

From idea to market: How to found and fund your startup in Austria?

Austrian Business Agency – INVEST in AUSTRIA
services for international founders

Birgit Reiter-Braunwieser, May 2024



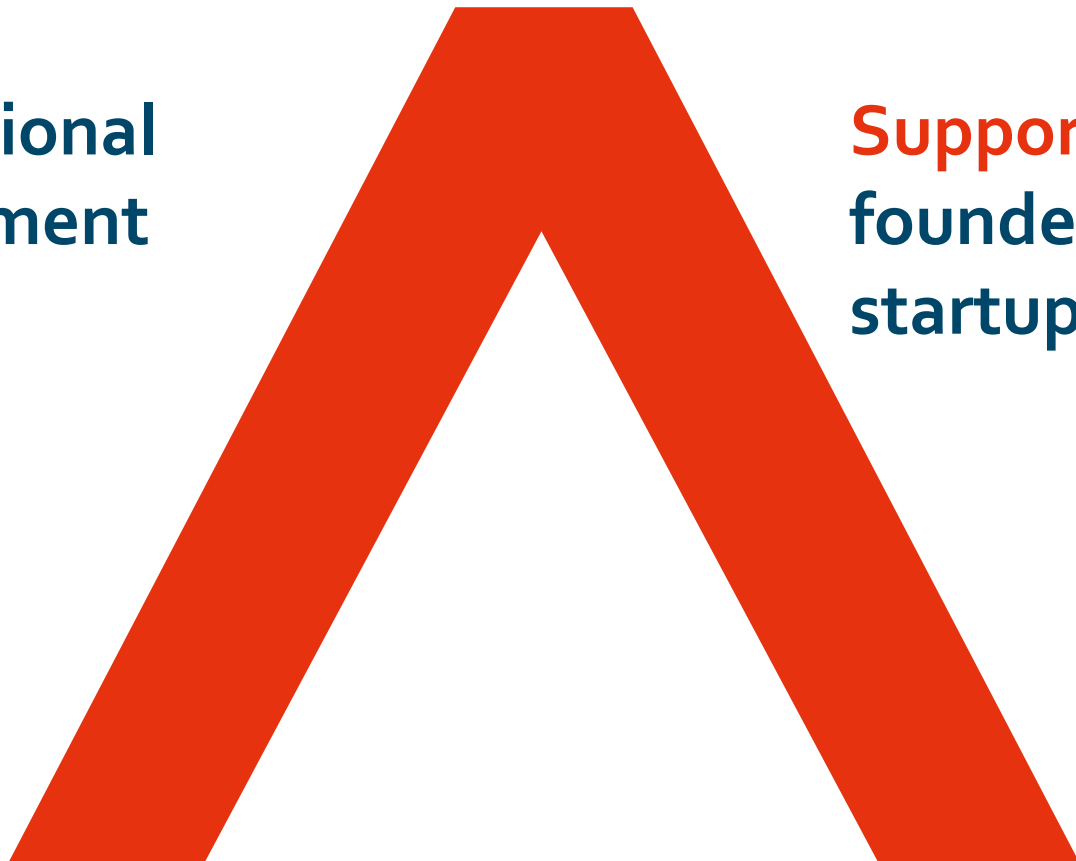


ABA-Invest in Austria

Promote Austria as Business
Location internationally

Accompany international
companies in investment
process

Support international
founders to explore the
startup and business location





> Austrian AI Landscape – Key Facts

270+ Companies & startups ¹	10% AI Startups YOY growth rate
50+ Universities & Research institutions	50+ International players
70 Ecosystem players e.g. organizations, investors,...	3 Ellis Units ²
70% of startups received public funding	3X Huge uptake in female (co)founders in 2022

¹ excluding general IT service providers with AI capabilities

² ELLIS - the European Laboratory for Learning and Intelligent Systems - ins a pan European AI network of excellence which focuses on fundamental science, technical innovation and social impact.

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LANDSCAPE AUSTRIA 23



www.AI-Landscape.at

AI STARTUPS & COMPANIES

EARLY ADOPTERS

ENABLERS & EXTENDED ECOSYSTEM

GENERATIVE AI - CLASS OF 2023

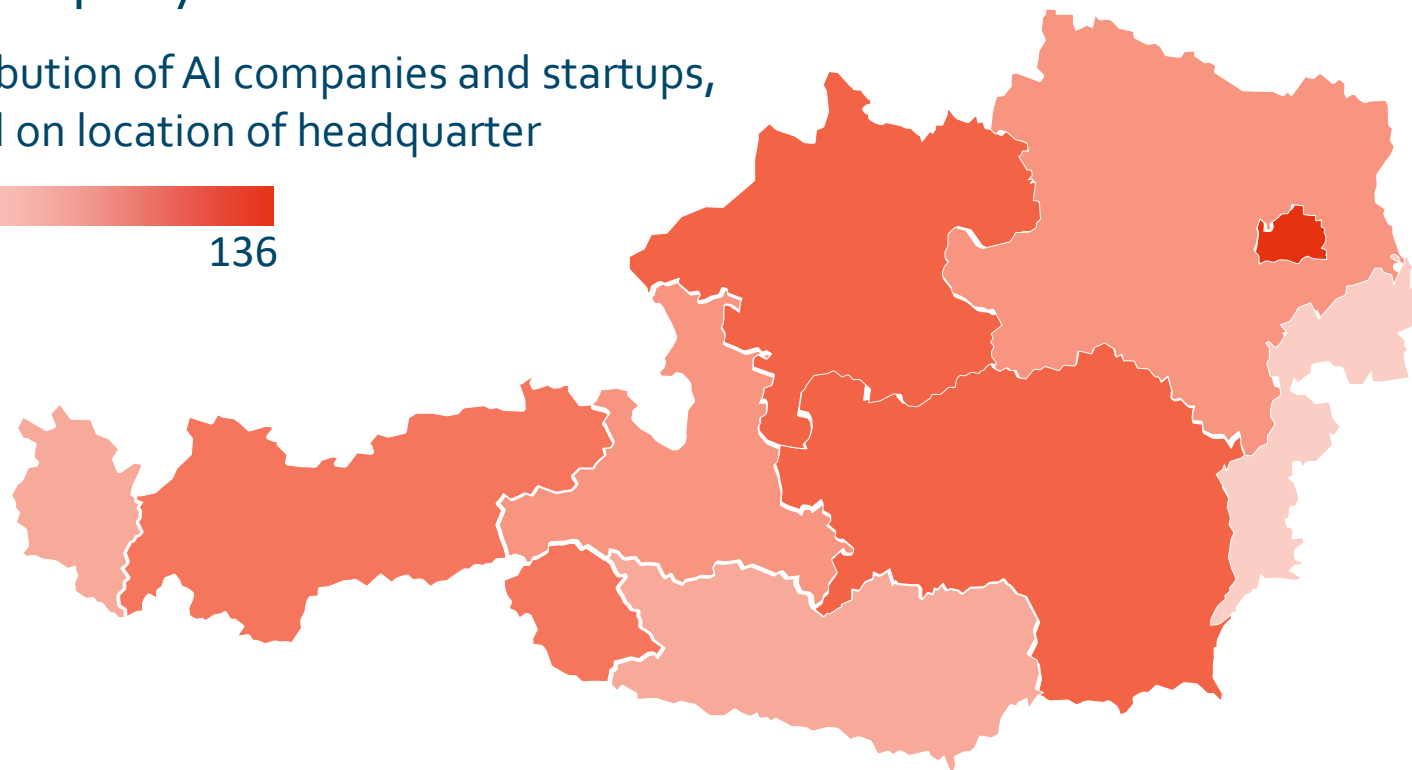


Geographic distribution

85% of all startups located in 3 regional hubs

AI company distribution

Distribution of AI companies and startups, based on location of headquarter



~55%

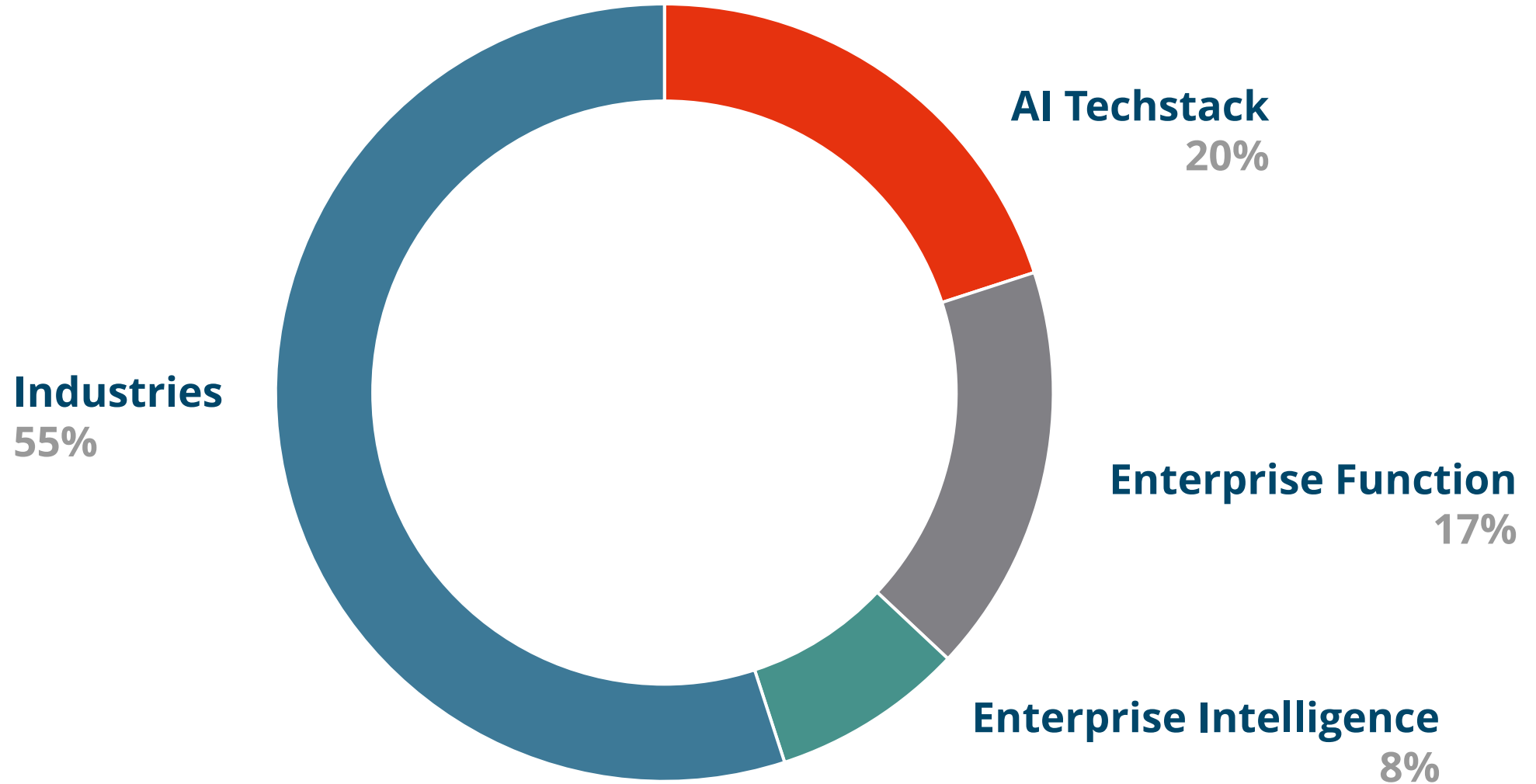
of startups located in Vienna



~30%

in Styria & Upper Austria

Focus areas of Austrian AI Companies



> Austria is a strong industrial country

Tourism



13 %

Industry



29 %

> Born global, made in Austria

AI Research



AI Hub



(Europe) HQ



Why Austria ?



- > **Prosperous market**, entry point for DACH and further Western countries
- > **Secure, stable, safe, IP protection**
- > **Open innovation** and incentives for R&D
- > **Talent & Mindset:** excellent education system, skills base
- > **Business friendly environment and Support**

> Dual system for supporting R&D

Direct incentives

Federal agency (FFG)

Mix of cash grant and subsidized low interest rate loans

2022: budget of 1.6 bn. €



Indirect incentive

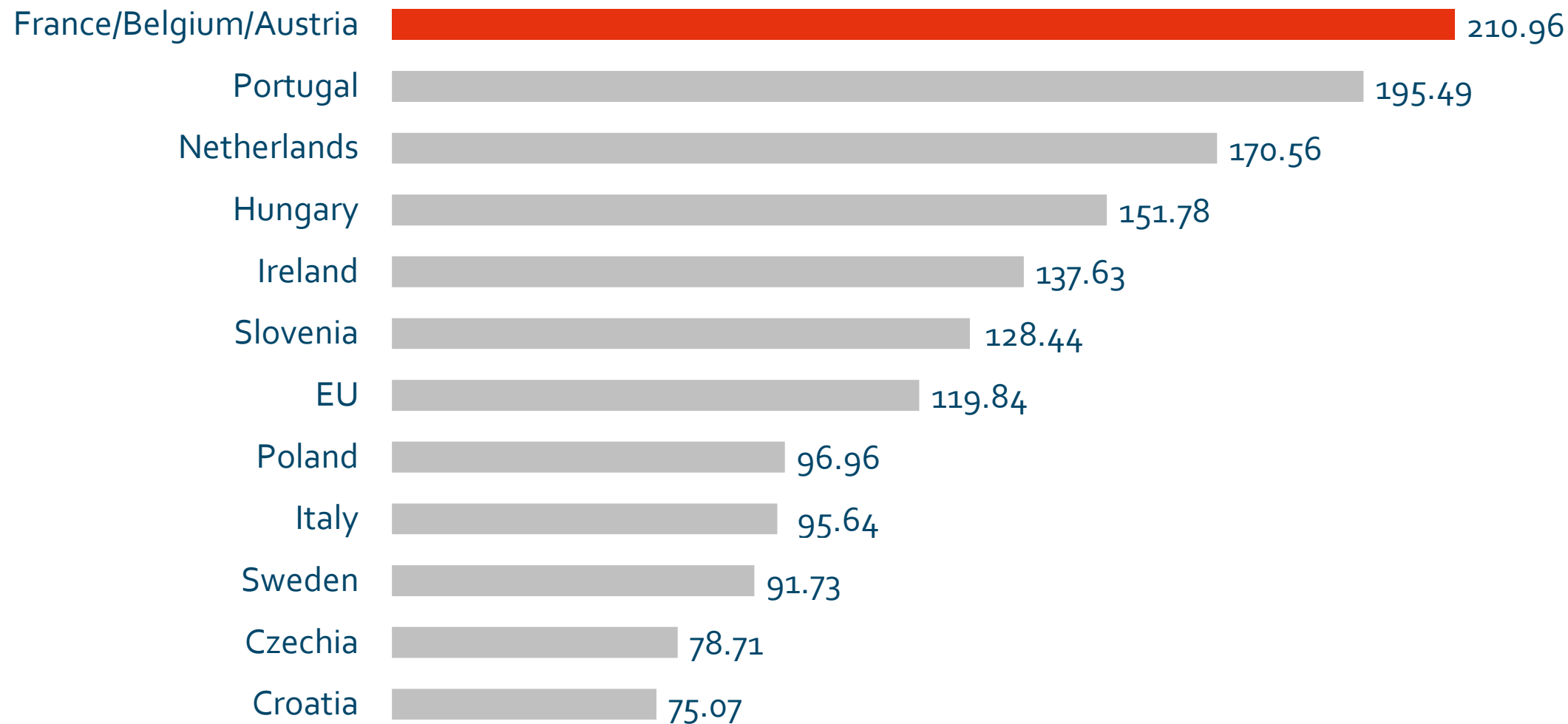
Cash tax grant: 14 %

- Costs of staff and material
- 3rd party research up to 1 Mio. €

Requirements:

- Expert opinion by FFG

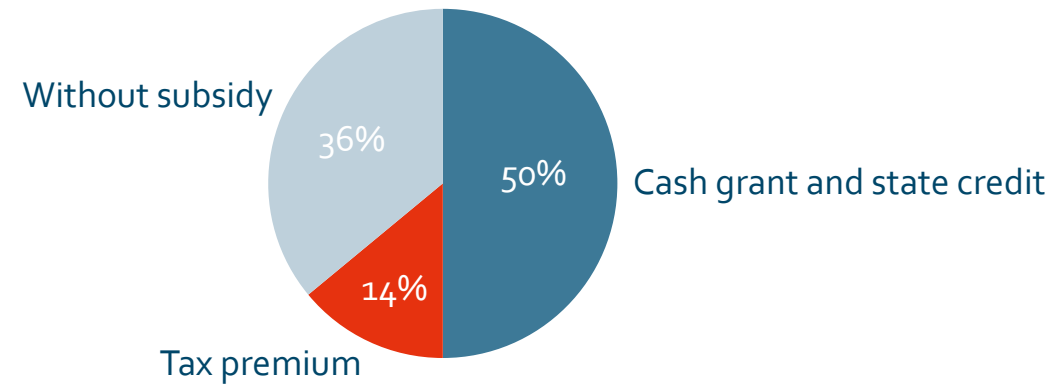
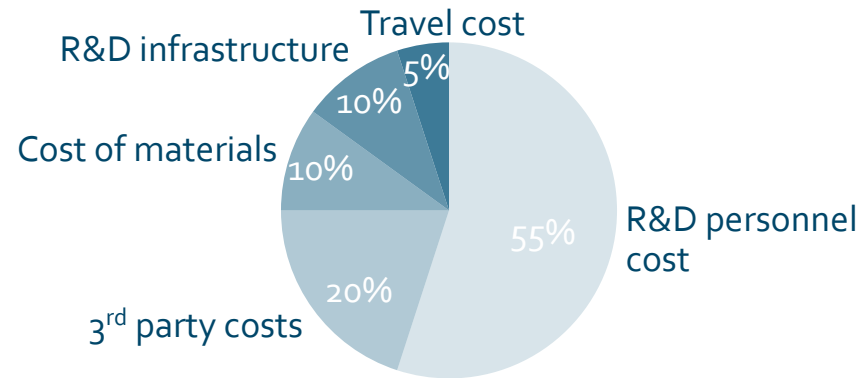
Direct & indirect R&D incentives for companies





Example: financing of a R&D project for a LE

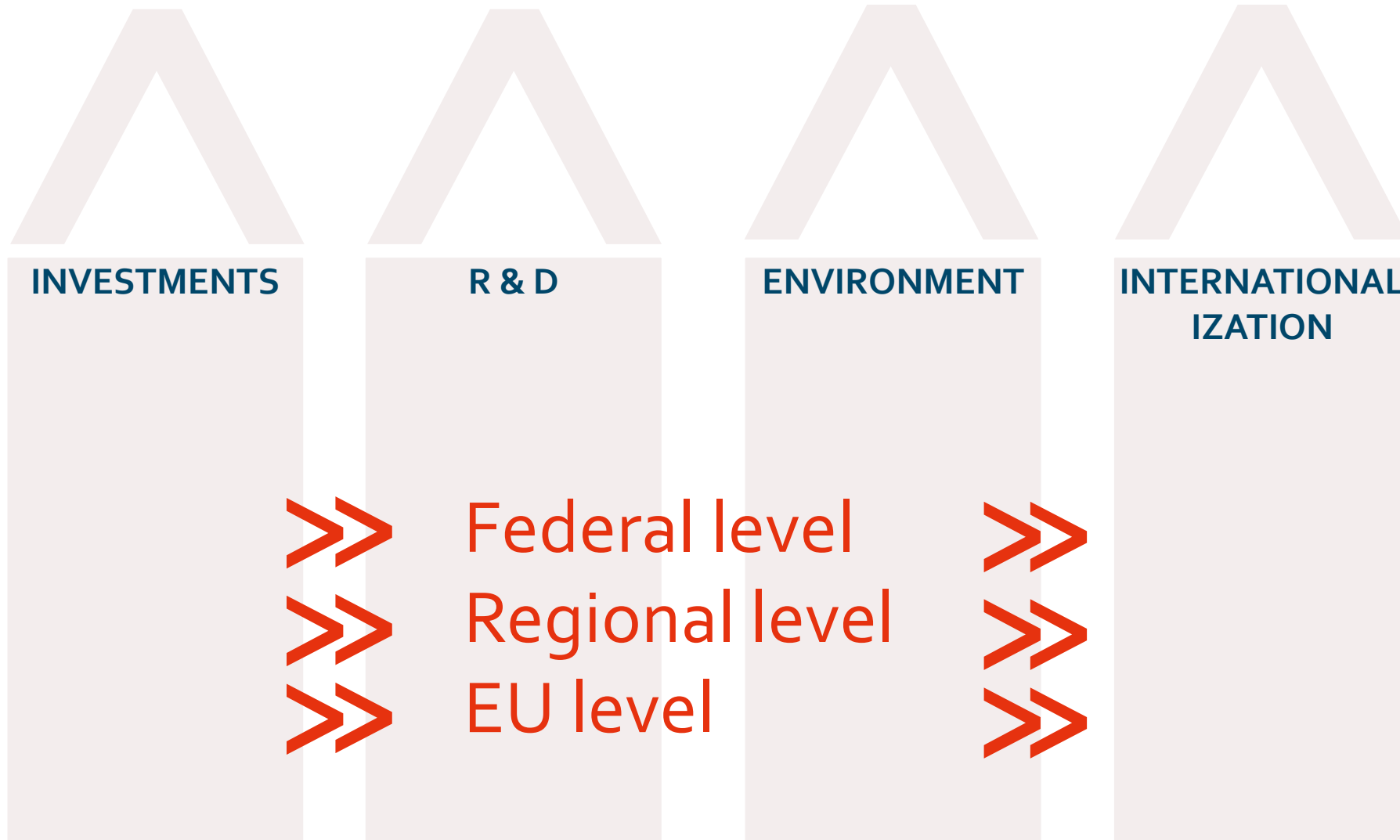
FFG Basic Program and tax premium



Project cost	Cash grant "Basisprogramm"	Tax premium
	Cash grant 19% (Total financing up to 50% with state credit)	14% (on costs not subsidized by "Basisprogramm")
6,000,000 €	1,140,000 €	680,400 €
	Total	1,820,400 €



Four main funding lines





Funding: Comprehensive funding system



Public funding landscape - Local and national grants



Innovation

- (up to) EUR 200k grant
- Project size: EUR 450k
- 45% quota



Basisprogramm

- Project size: up to EUR 3 Million
- 50% - 70% quota



AI Adoption

- up to EUR 150k grant
- Project size: EUR 180k
- up to 80% quota

AI4Green

- EUR 100k - 2 Million
- 50% quota

Pre-Seed - Deep Tech

- up to EUR 200k grant

Seed - Deep Tech

- up to EUR 800k grant

> Investor-friendly tax system



Corporate tax rate: 23%

Modern group taxation

Tax premium for R&D: 14%

...and additional funding opportunities

No trade tax

No net worth tax

No wealth tax

No inheritance/gift tax

Double taxation treaties



Founding: Starting business in Austria

Limited liability company (GmbH): most common legal form

- share capital min. 10.000€

FlexCo: since Jan 1, 2024

- share capital min. 10.000€, possibility to give shares to employees

Branch office of existing Limited liability company as alternative

Sole proprietorship and various forms of partnerships



What ABA-Invest in Austria does for you?



Research of market and industry data and trends



Information on how to establish a company; expansion support



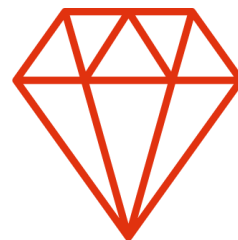
Site search



Funding and financing options



Establishing contacts and networking



Talent pool - questions and support

Your personal guide to the Business Location



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