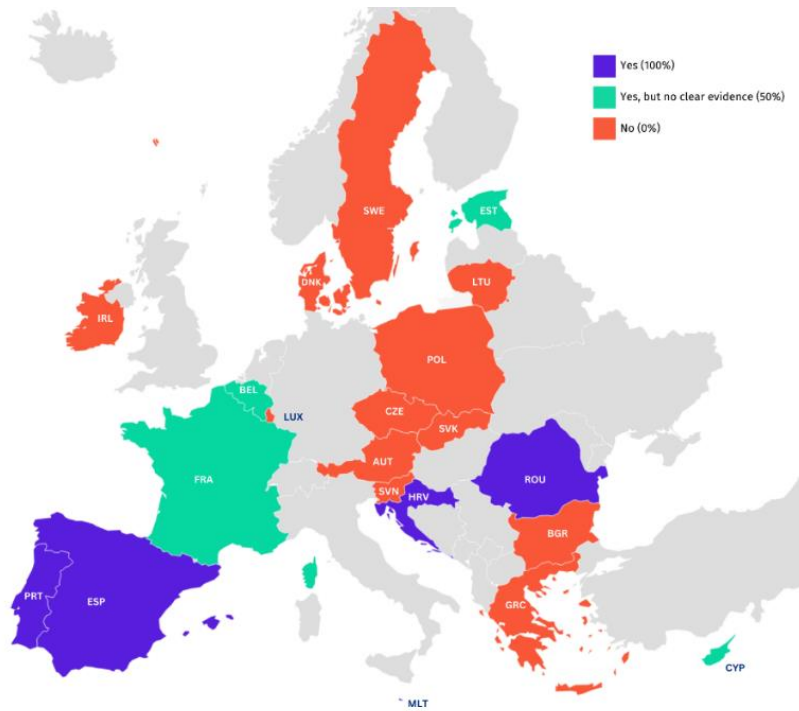


Figure 15. Existence of return of tech diaspora programmes (Indicator 2.2.1)

SOURCE: ESNA analysis based on FP Survey (2024)

Lastly, regarding the Index of talent attractiveness⁵, there is still some space for improvement for the countries, despite being at a comparable level. The country achieving the highest level is Sweden with 61%, followed by Luxembourg with 55%, next to Denmark and Ireland, both scoring 54% (OECD, 2023^[4]), as shown in Figure 16 below⁶.

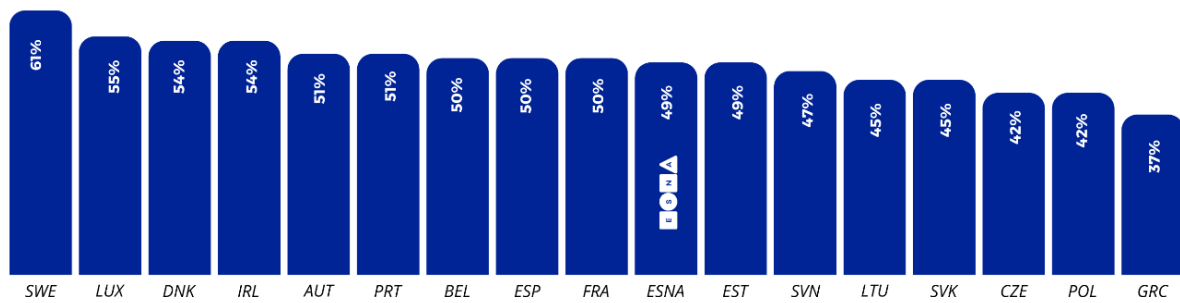


Figure 16. Index of talent attractiveness for entrepreneurs (Indicator 2.2.2)

SOURCE: OECD Talent Attractiveness Index (2023)

It is worth highlighting that the OECD report in question concludes that key factors such as visa time processes and visa acceptance rates impact the attractiveness of countries. It is also stated that entrepreneur visa programmes enhance countries' attractiveness to high-skilled workers.

⁵ The OECD Indicators of Talent Attractiveness (ITA) "capture(s) the strengths and weaknesses of OECD countries regarding their capacity to attract and retain different types of talented migrants". It covers the quality of opportunities, income and tax, future prospects, family environment, skills environment, inclusiveness, quality of life and healthcare (OECD, 2023^[4]).

⁶ The index does not have available information regarding Bulgaria, Croatia, Cyprus, Malta, and Romania.

4.3 SNS #3 “Stock Options”

4.3.1 Overview

Stock Options have emerged as an appealing mechanism for employee accountability and engagement, designed to motivate and reward workers for their performance while attracting talent. Nonetheless, SO taxation and their operationalisation have been at the centre of discussion, namely due to their attractiveness, complexity, and high taxation. The full description of this SNS #3 can be found in the Annexes, [A1. Startup Nations Standards – Description](#).

Each country in Europe has a unique legal framework and tax code, resulting in variations in SO depending on when taxes are incurred – upon grant, exercise of rights, and/or sale of SO. Recognising SO as capital rather than income, as well as avoiding SO double taxation are significant challenges for European countries.

The level of achievement records an overall positive result of 57% in this SNS, based on official information provided by the countries. Notably, seven out of 21 (33%) countries have fully implemented the SNS (100%), including Cyprus, Denmark, Estonia, France, Portugal, Spain, and Sweden. [Figure 17](#) illustrates the current variations between countries.

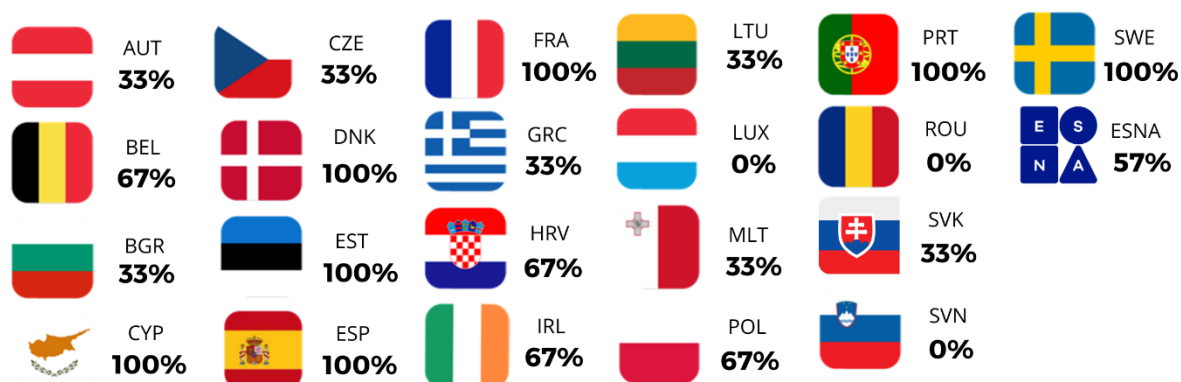


Figure 17. Countries' scores for level of achievement of SNS #3

SOURCE: ESNA analysis based on FP Survey (2024)

To enhance the depth of the analysis, the SNS is divided into three substandards. More information about the substandards can be found below in [Table 5](#).

3.1 Taxation

Taxation of SO may occur during three different moments: moment of grant, moment of exercise, and moment of sale. In order to establish a favourable system and encourage this practice in Europe, it is recommended to implement a tax framework which entails only one moment of taxation and treats SO as capital gains instead of income.

3.2 Non-Voting rights

Ownership of shares is usually tied to voting rights. However, with regards to employee SO, this custom may become an impediment. Having shares associated with voting rights can lead to entropies such as an excessive number of people involved in core decision-making processes, potentially interfering with the company's smooth management and governance. It is therefore advised to offer SO without voting rights to mitigate potential management problems in the company.

3.3 SO Schemes

This substandard addresses the fundamental principle of the existence of a national scheme or legal regime that regulates and allows the issuance of SO.

Table 5. Substandards of SNS #3 “Stock Options”

Substandard 3.2 – Non-Voting Rights showcase the best implementation level of 76%, therefore impacting the SNS as the best-achieving substandard. The existence of national legal regimes that regulate and allow the issuance of SO reflected in Substandard 3.3 – SO Schemes, also portrays a positive outcome with a 52% level of implementation, in contrast to Substandard 3.1 – Taxation, the lowest level of implementation at 43%.

The main takeaways from the SNS #3 analysis can be found below. Additionally, a detailed analysis of each substandard composing the SNS #3 can be found in the following section.

Main Takeaways

- In 43% of the countries, SO are taxed only at the moment of sale.
- SO without voting rights may be issued to minority shareholders in 76% of the countries.
- 52% of the countries have a specific scheme for SO.

4.3.2 Substandards analysis

Substandard 3.1 – Taxation

It is observed that nine countries out of 21 (43%) **have implemented a favourable tax system for SO**, considering them as capital gains: Austria, Croatia, Cyprus, Denmark, Estonia, France, Portugal, Spain, and Sweden, as shown in Figure 18 below.

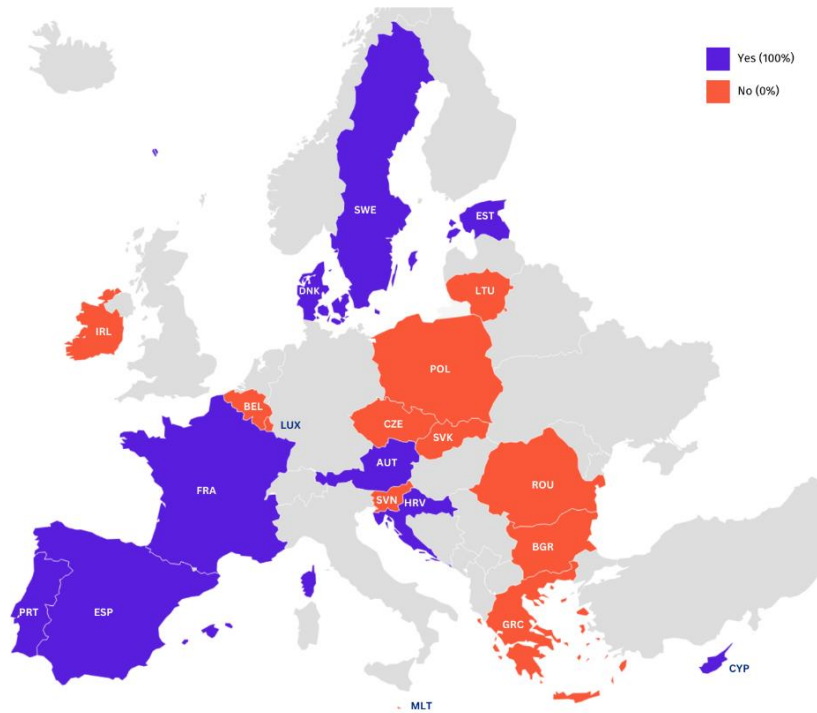


Figure 18. Countries taxing SO only upon cash liquidity (Indicator 3.1.1)

SOURCE: ESNA analysis based on FP Survey (2024)

Substandard 3.2 – Non-Voting Rights

A positive level of implementation is noted as 16 out of 21 countries (76%) meet the criterion of issuing SO without voting rights for minority shareholders, as shown in [Figure 19](#). Full implementation level is granted to countries that declared allowing the issuance of SO without voting rights, including Belgium, Bulgaria, Croatia, Cyprus, Denmark, Estonia, France, Greece, Ireland, Lithuania, Malta, Poland, Portugal, Slovakia, Spain, and Sweden.

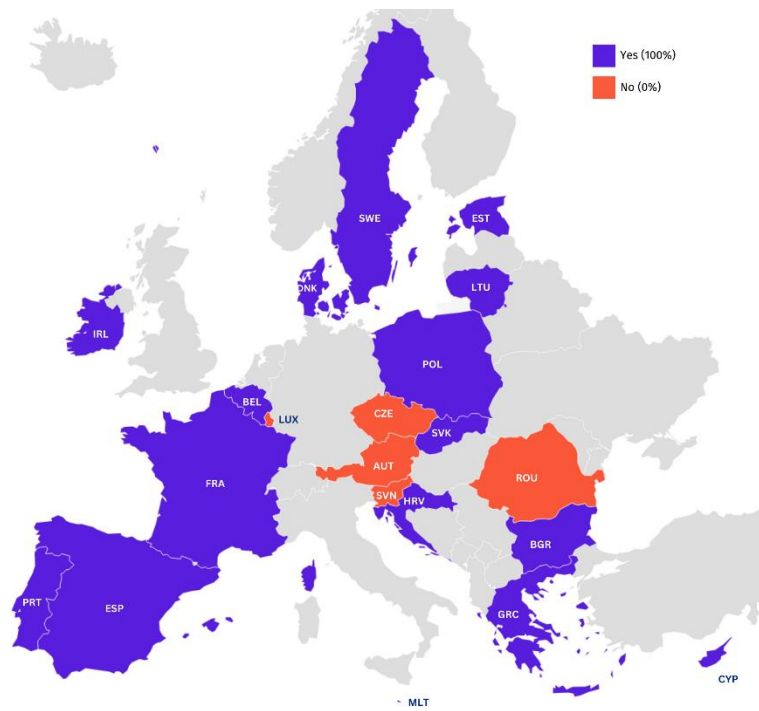


Figure 19. Map of countries where non-voting rights for minority shareholders are allowed (Indicator 3.2.1)

SOURCE: ESNA analysis based on FP Survey (2024)

Substandard 3.3 – SO Schemes

Developing a **dedicated legal framework for employee SO** is fundamental to enabling startups to leverage this mechanism, sustaining national innovation ecosystems, and fostering entrepreneurial endeavours. As shown in [Figure 20](#), 11 of the 21 (52%) surveyed countries answered that they already provide tailored regimes for SO.

A 100% implementation score is awarded to countries that reported having a specific system for SO, either specifically for startups or extended to other companies. Belgium, Cyprus, Czechia, Denmark, Estonia, France, Ireland, Poland, Portugal, Spain, and Sweden are the countries achieving the maximum implementation level.

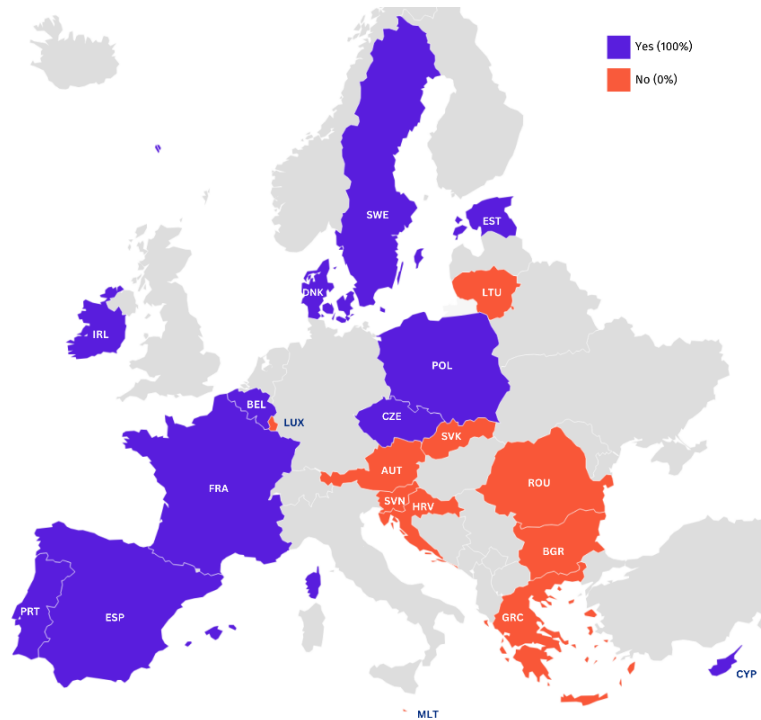


Figure 20. Map of countries with specific SO schemes (Indicator 3.3.1)

SOURCE: ESNA analysis based on FP Survey (2024)

4.4 SNS #4 “Innovation in Regulation”

4.4.1 Overview

Regulation constitutes an essential part of the policy frameworks that can support more competitive startups and scaleups in Europe, as their potential for success can be either enhanced or stifled by regulation. To unlock the innovative potential of startups, their active participation in decision-making processes, alongside the adoption of innovative regulatory initiatives empowered by cutting-edge instruments, is key.

The SNS Declaration urges European governments to apply the “Think Small First” principle (European Commission, 2009^[6]) derived from the Small Business Act. It also encourages the exploration of favourable exemptions (European Commission, 2008^[7]) for startups, and mechanisms such as regulatory sandboxes for the streamlined development of new products, services, and business models. The full description of this SNS #4 can be found in the Annexes, [A1. Startup Nations Standards – Description](#).

While regulation is fundamental for general safety and consumer protection, it must also actively promote innovation in controlled environments that facilitate progress. Startups play a key role in innovation ecosystems, as they can leverage their unique, innovative capabilities and technologies in these environments.

The implementation of the SNS principles has the potential to be improved, with a current overall level of achievement of 45%. Whilst only one country – Spain – reaches the maximum level of implementation in this parameter (100%), five other countries score over 80%, including Austria, Denmark, France, Malta, and Romania. Additionally, five countries score positively (above 45%), [Figure 21](#) illustrates the current variations between countries.

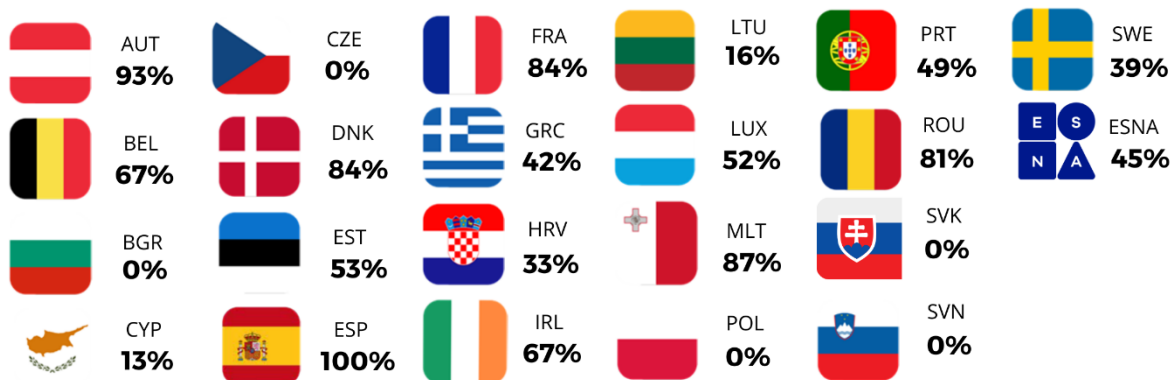


Figure 21. Countries' scores for level of achievement of SNS #4

SOURCE: ESNA analysis based on FP Survey (2024)

To enhance the depth of the analysis, the SNS is divided into three substandards. More information about the substandards can be found below in [Table 6](#).

4.1 “Think Small First”

The “Think Small First” principle advocates for considering startups and SME interests when framing policies, applying the idea that "one size does not fit all". It also implies that measures impacting businesses should be created from an SME's point of view (European Commission, 2009).

4.2 Compliance Exemption

Startups have unique identities and characteristics that sets them apart from other companies, such as their innovative nature and scale. These specificities may make it difficult to meet usual compliance standards. It is therefore recommended to develop exceptions and special regimes to address startups' specific needs, enhancing their competitiveness.

4.3 Regulatory Sandboxes

Regulatory sandboxes are designated physical or digital spaces with special legal frameworks for testing innovative solutions. They are a convergence point for regulatory and technological innovation. Within this substandard, regulatory sandboxes are acknowledged as a valuable innovative tool for which startups must be key players.

Table 6. Substandards of SNS #4 “Innovation in Regulation”

Substandard 4.1 – “Think Small First” principle showcases a positive implementation level of 67%, therefore impacting the SNS as the best-achieving substandard. Nonetheless, Substandard 4.2 – Compliance Exemption and Substandard 4.3 – Regulatory Sandboxes indicate a lower level of implementation, at 33% and 35%, respectively.

The main takeaways from the SNS #4 analysis can be found below. Additionally, a detailed analysis of each substandard composing the SNS #4 can be found in the following section.

Main Takeaways

- 67% of the countries implement the “Think Small First” principle.
- 33% of the countries are addressing regulation compliance by setting up exemptions for startups to foster innovation.
- 52% of the countries showed evidence of having regulatory sandboxes in place, and 35% of all analysed countries have startups involved.

4.4.2 Substandards analysis

Substandard 4.1 – “Think Small First”

In this context, it is observed that most surveyed countries, 14 out of 21 (67%), have already implemented the “**Think Small First**” principle. Austria, Belgium, Croatia, Denmark, Estonia, France, Greece, Ireland, Luxembourg, Malta, Portugal, Romania, Spain, and Sweden consider startups and SMEs during the initial phases of policy development, as shown in [Figure 22](#) below. For this analysis, complete fulfilment of the “Think Small First” principle is considered to reach a 100% level of implementation.

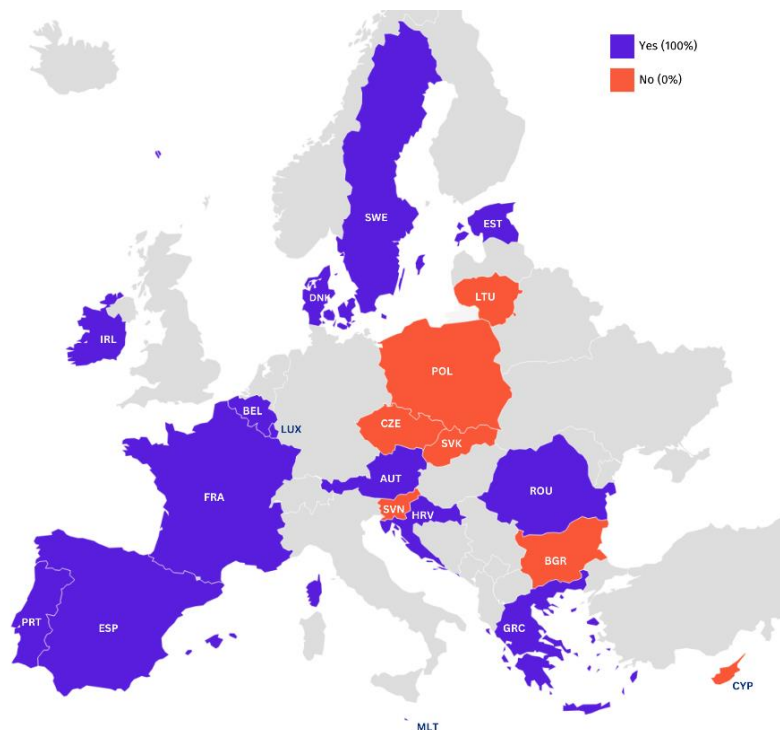


Figure 22. “Think Small First” principle implementation (Indicator 4.1.1)

SOURCE: ESNA analysis based on FP Survey (2024)

Substandard 4.2 – Compliance Exemption

Regarding adopting specific measures for startups to achieve compliance, it is observed that only seven out of 21 countries (33%) are addressing regulation compliance for startups to foster innovation. Austria, Denmark, France, Ireland, Malta, Romania, and Spain achieves a

100% implementation score for this substandard, as shown in [Figure 23](#) below. Conversely, this suggests that 67% of the surveyed countries lack specific measures to alleviate compliance burdens for startups.

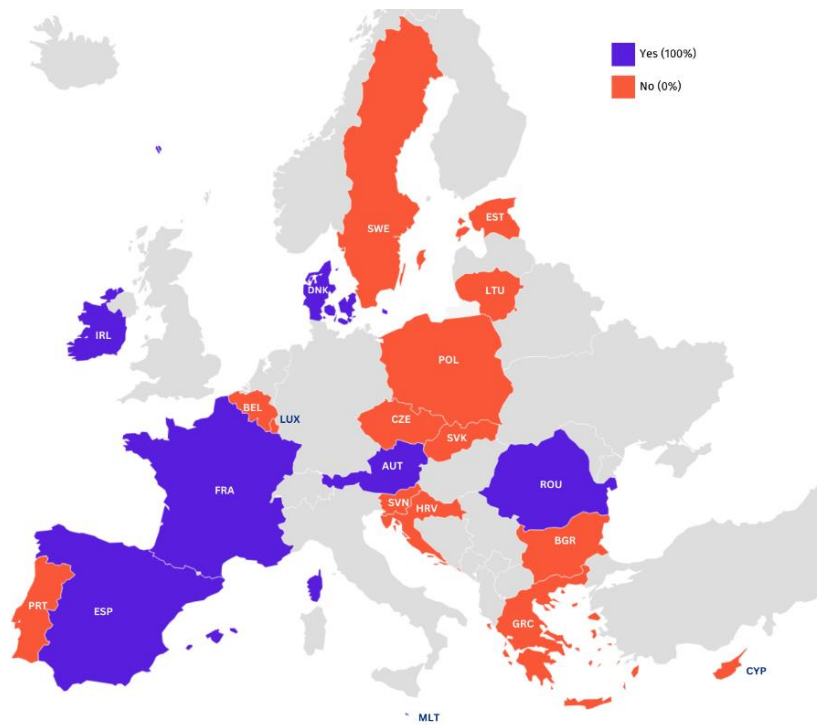


Figure 23. Existence of compliance exemptions/alternatives (Indicator 4.2.1)

SOURCE: ESNA analysis based on FP Survey (2024)

Substandard 4.3 – Regulatory Sandboxes

It was observed that 11 out of 21 countries (52%) showed evidence of currently **having regulatory sandboxes in place**, achieving a 100% implementation score, as shown in [Figure 24](#). The countries in question are Austria, Belgium, Cyprus, Denmark, Estonia, France, Lithuania, Luxembourg, Malta, Portugal, and Spain. Furthermore, regulatory sandboxes have been identified mostly in finance, energy, and transportation sectors. It is worth noting that the concept of regulatory sandboxes often varies from country to country, resulting in different frameworks.

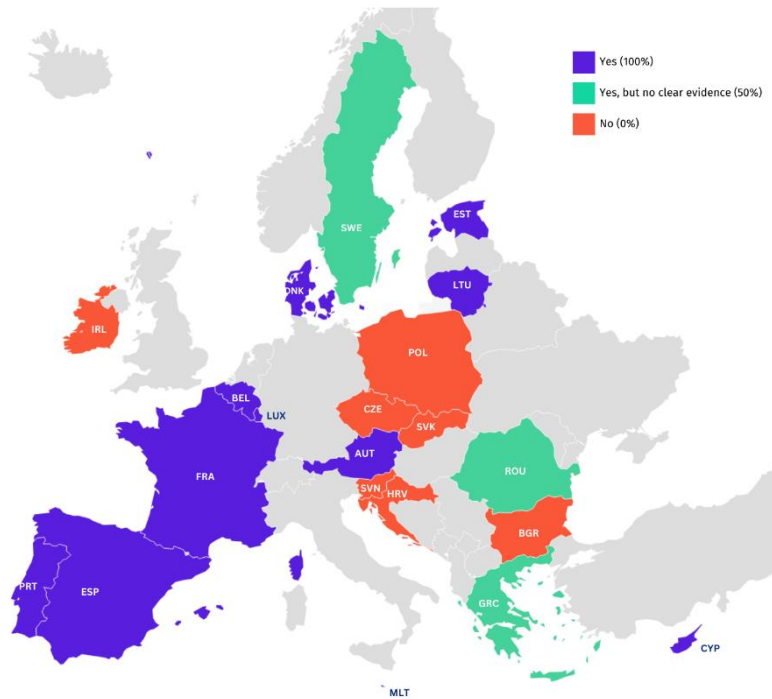


Figure 24. Existence of Regulatory Sandboxes (Indicator 4.3.1)

SOURCE: ESNA analysis based on FP Survey (2024)

Beyond the existence of regulatory sandboxes, their amount plays a crucial role in assessing their impact on the different countries. Therefore, **the number of sandboxes per country** was analysed: Spain reaches the highest number with five regulatory sandboxes, achieving 100% implementation. Nevertheless, Austria, Denmark, France, and Malta are also noteworthy; each of them currently has three regulatory sandboxes in place, achieving a 60% score, as shown in [Figure 25](#) below⁷. The low average implementation level across countries (26%) demonstrates that regulatory sandboxes are still not widely adopted as a common practice in most of the analysed countries.

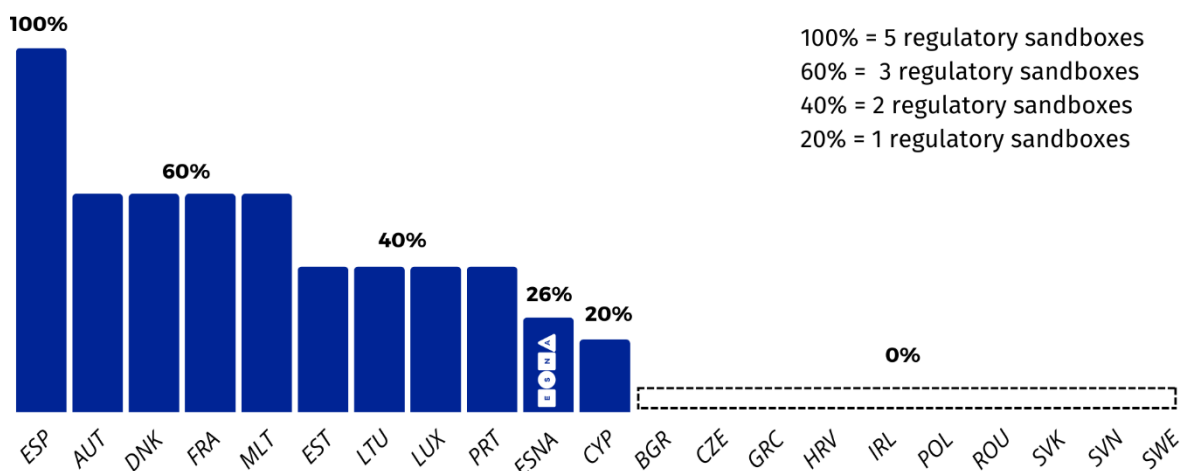


Figure 25. Established regulatory sandboxes in the country - number & level of implementation in % (Indicator 4.3.2)

SOURCE: ESNA analysis based on FP Survey (2024)

⁷ Belgium is not included in this analysis due to lack of information.

As previously noted, the inclusion and integration of startups within regulatory sandboxes are of great importance and consequently, represent a relevant performance metric. The findings indicate that startups are engaged in regulatory sandboxes in seven out of 20⁸ countries (35%), specifically Austria, Estonia, Greece, Luxembourg, Malta, Romania, and Spain. Spain and its 100 startups involved in sandboxes are particularly noteworthy in this parameter, followed by Austria and Romania, with 16 startups, therefore scoring 80% as shown in [Figure 26](#) below.

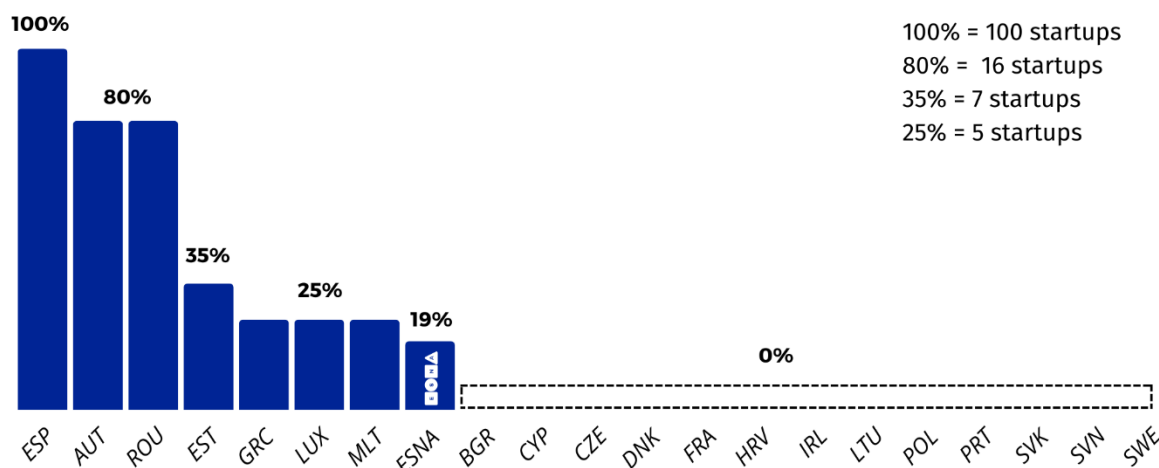


Figure 26. Startups engaged in consortia within regulatory sandboxes – number & level of implementation in % (Indicator 4.3.3)

SOURCE: ESNA analysis based on FP Survey (2024)

4.5 SNS #5 “Innovation in Procurement”

4.5.1 Overview

Innovation in Procurement entails the development of innovative solutions through public procurement processes, increasing startups’ participation in this market. The EU’s public procurement market represents approximately 15% of its Gross Domestic Product (GDP) (OECD, 2021^[9]). The limited access to this market and its complexity pose a significant obstacle for startups and SMEs, yet also a vast opportunity for innovation.

Considering the innovative nature of startups, their inclusion in public procurement processes is particularly beneficial for both parties. It provides public entities access to highly innovative and disruptive solutions typically offered by startups, while startups, in turn, benefit from accessing a sizable market. The present SNS also introduces the existence and effectiveness of measures facilitating technology transfer from the research sector to startups. The full description of this SNS #5 can be found in the Annexes, [A1. Startup Nations Standards – Description](#).

Based on the answers provided in the survey and on the Global Innovation Index, the Innovation in Procurement SNS achieves an overall positive score of 62%. The survey responses indicate that seven out of 21 countries (33%) are close to the maximum level of implementation (implementation level above 80%). These countries are Austria, France,

⁸ Belgium is not included in this analysis due to lack of information.

Lithuania, Luxembourg, Malta, Romania, and Spain, and account for scores above 80%, as depicted in [Figure 27](#).

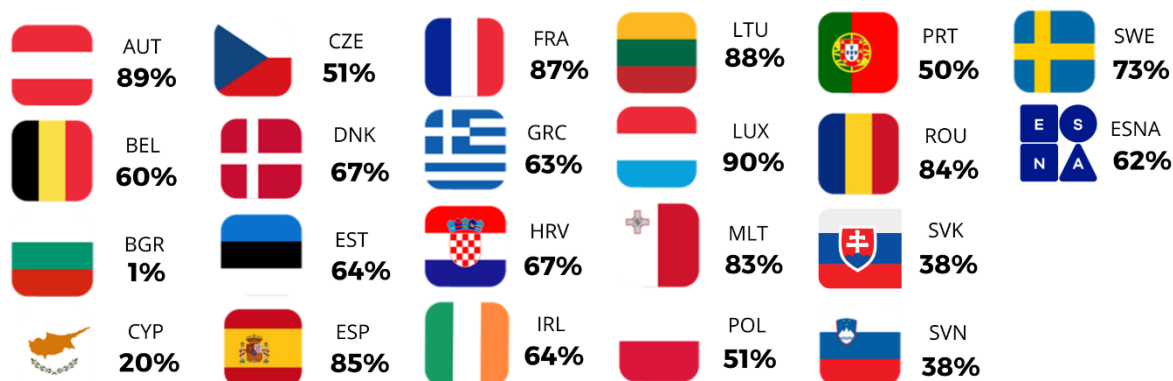


Figure 27. Countries' scores for level of achievement of SNS #5

SOURCE: ESNA analysis based on FP Survey & WIPO Global Innovation Index (2024)

To enhance the depth of the analysis, SNS #5 is divided into four substandards. More information about the substandards can be found below in [Table 7](#).

5.1 Public Procurement Opportunities

To foster active participation of startups in public procurement market, it is crucial to eliminate any disadvantage that startups might face, due to the intrinsic differences between startups and other companies.

5.2 Intellectual Property Rights

Ownership of Intellectual Property Rights (IPR) is an important factor for startups and their growth. Rights transfer to a contracting company can act as a deterrent for startup participation, whose intensive efforts in developing innovative solutions must be safeguarded and preserved.

5.3 Open-Source Assets

Promoting an open asset environment in Europe provides startups with access to technologies that would otherwise be challenging to obtain. In return, startups provide access to their own technology. This unlocks new avenues for innovation through access to reliable and affordable technologies. Opening access to technology serves as a driving force for development with a spillover effect.

5.4 Tech Transfer Policies

Bridging knowledge and research with companies and commercialisation is critical to the development of innovative solutions, as well as the overall competitiveness of the ecosystem. Policies are therefore necessary to anticipate, facilitate, and actively promote the transfer of this knowledge to the markets, namely to startups.

Table 7. Substandards of SNS #5 "Innovation in Procurement"

Access to procurement opportunities for startups, reflected in [Substandard 5.1 – Public Procurement Opportunities](#), showcases a robust implementation level of 86%, impacting the SNS as the best-performing substandard. Similarly, [Substandard 5.4 – Tech transfer policies](#) portray a positive outcome with a 71% level of implementation. In contrast, the

[Substandard 5.2 – Intellectual Property Rights](#) and [Substandard 5.3 – Open-Source Assets](#) show a lower level of implementation – 44% and 48% respectively.

The main takeaways from the SNS #5 analysis can be found below. Additionally, a detailed analysis of each substandard composing the SNS #5 can be found in the following section.

Main Takeaways

- 86% of the countries reported not having legal or administrative impediments that can disadvantage startups/scaleups in innovation procurement opportunities.
- 76% of the countries allow startups/scaleups to retain ownership of IPR. Nonetheless, only 12% showed evidence of not having any exceptions for public sector IPR ownership.
- 48% of the countries support startups to contribute to and benefit from open-source assets.
- 71% of the countries have technology transfer policies in place.

4.5.2 Substandard analysis

Substandard 5.1 – Public Procurement Opportunities

Almost all countries - 18 out of 21 (86%) – reported not having **any legal or administrative impediments that may disadvantage startups and scaleups** in innovation procurement overseen by national authorities. The countries are the following: Austria, Belgium, Croatia, Czechia, Denmark, Estonia, France, Greece, Ireland, Lithuania, Luxembourg, Malta, Poland, Portugal, Romania, Slovakia, Slovenia, and Spain, as illustrated below in [Figure 28](#). Nonetheless, these results may be nuanced as the participation of startups and scaleups in the public procurement market remains challenging.

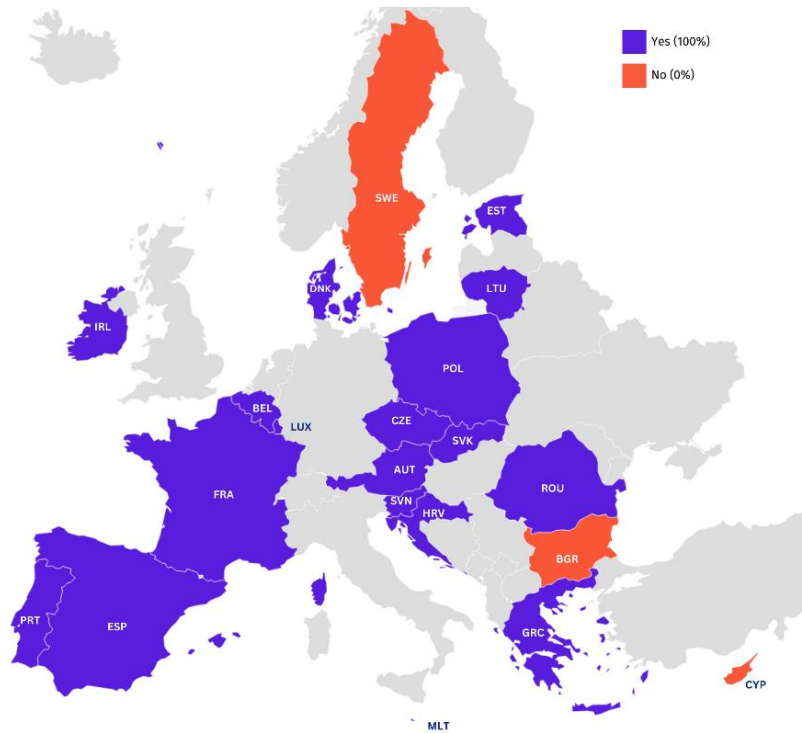


Figure 28. Existence of opportunities in public procurement (Indicator 5.1.1)

SOURCE: ESNA analysis based on FP Survey (2024)

Substandard 5.2 – Intellectual Property Rights (IPR)

In the context of innovation opportunities, **ownership of IPR** is a key factor. A substantial majority of countries – 16 out of 21 (76%) – answered that ownership of IPR can usually be retained by startups/scaleups. This condition implies a 100% indicator implementation level, as shown in [Figure 29](#) below. The countries are the following: Austria, Belgium, Croatia, Cyprus, Denmark, Estonia, France, Greece, Ireland, Lithuania, Luxembourg, Romania, Slovakia, Slovenia, Spain, and Sweden.

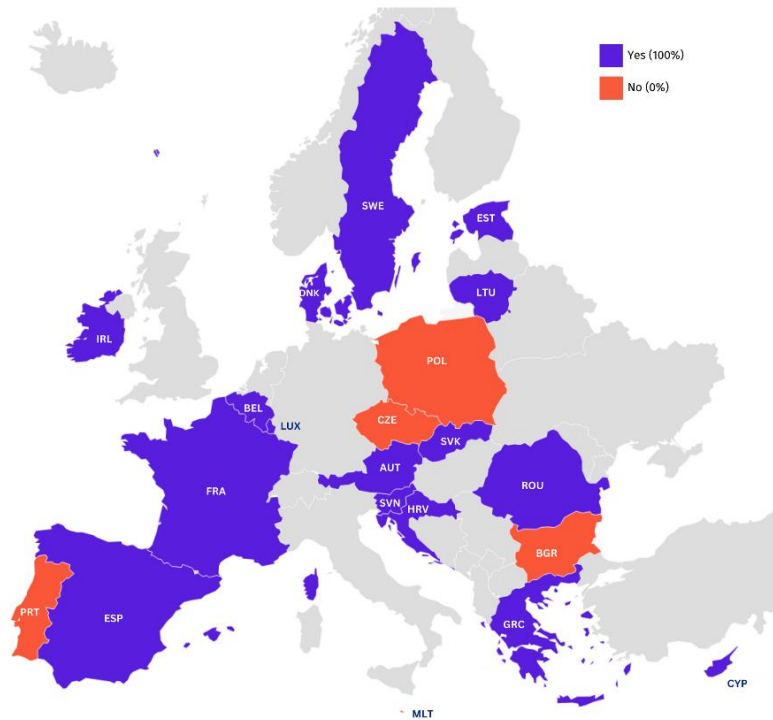


Figure 29. Possibility of ownership of IPR for startups in innovation procurement (Indicator 5.2.1)

SOURCE: ESNA analysis based on FP Survey (2024)

In order to analyse IPR, intellectual property receipts as a percentage of total trade were assessed. Malta, Sweden, and Ireland emerge as the countries with the highest percentages of intellectual property receipts over total trade (WIPO, 2023 [10]), recording 4.2%, 3.4%, and 2.8%, respectively. For this implementation analysis, Malta scores 100%, followed by Sweden with 81% and Ireland with 67%, as illustrated in Figure 30.

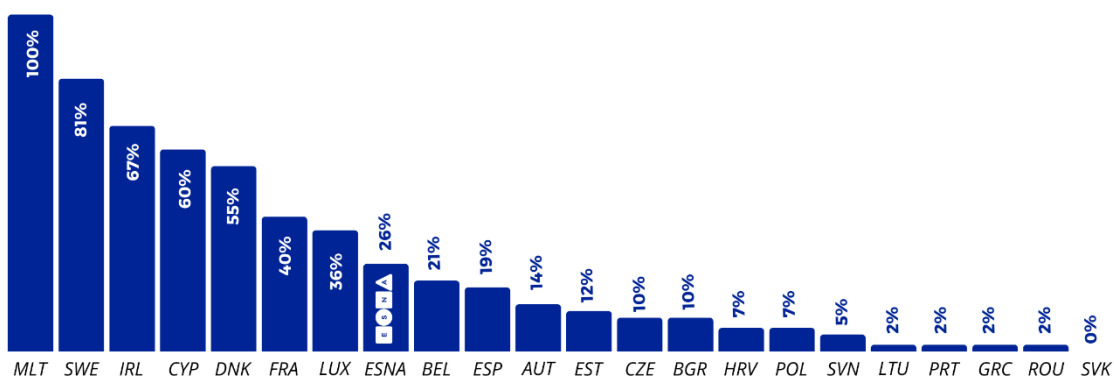


Figure 30. Intellectual property receipts as percentage of total trade (Indicator 5.2.2)

SOURCE: WIPO Global Innovation Index 2023

Lastly, when questioned about exceptional situations where it is deemed necessary for the public sector to retain ownership of IPR, 10 of 17⁹ countries (59%) stated that there might be instances where public interests overlap, as shown in Figure 31 below.

⁹ Cyprus, Czechia, Estonia, and Slovakia are not included in this analysis due to lack of information.

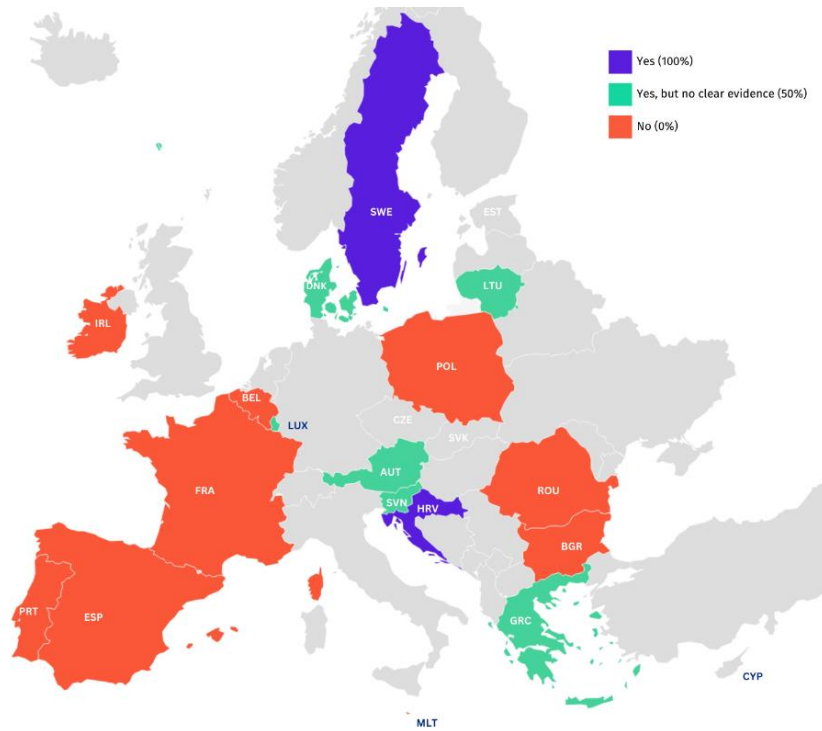


Figure 31. Existence of exceptions for public sector IPR ownership based on overriding public interests (Indicator 5.2.3)

SOURCE: ESNA analysis based on FP Survey (2024)

Substandard 5.3 – Open-Source Assets

When assessing the promotion of unrestricted innovation and access to reliable cost-effective technologies, it is concluded that ten out of 21 countries (48%) have **adopted open-source initiatives**, achieving a 100% score: Austria, Croatia, Estonia, France, Lithuania, Luxembourg, Malta, Romania, Spain and Sweden, as shown in [Figure 32](#) below.

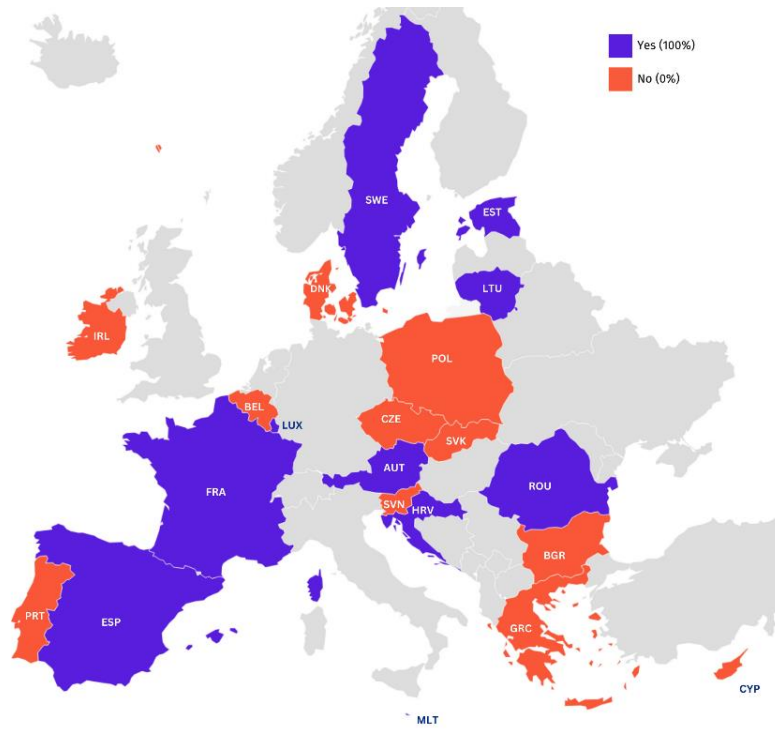


Figure 32. Existence of startups actively supported and contributing with open-source assets (Indicator 5.3.1)

SOURCE: ESNA analysis based on FP Survey (2024)

Substandard 5.4 – Tech transfer policies

Technology transfer policies are a crucial instrument in the innovation ecosystem, and the survey indicates that they are already in place in many of the analysed countries. Currently, 15 out of 21 countries (71%) achieve a 100% level of implementation by **establishing tech transfer policies**, as shown in [Figure 33](#). These countries include Austria, Belgium, Czechia, Denmark, France, Greece, Ireland, Lithuania, Luxembourg, Malta, Poland, Portugal, Romania, Spain, and Sweden.

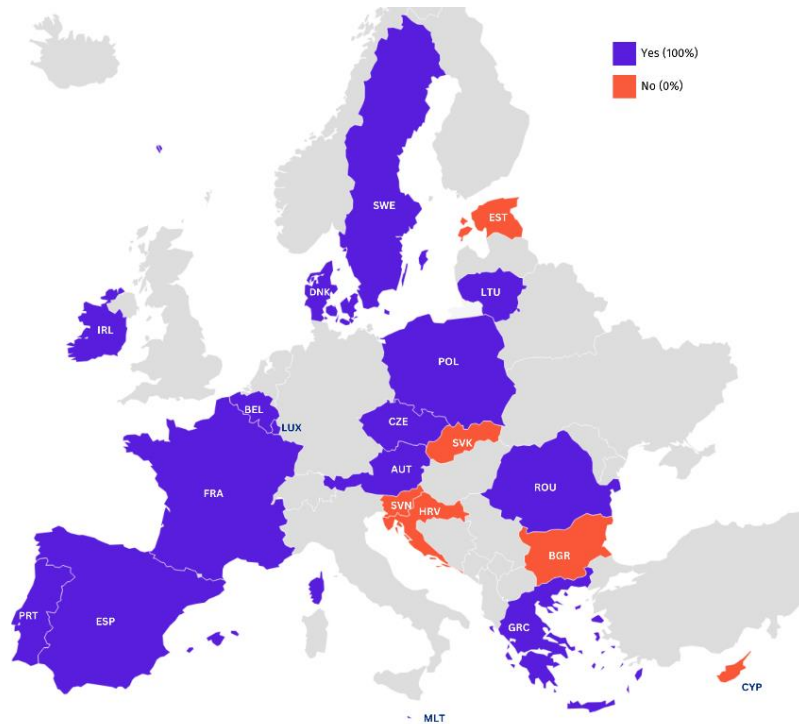


Figure 33. Tech transfer policies (Indicator 5.4.1)
 SOURCE: ESNA analysis based on FP Survey (2024)

4.6 SNS #6 “Access to Finance”

4.6.1 Overview

Access to finance is vital for startups, as it is a transversal need at various stages of maturity. Establishing a robust investment ecosystem is essential to bring together companies and investors. Financing options, from Venture Capital (VC) investments to direct public grants, may vary. Adequate funding allows startups to scale and pivot to adapt to market needs and to innovation cycles.

Given the influence and impact of funding, governments play a vital role in providing incentives and support. This support is particularly critical for companies that might not otherwise have the means to launch or grow due to the characteristics of investments in startups such as long timeframes, high development costs, and inherent risks related to innovation. The full description of this SNS #6 can be found in the Annexes, [A1. Startup Nations Standards – Description](#).

Based on the answers provided in the survey, this SNS has an overall positive score of 55% implementation. Three countries out of 21 (14%) achieve a 100% score, indicating full implementation of this SNS recommendations: Belgium, France, and Spain. It is also worth highlighting Cyprus, Romania, and Sweden and their 75% level of implementation, as shown in [Figure 34](#).

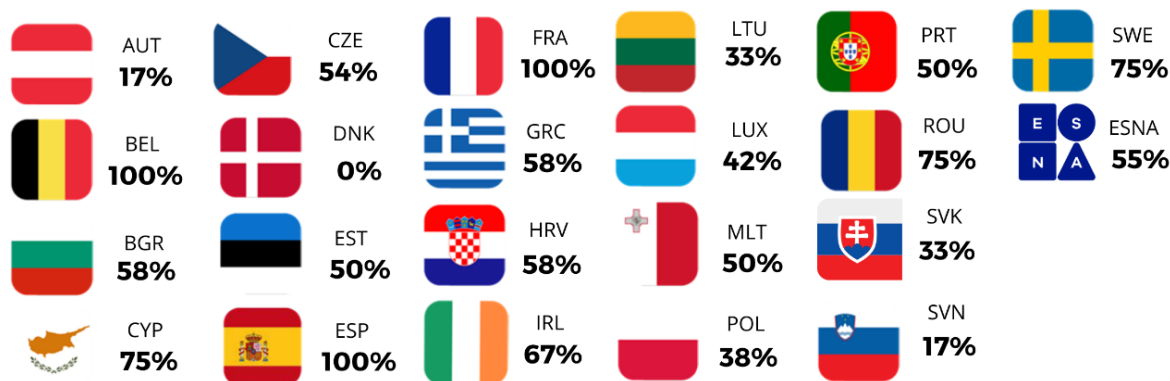


Figure 34. Countries' scores for level of achievement of SNS #6

SOURCE: ESNA analysis based on FP Survey (2024)

To enhance the depth of the analysis, the SNS is divided into three substandards. More information about the substandards can be found below in [Table 8](#).

6.1 Public Grants

Public grants play an important role in facilitating access to finance, notably by supporting companies in the early stages of maturity that may be less attractive to private investors, allowing innovation to jumpstart. Public funding serves a public role in financing innovations with the potential to transform society and the economy, which often entails a greater level of risk.

6.2 Indirect Access to Finance

Indirect access to finance is particularly important in this SNS. Its benefits and motivations align with those of public grants; however, support is provided indirectly with the goal of increasing available capital and private investment. This is achieved by supporting the investors who, in turn, will subsequently invest in startups, fostering a dynamic flow of capital within the ecosystem.

6.3 Tax Relief Measures

Tax relief operates as an incentive for investment by reducing the tax burden on investors' capital gains, thereby increasing the attractiveness of investments, and drawing more capital into the ecosystem.

Table 8. Substandards of SNS #6 “Access to Finance”

[Substandard 6.1 – Public Grants](#) showcases a positive implementation level of 63%, therefore impacting the SNS as the best-performing substandard. [Substandard 6.2 – Indirect Access to Finance](#) also reflects a positive outcome with a 57% level of implementation. In contrast to [Substandard 6.3 – Tax Relief Measures](#), which displays the lowest implementation level at 45%. Further improvements are necessary, particularly in key measures such as tax reliefs.

The main takeaways from the SNS #6 analysis can be found below. Additionally, a detailed analysis of each substandard composing the SNS #6 can be found in the following section.

Main Takeaways

- 58% of the countries show evidence of using part of their RRF funding to enhance access to VC for startups.
- 67% of the countries show evidence of using the EIB and promotional banks for VC investment gap bridging.
- 33% of the countries show evidence of having initiatives in place to diversify private capital for high-growth startup co-investment.
- 38% of the countries show evidence of having tax reliefs specifically targeted at Business Angels (BA).

4.6.2 Substandard analysis

Substandard 6.1 – Public Grants

Concerning the **distribution of public grants directly to startups**, a high level of implementation was identified, with 11 out of 19¹⁰ countries (58%) demonstrating full implementation of the substandard (100%), as shown in [Figure 35](#).

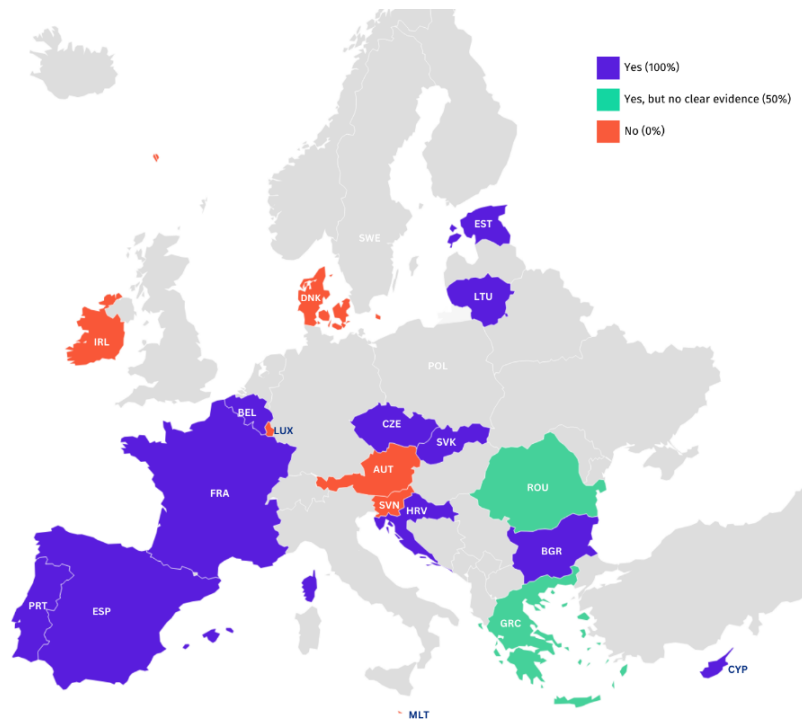


Figure 35. Existence of RRF for VC for startups (Indicator 6.1.1)

SOURCE: ESNA analysis based on FP Survey (2024)

¹⁰ Poland and Sweden do not apply to this analysis due to their specific national contexts.

Belgium, Bulgaria, Croatia, Cyprus, Czechia, Estonia, France, Lithuania, Portugal, Slovakia, and Spain show evidence of utilising part of their national Recovery and Resilience Plans (RRP) funding to enhance access to VC for startups.

Substandard 6.2 – Indirect Access to Finance

It was observed that 14 out of the 21 surveyed countries (67%) already **use the EIB and promotional banks for VC investment gap bridging**: Belgium, Bulgaria, Croatia, Czechia, Estonia, France, Ireland, Luxembourg, Malta, Portugal, Romania, Slovenia, Spain and Sweden, as shown in [Figure 36](#) below.

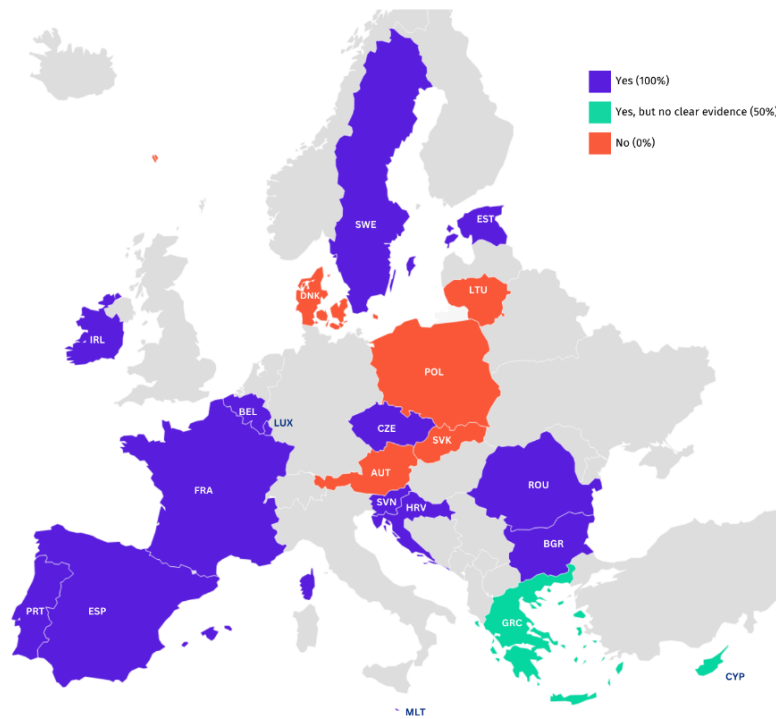


Figure 36. Utilisation of EIB and promotional banks for VC investment gap bridging (Indicator 6.2.1)
 SOURCE: ESNA analysis based on FP Survey (2024)

When examining the adoption of initiatives aimed at increasing the amount and diversity of private capital available for co-investing in high-growth startups, the surveyed countries reach a 44% implementation level. Notably, seven out of 21 countries (33%) achieve a 100% level of achievement: Austria, Belgium, France, Ireland, Luxembourg, Spain, and Sweden, as shown in [Figure 37](#) below.

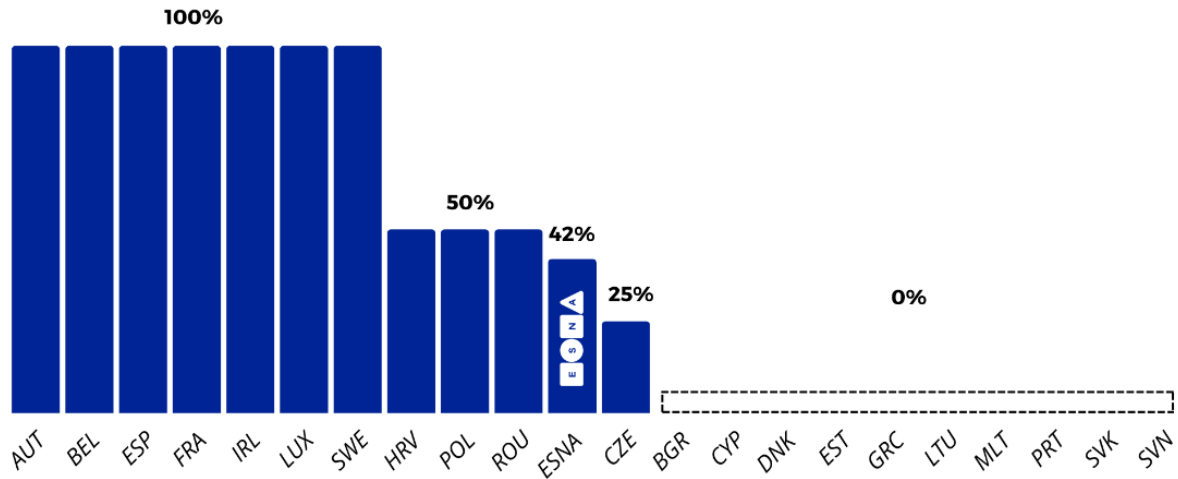


Figure 37. Adoption of initiatives to diversify private capital for high-growth startup co-investment (Indicator 6.2.2)

SOURCE: ESNA analysis based on FP Survey (2024)

Substandard 6.3 – Tax Relief Measures

The implementation rate for these tax relief measures, specifically incentives for BA, reveals an implementation score of 45%. Eight out of 21 countries (38%) show evidence of implementing this type of incentives. Those countries are Belgium, Cyprus, France, Greece, Ireland, Malta, Romania, and Spain, as shown in Figure 38 below.

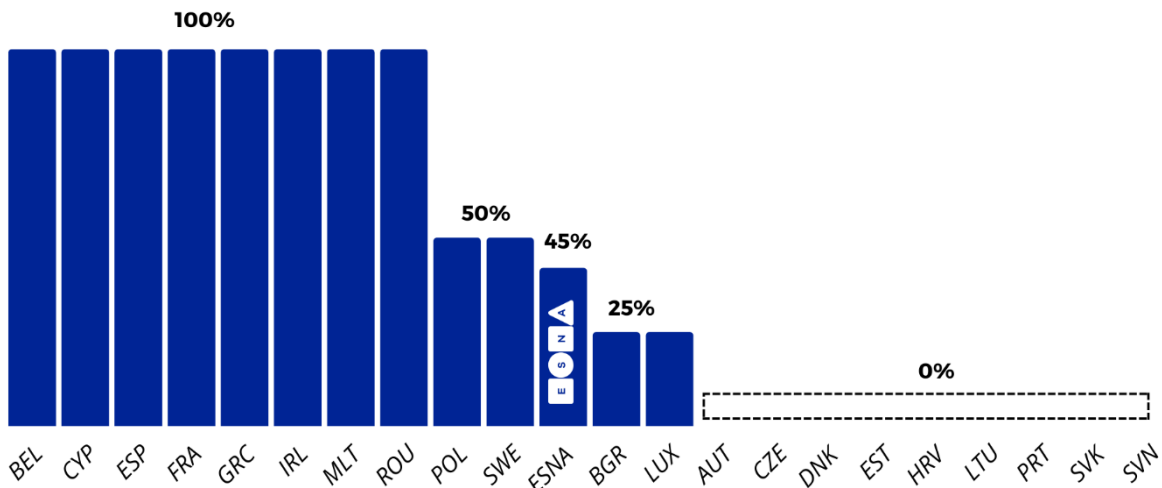


Figure 38. Existence of tax relief for BA (Indicator 6.3.1)

SOURCE: ESNA analysis based on FP Survey (2024)

Poland and Sweden reach a 50% score as they reported having tax relief measures in place without any specific justification. Although many countries have not implemented tax exemptions, some countries such as Bulgaria and Luxembourg show evidence of having some measures in place to stimulate investment by individual investors, therefore scoring 25%. Considering the low average implementation score of 45%, it may be concluded that tax reliefs for BA are not sufficiently implemented in most of the analysed countries.

4.7 SNS #7 “Social Inclusion, Diversity and Protecting Democratic Values”

4.7.1 Overview

The prevailing image of a startup founder often excludes women, minorities, or underprivileged groups. Reducing entry barriers into the ecosystem and supporting aspiring founders from underprivileged backgrounds fosters a more inclusive ecosystem. It broadens the pool of talents, unlocking a new array of innovative solutions. Existing startups also play a crucial role by addressing diversity when hiring, and providing equal opportunities. The full description of the SNS #7 can be found in the Annexes, [A1. Startup Nations Standards – Description](#).

Based on the answers provided in the survey, SNS #7, monitoring social inclusion and diversity, obtains an overall score of 29%, making it the SNS with the lowest level of implementation. While no country achieves a 100% score, it is noteworthy that France reaches a 96% level of implementation. [Figure 39](#) illustrates the current variations between countries.

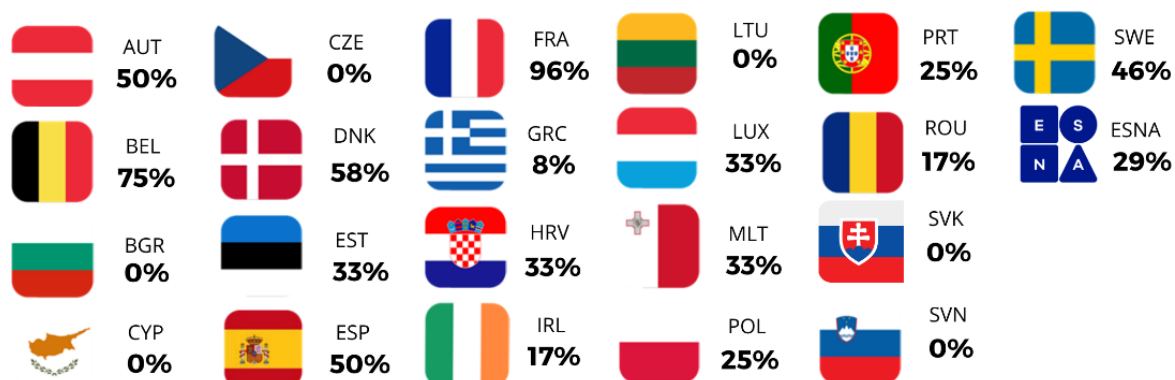


Figure 39. Countries' scores for level of achievement of SNS #7

SOURCE: ESNA analysis based on FP Survey (2024)

To enhance the depth of the analysis, the SNS is divided into two substandards. More information about the substandards can be found below in [Table 9](#).

7.1 Incentives for Startups

Establishing an inclusive ecosystem requires the implementation of appropriate incentives for startups to hire and include individuals from diverse backgrounds, avoid social exclusion linked to low income, limited education, location, culture, or disability. In addition to these incentives, the goal is to highlight and recognise successful examples of startups led by different and diverse profiles.

7.2 Incentives for Founders

Encouraging entrepreneurship among people from disadvantaged backgrounds is a priority. The objective is to actively encourage and promote the creation of companies by individuals from disadvantaged groups, ensuring a right balance and inclusion in Europe's entrepreneurial ecosystem.

Table 9. Substandards of SNS #7 "Social Inclusion, Diversity and Protecting Democratic Values"

Substandard 7.1 – Incentives for Startups showcases an implementation level of 47%, impacting the SNS as the best-performing substandard. However, Substandard 7.2 – Incentives for Founders shows a lower level of implementation at 10%. Further attention must therefore be directed towards inclusiveness through incentives for founders, particularly in supporting startup creation by individuals from underprivileged backgrounds.

The main takeaways from the SNS #7 analysis can be found below. Additionally, a detailed analysis of each substandard composing the SNS #7 can be found in the following section.

Main Takeaways

- 62% of the countries have national awards for role models to promote diversity.
- 43% engage with startups to specifically address issues of marginalisation and social exclusion among underprivileged communities impacted by low income, limited education, geographic location, cultural background, or disability.
- 25% of the countries show evidence of having specific incentives for startups to focus on hiring a diverse workforce.

4.7.1 Substandards analysis

Substandard 7.1 – Incentives for Startups

The analysis of the results for the **existence of national awards and policies for startup role models** indicator shows a positive outcome, with 13 out of 21 countries (62%) having this type of incentive in place. According to the answers provided in the survey, Austria, Belgium, Croatia, Denmark, Estonia, France, Ireland, Luxembourg, Malta, Portugal, Romania, Spain, and Sweden fulfil the criterion as shown in [Figure 40](#) below.

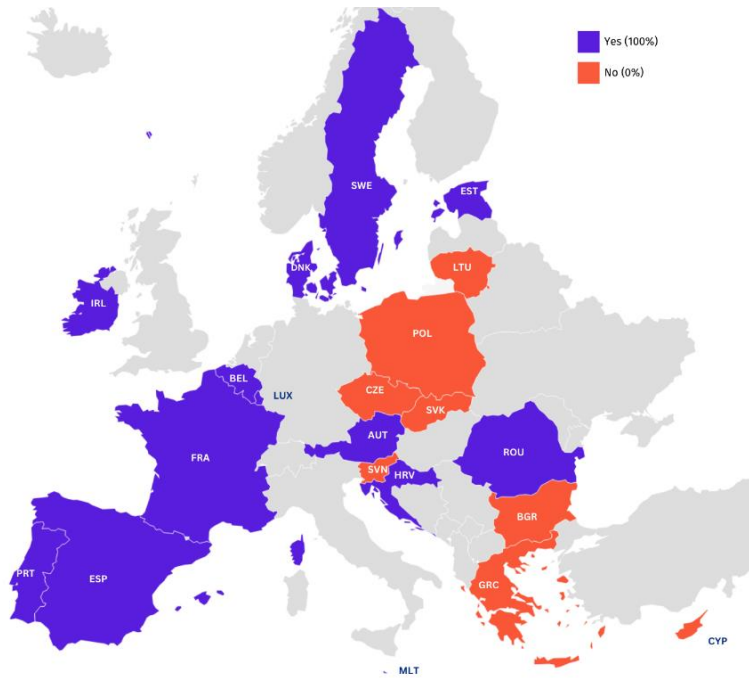


Figure 40. Existence of national awards and policies for startup role models (Indicator 7.1.1)

SOURCE: ESNA analysis based on FP Survey (2024)

Moreover, an analysis was carried out to assess whether countries' authorities **engage with startups to address marginalisation and social exclusion issues** among underprivileged communities impacted by low income, limited education, geographic location, cultural background, or disability. Based on the answers provided in the survey, only nine out of 21 countries (43%) address this specific issue targeting startups: Austria, Belgium, Estonia, France, Luxembourg, Malta, Poland, Spain, and Sweden, as shown in [Figure 41](#) below.

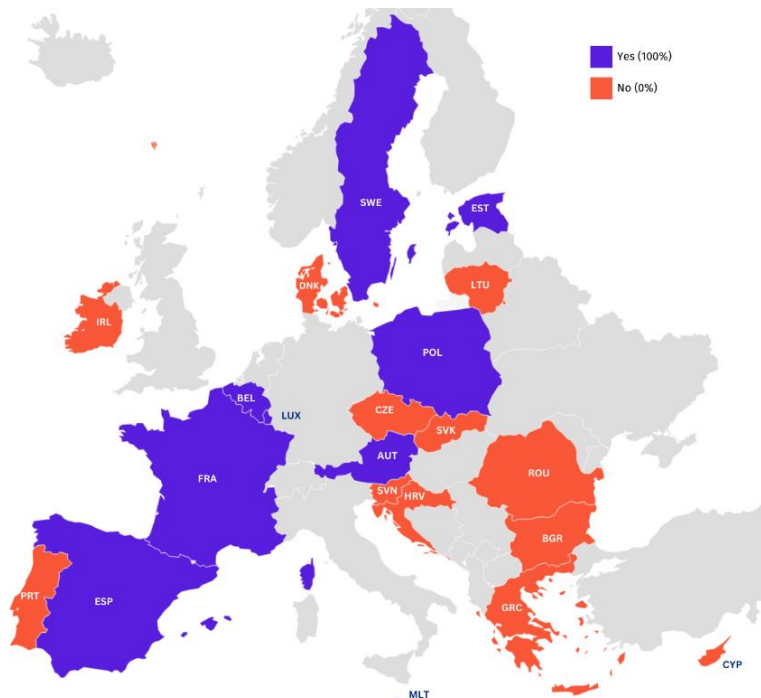


Figure 41. Existence of social inclusion mobilisation initiatives (Indicator 7.1.2)

SOURCE: ESNA analysis based on FP Survey (2024)

Lastly, an analysis was carried out to assess whether specific **incentives for startups to focus on hiring a diverse workforce**, including considerations of ethnicity, gender, religion, age, and sexual orientation, were in place. Based on the answers provided in the survey, only five out of 20¹¹ countries (25%) are fully implementing this type of specific incentives (scoring 100%): Austria, Belgium, Croatia, Denmark, and Spain. A 75% score is granted to France and Sweden as both countries reported soft or national law when answering this question, as shown in [Figure 42](#). The low average implementation score of 38% exemplifies the need for further efforts in measures fostering diversity recruitment.

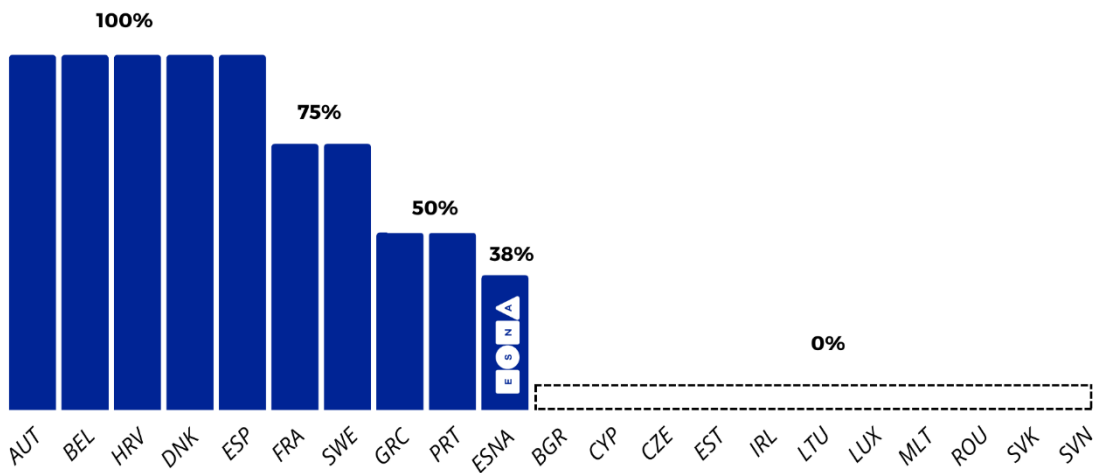


Figure 42. Existence of incentives for diversity hiring (Indicator 7.1.3)

SOURCE: ESNA analysis based on FP Survey (2024)

Substandard 7.2 – Incentives for Founders

Based on the answers to the survey, only France out of 20¹² countries provided evidence of having **robust measures in place to support founders from underprivileged backgrounds** in creating companies, as shown in [Figure 43](#) below. Countries reaching the 50% threshold either concentrate solely on addressing the gender gap or exclusively target underprivileged founders, omitting women in the latter case.

¹¹ Poland is not included in this analysis due to lack of information.

¹² Slovenia is not included in this analysis due to lack of information.

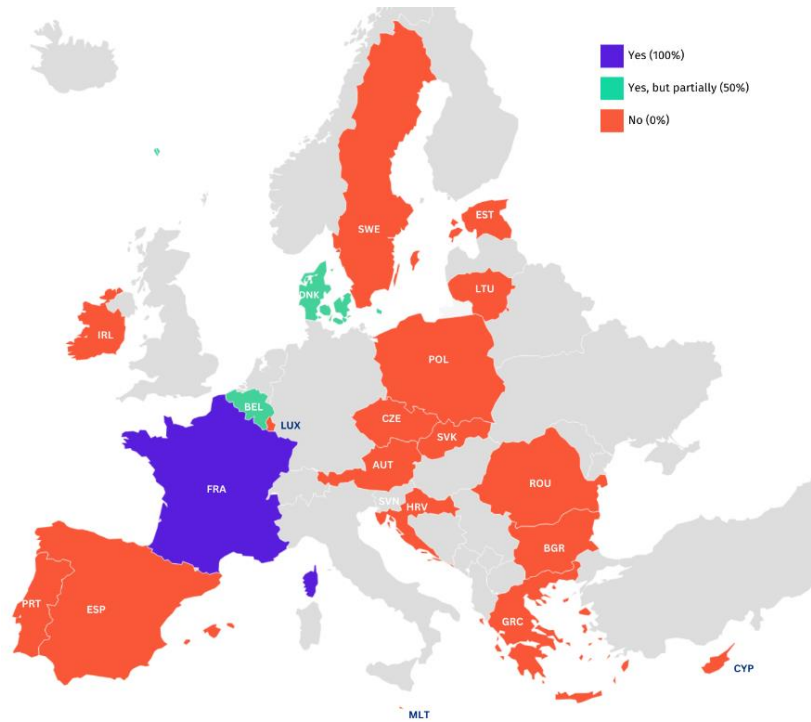


Figure 43. Support to founders from underprivileged backgrounds (Indicator 7.2.1)

SOURCE: ESNA analysis based on FP Survey (2024)

4.8 SNS #8 “Digital First”

4.8.1 Overview

The SNS #8 emphasises the necessity of having digital channels available in all interactions between startups and public entities, as well as creating or improving their national strategies in this field.

The “Digital First” principle ensures smoother and faster processes in a world of constant innovation. By opting for this approach, public services may become more accessible, ultimately reducing the burden of startups. The full description of this SNS #8 can be found in the Annexes, [A1. Startup Nations Standards – Description](#).

Based on the answers provided in the survey and on DESI 2023, SNS #8 obtains an overall score of 75%, thus being the SNS with the highest level of implementation. Although only two countries (Estonia and Malta) out of 21 achieve a 100% level of implementation. Three countries score 99% (Lithuania, Luxembourg, and Spain), and four more score above 96% (Belgium, Denmark, Portugal, and Sweden), as shown in [Figure 44](#) below.

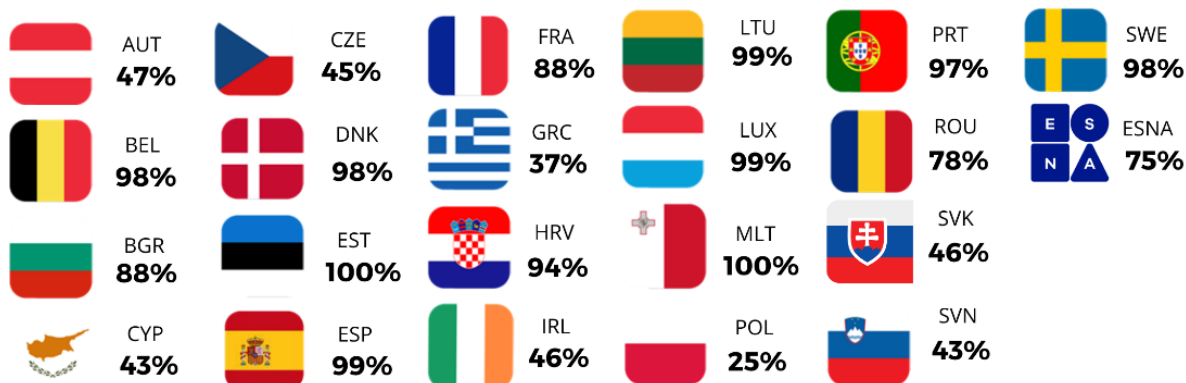


Figure 44. Countries' scores for level of achievement of SNS #8

SOURCE: ESNA analysis based on FP Survey (2024), DESI 2023 Dashboard for the Digital Decade

To enhance the depth of the analysis, the SNS is divided into two substandards. More information about the substandards can be found below in [Table 10](#).

8.1 Digital First

The digitalisation of States and public services has a substantial impact on the daily activities of startups and on their interactions with public administrations. It is therefore important that the innovation ecosystem in which startups operate is as efficient and digital as possible.

8.2 Startup Fast Lane

Given the high level of innovation provided by startups, the implementation of communication channels between startups and public entities has the potential to accelerate the digitalisation process and to achieve greater efficiency in public services. Best practice exchanges should be promoted, benefiting both startups and public organisations.

Table 10. Substandards of SNS #8 “Digital First”

Substandard 8.2 – Knowledge Sharing shows a lower level of implementation at 62%. On the other hand, the Substandard 8.1 – “Digital First” Principle displays a positive implementation level of 88%, thus impacting the SNS as the best-performing substandard. These variations indicate that countries’ digitalisation is underway, even though further efforts should be deployed towards knowledge exchange practices.

The main takeaways from the SNS #8 analysis can be found below. Additionally, a detailed analysis of each substandard composing the SNS #8 can be found in the following section.

Main Takeaways

- 86% of the countries show evidence of implementing a national digitalisation strategy.
- 67% of the countries have digitalised all the following services: company creation, filing of taxes, participation in public procurement, and electronic ID & digital signatures.

4.8.2 Substandards analysis

Substandard 8.1 – “Digital First” Principle

The index of digital public services¹³ (European Commission, 2023_[11]), shown in Figure 45, displays a positive snapshot as the average implementation level of all analysed countries reaches a high score of 84%.

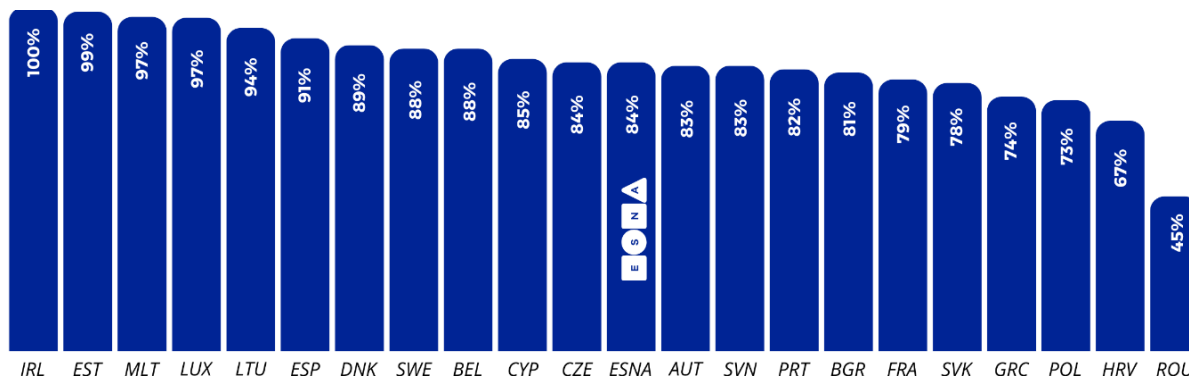


Figure 45. Index of digital public services for businesses (Indicator 8.1.1)

SOURCE: DESI 2023 dashboard for the Digital Decade

Regarding the areas covered by digital public services, four key topics are tackled: company creation, filing of taxes, participation in public procurement, and consultation of official records. Based on the answers provided in the survey, 14 out of 21 countries (67%) digitalised all the services mentioned above, scoring 100%. Austria, Belgium, Bulgaria, Croatia, Denmark, Estonia, France, Lithuania, Luxembourg, Malta, Portugal, Slovakia, Spain, and Sweden meet this criterion, as shown in Figure 46 below.

Most countries (90%) declare to have digitalised the process of filing taxes and company creation, while countries obtaining lower scores typically do not provide consultation of official records. Even though the index shows very positive results, when analysing specific and key services for startups it may be concluded that some of these services must still be digitalised, such as eID and applying the once-only principle.

¹³ European Commission, DESI 2023 Dashboard for the Digital Decade. The Index of digital public services for business “measures the degree to which public services for business are interoperable and work cross-border. [...] The input for this indicator is the online availability indicator and the cross-border online availability indicator of the business-related life events from the e-Government Benchmark”. (European Commission, 2023_[11])

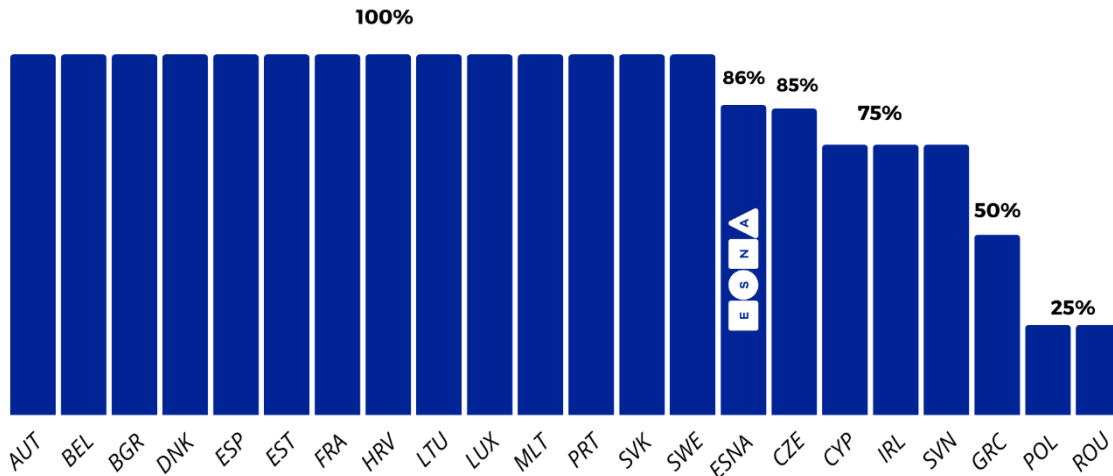


Figure 46. Percentage of areas covered by digital public services available (Indicator 8.1.2)

SOURCE: ESNA analysis based on FP Survey (2024)

Concerning the **existence of national digitalisation strategy implementation**, 18 out of 21 (86%) countries show evidence of implementing such strategies: Austria, Belgium, Croatia, Cyprus, Czechia, Denmark, Estonia, Greece, Ireland, Lithuania, Luxembourg, Malta, Portugal, Romania, Slovakia, Slovenia, Spain, and Sweden, as shown in Figure 47 below. The remaining countries did not provide adequate evidence that they had a digitalisation strategy in place – reaching the 50% mark. None of the countries stated not having a digitalisation strategy of any kind, and therefore no country scored 0%.

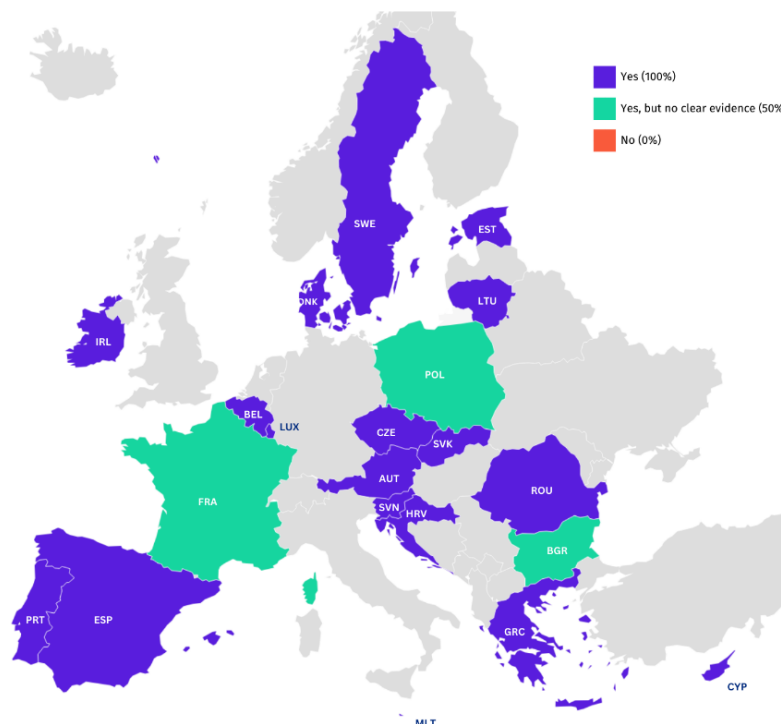


Figure 47. Existence of national digitalisation strategy implementation (Indicator 8.1.3)

SOURCE: ESNA analysis based on FP Survey (2024)

Substandard 8.2 – Knowledge Sharing

According to the answers provided in the survey, 13 countries out of 21 (62%) established practices to share digital knowledge between relevant stakeholders: Belgium, Bulgaria, Croatia, Denmark, Estonia, France, Lithuania, Luxembourg, Malta, Portugal, Romania, Spain, and Sweden, as shown in [Figure 48](#) below.

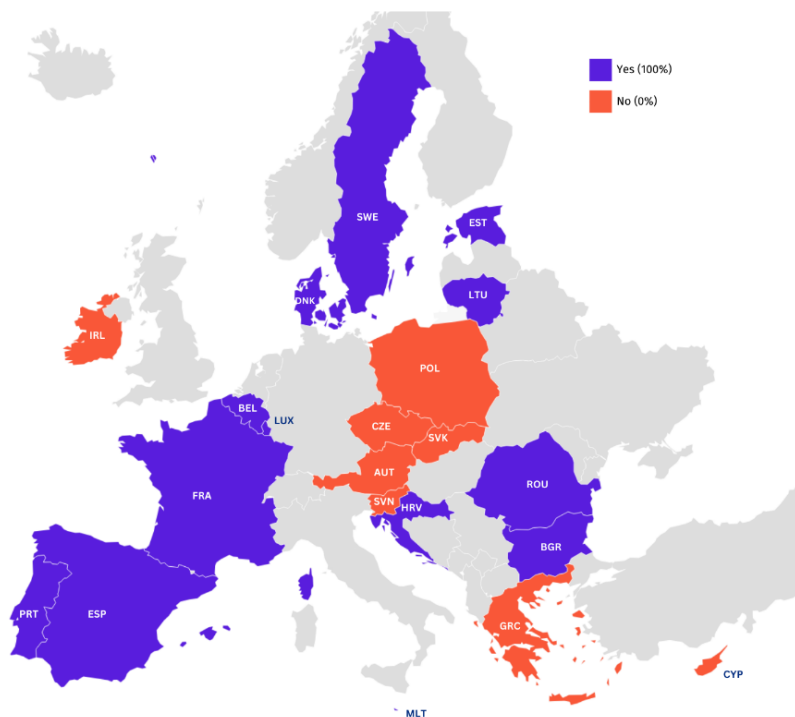


Figure 48. Existence of proactive engagement for digital knowledge sharing (Indicator 8.2.1)

SOURCE: ESNA analysis based on FP Survey (2024)

Conclusions

05.

05. Conclusions

This study's first intent is to develop a robust methodology to monitor the implementation of the eight SNS, which will later be applied in the SNS Scoreboard. This document delves into the year 2023 and provides an analysis of the main progress achieved by ESNA signatory countries according to the objectives set out in the SNS Declaration.

There is a generally positive level of implementation, despite different levels of performances between countries and the wide range of SNS scores.

Digitalisation is well underway with most countries adopting a "Digital First" Principle in their public services, allowing companies to access efficient processes. Nonetheless, the digital solutions related to company setup services yield less favourable outcomes, as reflected in Standard #1 "Startup Fast Creation". To achieve a more positive outcome, all relevant information must be centralised and shared through online channels in an accessible way, thereby ensuring the integration of new companies and entrepreneurs into the ecosystem as easily as possible, while guaranteeing strong support structures. As reflected in SNS #8, countries must invest in knowledge sharing between public administration and startups to bring digitalisation to a higher level. Regarding the connection between startups and public administration, a positive result is observed in the implementation of Standard #5 "Public Procurement". This includes opening up the ownership of IPR rights by startups, as well as promoting an ecosystem based on open-source assets.

In the analysis carried out on access to finance, it is concluded that there is still room for improvement, especially concerning measures that promote the provision of capital for startups, as well as efforts to reduce tax burdens on investors. When it comes to public funding, the respective substandard is merely focused on RRF. Additional options such as European structural and investment funds, and national budgets should be taken into consideration. As far as tax reduction is concerned, it is worth noting the need to improve the SO framework in Europe. Although there is a positive framework for issuing shares without voting rights, double taxation of SO remains an aspect to be removed, which is fundamental to promoting the competitiveness of startups in attracting talent. In this respect, it is concluded that even though there is a positive streamlining of visas in procedural terms, there are few specific programmes for attracting qualified workers.

Lastly, there is a need to design a path towards a more inclusive and democratic ecosystem, still far short of what is expected. In addition, greater ambition is expected in experimental and innovative projects that make use of legal exceptions to leverage innovation in Europe, such as regulatory sandboxes. The involvement of startups in these pilots is crucial, thus it is fundamental to establish fair conditions for their participation.

A rigorous methodology was applied for this Report as a way to ensure relevant results, but also to identify potential shortcomings that should be improved, laying the basis for the Scoreboard 2024. These include monitoring the number of startups that successfully secured funding in the analysed countries. As ESNA strives for a startup-friendly European ecosystem, having a reliable methodology is paramount to capture an accurate overarching view of the current ecosystem and suggest further efforts.



Annexes



A. Annexes

A1. Startup Nations Standards – Description

SNS #1 “Fast Startup Creation, Smooth Market Entry”

- An entrepreneur can establish a startup (legal entity) both online and offline in one day for a fee of no more than 100 EUR. In exceptional cases, to carry out appropriate checks, establishment should be possible within one week.
- Startup fast lane (including Market Access Helpdesk):
 - Aspiring startups and entrepreneurs can find all relevant information about national administrative requirements and funding opportunities in one place on the Internet – linking also to efforts under the Single Digital Gateway in this context.
 - A Member State will provide a (virtual) helpdesk for startups and scaleups from other EU Member States who, when trying to enter its market, have come across regulatory issues and/or impediments.
- Legal documents from other EU jurisdictions can be submitted as proof for the incorporation of a startup (or the creation of a subsidiary of an existing startup expanding in the single market).

SNS #2 “Attracting and Retaining Talent”

- Visa applications, as a general rule, are processed within a month for:
 - i) founders from third countries supported by a trusted partner in the Member State; and
 - ii) experienced staff from third countries, submitted by startups (which may also be pre-approved as a ‘trusted party’).
- Programmes and incentives are in place to encourage the return of EU tech talent who emigrated to third countries.

SNS #3 “Stock Options”

- SO are recognised and subject to capital gains tax at the moment of cash receipt and not before.
- Allow startups to issue stock options with non-voting rights, to avoid the excessive burden of having to consult large numbers of minority shareholders.

SNS #4 “Innovation in Regulation”

- Legal provisions and policies are in place explicitly targeting startups that promote a rigorous application of the ‘Think Small First’ principle in view of avoiding unnecessary administrative burden/red tape;
- Exemptions – or alternative ways of achieving compliance - are confirmed and in place for startups in areas such as, but not limited to, impact assessment.
- Experimentation and innovation for startups are promoted and enabled through regulatory sandboxes.
 - There is an agreed policy or programme (with rules and capacities, administrative support, and guidance) and concrete examples for the use of regulatory sandboxes by sectors in which innovations can be tested in cooperation with supervisory authorities.

SNS #5 “Innovation in Procurement”

- There are no legal or administrative impediments that would put startups/scaleups at a disadvantage compared to other participants in innovation procurement opportunities. Public buyers and procurement services are officially encouraged to procure innovations from startups.
- Ownership of IPR can normally be retained by the startup/scaleup participating in innovation procurement opportunities to enable further commercial exploitation (unless there are exceptional cases with overriding public interests that require the public sector to retain IPR ownership).
- Policies are in place to ensure technology developed at universities and research institutes can be transferred without obstacles leading to a new wave of venture-building activity (spinoffs/startups), opening up pathways to pursue – inter alia - innovation procurement opportunities.
- Startups are actively supported to contribute to and benefit from open-source assets stimulating permission-less innovation and access to trustworthy and affordable technologies.

SNS #6 “Access to Finance”

- Direct access to finance: Member States use part of their Recovery and Resilience Facility (RRF) funding to enhance access to venture capital for startups through the EIB, Promotional Banks or other dedicated vehicles, leveraging private investments, and distributing funds to established/professional VC firms to address the existing investment gap.
- Indirect access to finance: Member States introduce or improve policy initiatives that aim to increase the amount and diversity of private capital (for example from European Pension Funds) available for co-investing in high-growth startups.
- Tax relief measures aimed towards BA are in place to stimulate and support early-stage funding.

SNS #7 “Social Inclusion, Diversity and Protecting Democratic Values”

- Promotion of role models (e.g. by giving awards that promote and recognise diversity in the startup community);
- Provision of targeted incentives for Startups to hire on diversity of ethnicity, gender, religion, age and sexual orientation;
- Provision of support to founders from underprivileged backgrounds to create companies;
- Mobilisation of startups to address marginalisation and social exclusion linked to low income, limited education, location, culture, or disability.

SNS #8 “Digital First”

- All day-to-day interactions between startups and authorities (such as company creation, filing of taxes, participation in public procurement opportunities, electronic ID, and digital signatures) are designed to be carried out in a digital-first manner.
- Startups and scaleups are proactively approached and engaged for the sharing of knowledge and best practices regarding digitalisation.

A2. SNS and substandards' structure

SNS	Substandard	Indicators	
SNS #1 "Fast startup creation, smooth market entry"	1.1 Time & Cost	1.1.1 Number of days to start a business 1.1.2 Administrative costs for establishing a startup	
	1.2 Startup Fast Lane	1.2.1 Existence of an online service to set up a company 1.2.2 Existence of fast lane & helpdesk availability for entrepreneurs 1.2.3 Existence of a virtual helpdesk for regulatory issues for startups and scaleups	
	1.3 Cross-Border Services	1.3.1 Index of the cross-border services 1.3.2 Utilisation of legal documents from other EU countries for startup establishment or expansion within the single market	
SNS #2 "Attracting and retaining talent"	2.1 Visa Applications	2.1.1 Time to complete visa applications from founders	
	2.2 Programmes for Talent	2.2.1 Existence of return of tech diaspora programmes 2.2.2 Index of talent attractiveness for entrepreneurs	
SNS #3 "Stock options"	3.1 Taxation	3.1.1 Taxed only upon cash liquidity	
	3.2 Non-Voting Rights	3.2.1 Existence of stock options with non-voting rights for startups	
	3.3 Stock Options Schemes	3.3.1 Existence of country-specific stock options schemes	
SNS #4 "Innovation in regulation"	4.1 "Think Small First" Principle	4.1.1 "Think Small First" principle implementation	
	4.2 Compliance Exemptions	4.2.1 Existence of compliance exemptions/alternatives for compliance	
	4.3 Regulatory Sandboxes	4.3.1 Existence of regulatory sandboxes 4.3.2 Number of established regulatory sandboxes in the country 4.3.3 Number of startups engaged in consortia within regulatory sandboxes	
SNS #5 "Innovation in procurement"	5.1 Public Procurement Opportunities	5.1.1 Existence of administrative impediments to startups participation	
	5.2 Intellectual Property Rights	5.2.1 Possibility of ownership of IPR for startups in innovation procurement 5.2.2 Intellectual property receipts as percentage of total trade 5.2.3 Existence of exceptions for public sector IPR ownership based on overriding public interests	
		5.3 Open-Source Assets	5.3.1 Existence of startups actively supported and contributing with open-source assets
		5.4 Tech Transfer Policies	5.4.1 Existence of policies for smooth tech transfer
SNS #6 "Access to finance"	6.1 Public Grants	6.1.1 Existence of RRF for VC for startups	
	6.2 Indirect Access to Finance	6.2.1 Utilisation of EIB and promotional banks for VC investment gap bridging 6.2.2 Adoption of initiatives to diversify private capital for high-growth startup co-investment	
	6.3 Tax Relief Measures	6.3 Existence of tax relief for BA	
SNS #7 "Social inclusion,	7.1 Incentives for Startups	7.1.1 Existence of national awards and policies for startup role models 7.1.2 Existence of social inclusion mobilisation Initiatives	

SNS	Substandard	Indicators
diversity, and protection of democratic values”		7.1.3 Existence of incentives for diversity hiring
	7.2 Incentives for Founders	7.2.1 Support to founders from underprivileged backgrounds
SNS #8 “Digital first”	8.1 Knowledge Sharing	8.1.1 Existence of proactive engagement for digital knowledge sharing and best practices
	8.2 “Digital First” Principle	8.2.1 Index of Digital Public services for businesses 8.2.2 Percentage of areas covered by digital public services available 8.2.3 Existence of national digitalisation strategy implementation

Table 11. SNS and indicators’ structure



Acronyms

A

Austria (AUT)

B

Belgium (BEL)
Bulgaria (BGR)
Business Angels (BA)

C

Company Register Number (CVR)
Croatia (HRV)
Cyprus (CYP)
Czechia (CZE)

D

Denmark (DNK)

E

Estonia (EST)
EU Startup Nations Standard of Excellence
Declaration (SNS Declaration)
ESNA - Europe Startup Nations Alliance,
Associação (ESNA)
European Commission (EC)
European Investment Bank (EIB)
European Union (EU)

F

Focal Points (FP)
France (FRA)

G

Greece (GRC)
Gross Domestic Product (GDP)

I

Intellectual Property Rights (IPR)
Ireland (IRL)

L

Lithuania (LTU)
Luxembourg (LUX)

M

Malta (MLT)
Member States (MS)

O

Organisation for Economic Co-operation and
Development (OECD)

P

Poland (POL)
Portugal (PRT)
Public-Private Partnerships (PPP)

R

Recovery and Resilience Facility (RRF)
Romania (ROU)

S

Single Digital Gateway (SDG)
Slovakia (SVK)
Slovenia (SVN)
Small and Medium-sized Enterprises (SMEs)
Spain (ESP)
Stock Options (SO)
Sweden (SWE)

V

Venture Capital (VC)

W

World Intellectual Property Organisation
(WIPO)

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