



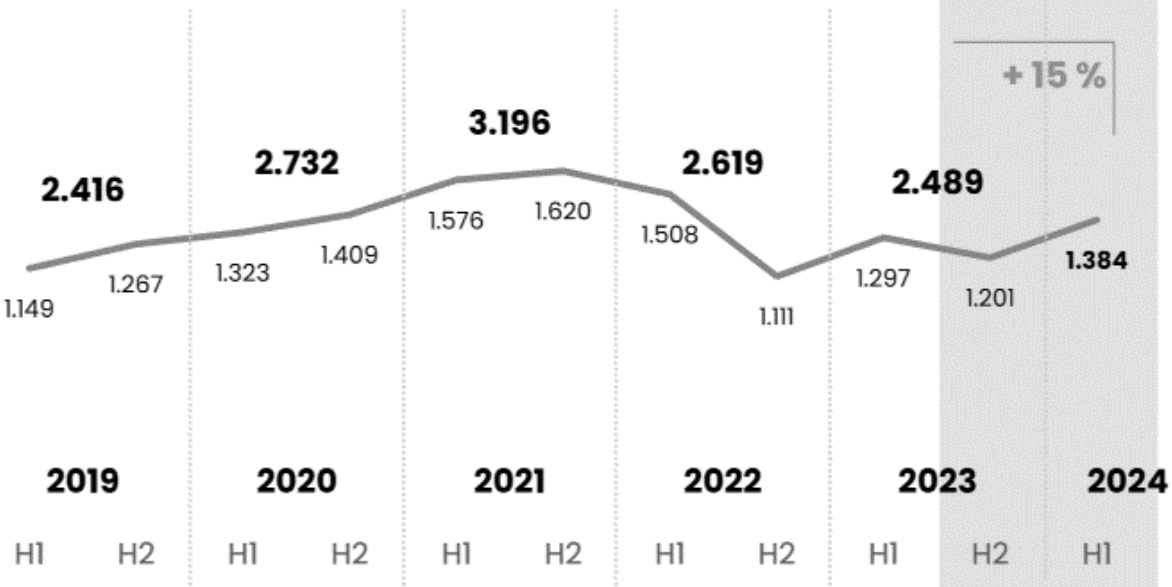
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# GERMANY'S STARTUP ECOSYSTEM: GROWTH, DEALS, AND KEY CITIES

A BRIEF ANALYSIS OF GERMANY'S THRIVING STARTUP SCENE



# STARTUP ECOSYSTEM GROWTH





# KEY GROWTH FACTORS OF GERMANY'S STARTUP ECOSYSTEM

- **Talent Pool & Universities**  
Germany's strong universities and research institutions
- **Government Support**  
Programs like EXIST, High-Tech Strategy, and tax incentives
- **Venture Capital & Angel Investments**  
Rise in domestic and foreign investment
- **Strong Infrastructure**  
Digital hubs across major cities
- **Sustainability & Green Innovation**  
Shift towards cleantech, renewable energy startups









# DEAL FLOW DEVELOPMENT



- 2021  
Surge in funding post-COVID, especially in deep tech, software, and fintech -> €17 billion
- 2022  
Total VC funding dropped slightly (global economic impact) but green tech and digital sectors remained strong -> €14 billion
- 2023  
Increased caution among investors, but big ticket deals still happening, especially in AI, healthcare tech, and renewable energy -> €11 billion

# KEY INVESTMENT TRENDS



- **Increased Focus on ESG**  
Environmental, Social, and Governance investments are growing, especially in green startups
- **Fintech Dominance**  
Continuing to attract large volumes of capital
- **Healthcare and AI**  
Healthcare startups, particularly those with AI solutions, are seeing rapid investment increases

# GERMANY VS. OTHER EUROPEAN ECOSYSTEMS

- **Germany vs. UK**  
The UK leads Europe in startup investment (€27.2B vs. €9.1B), with a strong focus on fintech, while Germany excels in AI, cleantech, and mobility across decentralized hubs.
- **Germany vs. France**  
France outpaces Germany slightly in startup investment (€13.5B vs. €9.1B), with a strong emphasis on green and deep tech, while Germany is a leader in AI and Industry 4.0
- **Germany vs. Nordics**  
Germany surpasses the Nordics in total investment (€9.1B vs. ~€6-7B), though Nordic countries excel in digital innovation, SaaS, and sustainability-focused startups.



**Ecosystem Value (\$B): H2 2021 - 2023**

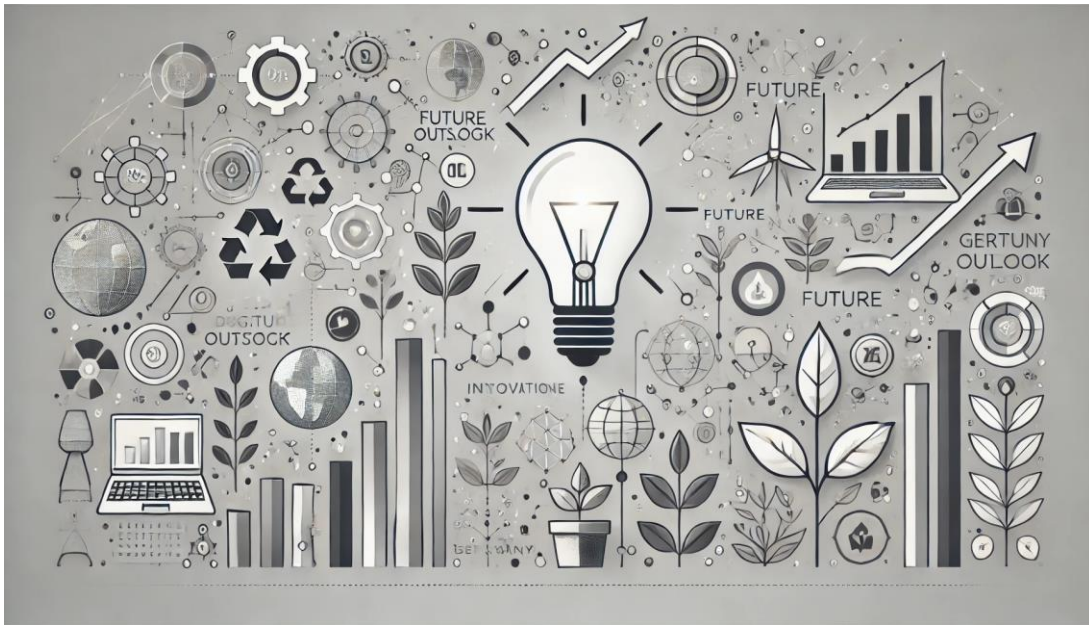


**Exit Value (\$B): 2019 - 2023**





# CONCLUSION & OUTLOOK



- €9.1 billion across 757 deals in 2023
- Cleantech (€1.7 billion), followed by Fintech (€1.3 billion), Transportation (€940 million), **Artificial Intelligence** (€845 million), and **Energy** (€604 million)
- AI startup sector **35% growth** in number of startups
- **Climate tech, deep tech, and AI-driven solutions** for enterprise and health tech key drivers in **2024**
- VCs go **substance over hype**, sustainability and AI top thematic contenders
- Semiconductors and space tech eyed to change Germanys startup landscape **2024+**