Start-up Policy in Estonia

Sigrid Rajalo
Head of Innovation Division, Department of Economic Development
02.11.2016
Government’s role: supporting the ecosystem

Start-ups are essential part of creating competitiveness

Skype effect

**Think like a start-up**, trust

E-solutions (e-voting, e-banking, e-school etc.), e-residency, digitalisation of public agency processes, Tax and Customs Board project for collaborative economy etc.
Government’s role: addressing shortages

1) lack of talent,
2) lack of product development skills,
3) outdated business models,
4) lack of selling skills,
5) access to finance
Access to finance

Baltic Innovation Fund – EUR 130 million (EUR 52m EIF and 26x3 from each Baltic State + sub-funds (BaltCap, BPM, Livonia Partners, Karma Ventures)

EstFund – EUR 60 million risk capital fund-of-funds
  - EUR 30m Venture Capital Fund
  - EUR 15m Expansion Capital Fund
  - EUR 15m Business Angels Co-Investment Fund

Start-Up Grant (EUR 15 000, 80%)

Start-Up loan

SmartCap

Accelerators – Start-Up Estonia programme (EUR 7m)
Lack of talent and skills

Investment into labour
Attracting talents across borders – start-up visa (residence permit)

programme
Aims

- Estonia is a top-level start-up environment
- Estonia has 1000 start-ups
- Start-ups have access to local early phase funding
- Estonian legislation fosters creation of start-ups and investments into start-ups
Activities

1. Developing community
2. Startup skills and education
3. Smart money
4. Business environment
Niches of

• Clean-tech
• Health-tech
• Cybersecurity

Estonian Smart specialisation areas

• More efficient use of resources
• ICT horizontally via other sectors
• Healthcare technology and services
Thank you!

sigrid.rajalo@mkm.ee