

Press Release

Startup Location Austria: Increasing Share of International Founders

- Highest quality of life, top talents, open innovation and attractive research funding have been the recipes for success of the startup location up until now
- Elisabeth Zehetner, the first Austrian State Secretary for Startups, aims to mobilize growth capital for startups, scaleups and spin-offs via a fund of funds
- New Austrian Federal Government intends to accelerate the establishment of companies and completely digitalize the required procedures

Vienna, 19 May 2025 – Austria has established itself as a promising location for startups in Europe. This is evidenced, for example, by the success stories of unicorns such as Bitpanda, Copadata, refurbished and TTTech Auto. Since the year 2013, more than 3,700 startups have been set up in Austria, most recently about 370 startups p.a. The biggest funding rounds in the year 2024 were Gropyus (€ 100 million), Storyblok (€ 74 million) and Prewave (€ 63 million). Startups in Austria employ a total workforce of about 30,000 people.

The IT & Software Development sector by far accounted for the largest proportion (30%) of newly founded startups last year, as the latest [Austrian Startup Monitor](#) for 2024 shows. 17% can be classified as deep tech startups. The share of startups in the field of life sciences – a traditional area of strength of the Austrian economy and still growing, as the Life Science Report Austria 2024 shows – also expanded sharply in the previous year, comprising 14% of the young companies.

Since 2022, the share of international founders in Austria has risen by four percentage points to 19% in 2024. Austria is the leading EU member state when it comes to female startups. 22% of all newly established companies were founded by women in 2024, and at least one woman is involved in 37% of all startup foundations in Austria.

Startups are of particular importance to the new government

The new Austrian Federal Government plans to intensify its efforts to promote startups. For the first time in Austrian history, a state secretary for startups has been appointed, and thus a clearly designated contact person in the government. This shows that the government is proactively addressing young companies. "Austria has a lot to offer to international founders," says Elisabeth Zehetner, State Secretary for Energy, Startups and Tourism. "This includes highly qualified and productive employees who come to Austria due to its high quality of life, attractive (research) funding scheme, a market with high purchasing power as well as the country's central geographical location in the heart of Europe as the basis for expanding to neighbouring markets. Moreover, great importance is being attached in Austria to open innovation, which is underscored by the close collaboration between science and business," State Secretary Zehetner adds.

The share of academic spin-offs has continuously increased in recent years. The Spin-Off Austria Initiative and related programmes have been significant factors in this regard. Austria ranks among the top three in the EU when it comes to direct funding for research and development. Together with the 14% research premium, it makes the country an attractive place for innovation-driven companies.

Fund of funds for startup investments and accelerated company formation

Startups in Austria obtain public financing and funding more easily than elsewhere. More than half of all startups (52%) receive public subsidies. In turn, this public funding leverages follow-up financing via venture capital. There is already movement in the field of corporate venturing with Verbund X and Red Bull Ventures. "One of the milestones for startups in our government programme is the Austria fund of funds for startup investments. The fund will mobilize capital from national and European investors and could be supported by the European Investment Fund (EIF). In this way, startups, scaleups and spin-offs will be able to indirectly access growth capital more easily," explains a confident State Secretary Elisabeth Zehetner.

Furthermore, the government programme stipulates the objective of accelerating the formation of companies and fully digitizing the required procedures, enabling founders to register their new firms in five working days. Another focus of the government is to promote female entrepreneurship based on improved access to capital, networks and continuing education. The new legal form of a Flexible Company (FlexCo) will be evaluated and further developed if necessary. Finally, the government also foresees a reduction in non-wage labour costs for companies if the budgetary situation allows it.

ABA has supported 181 international startups to locate in Austria since 2020

"In the coming years we will do a lot to make the Startup Location Austria even more attractive. As the first point of contact for international startups and founders, the Austrian Business Agency (ABA) knows what it takes to assert itself in the competition to attract innovative young companies. The ABA supports them during the entire process of establishing business operations, links them up with cooperation and research partners and offers many other services – free of charge, as a service provided by the Republic of Austria," State Secretary Zehetner adds.

Since the year 2020, the ABA has supported 181 international startups and scaleups in setting up or expanding their business in Austria, and the number is growing. These companies have invested € 295 million in Austria up until now. More than 1,160 new jobs have been or will be created within the context of these projects.

About the Austrian Business Agency (ABA)

As a subsidiary of the Federal Ministry of Economy, Energy and Tourism (BMWET), the Austrian Business Agency (ABA) makes Austria attractive to international companies, top talents and film producers. With its three business divisions INVEST in AUSTRIA, WORK in AUSTRIA and FILM in AUSTRIA, the ABA advises and supports international companies, skilled workers, and film productions free of charge on all issues relating to Austria as a business, research, and work location as well as Austria as a film location. >> We simply make it easy. www.aba.gv.at/en

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