

:bulba CIVITTA EMERGE

TECH IN THE NEW EAST: BELARUS



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Bulba Ventures initiated this research project to document and research the growth of the Belarusian startup ecosystem. We hope this report will become a trusted source of data and expertise for everyone interested in navigating and studying the local startup movement and its potential.

Bulba Ventures team



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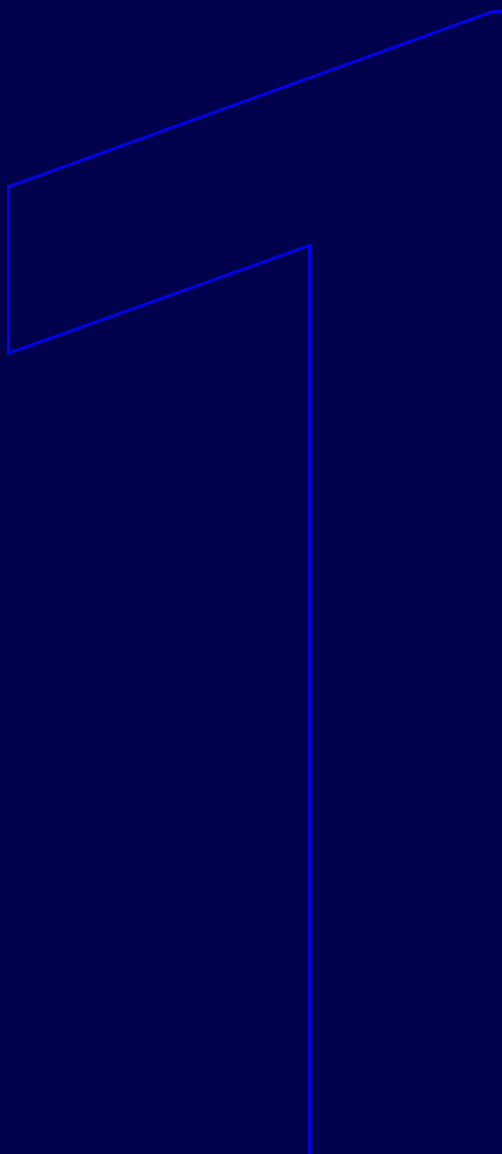


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FOREWORD



A WORD FROM BULBA



The Belarusian tech ecosystem is growing stronger every year. With improvements in the business environment in the country, local entrepreneurs are taking risks and founding new companies. Tech communities are growing stronger, and the voice of Belarusian startups is being heard across the world.

We are all part of something big. The tech scene is becoming a major component of the Belarusian economy, and there is nothing more inspiring than seeing constant growth in the number of investments being made, the number of startups being founded, and the number of international funds coming to Belarus.

Bulba Ventures is not only on a mission to fund truly impactful machine learning startups from Belarus and the surrounding region, but our team is also investing a lot of resources into promoting and growing the Belarusian startup ecosystem. Tech entrepreneurship is an emerging movement in Belarus and we are happy to contribute and help entrepreneurs launch, and scale their products globally. From Belarus to the world.

We are planning to update this report every year and document the local startup movement. We hope that with time, all the data collected and organized will contribute to a better understanding of the regional startup scene and its development trajectory.

We'd like to thank our outstanding partners, Civitta and Emerge, for contributing their time and expertise to this report. Their cooperation is of great value to us and to the ecosystem. We also want to give a massive shout out to our team of contributors, the leading Belarusian legal and investment companies, startup hubs and communities. We really value your input and look forward to working together next year.

Watch this space!

Anna Pozniak
PR Partner, Bulba Ventures

A WORD FROM CIVITTA



The CIVITTA team has been watching local startup ecosystems and assisting startups in Emerging Europe for almost a decade. Our Estonian office witnessed the development and growth of successful startups. The Lithuanian team was closely engaged in building the startup ecosystem in the form of accelerators and direct mentoring. Here at CIVITTA Belarus, we were always quite upset to see that Belarus was considered a “white spot” in the majority of startup reports and studies. We spoke to local entrepreneurs, saw internationally recognized startups, and read about successful acquisitions. We feel that Belarus is not only far from being a “white spot” in the regional startup map, but is conversely comparable to its neighboring countries. Those mentioned above were the main drivers behind the initiative.

This report is an attempt to shed light on various aspects and stakeholders of the tech and startup landscape in Belarus. We aim to provide a fresh and unique perspective: an overarching, fact-based analysis that attempts to assess the quantity and quality of the Belarusian startup ecosystem and benchmark it against regional counterparts. For the first time, we offer a combined perspective, looking at Belarus from both the standalone (individual indicators) and Emerging Europe (a startup index) perspectives. The Index aims to describe the aspects of lucrativeness of Minsk for startups with composite indicators. The indicators examine vital factors such as the availability of sufficient and appropriate financing, the skillset of the workforce in the area, the quality of the supporting infrastructure and networks, and the state of entrepreneurial culture. This approach enables us to understand in a quantifiable and comparable way how the tech and startup economy is evolving.

2018 became the banner year for Belarus-based startups. Record numbers in both active startups and raised funding speak louder than words. Scrolling through the report’s figures, our team felt proud to see confirmation of what we have been witnessing in the startup community throughout the last few years. In the last 5 years, Belarus has become a comfortable platform for startups: local startups gained access to local VC funds; business angel financing vehicles started to develop. Based on several indicators such as tech skills and R&D centers, Belarus is now among the regional leaders.

Andrei Palunosik,
Associate Partner, CIVITTA

A WORD FROM EMERGE



Establishing an entrepreneurial culture is one of the key growth points for the Belarusian startup ecosystem.

While the legal environment for doing business in tech has significantly improved, and the Belarusian talent pool is continuously growing, the major challenge is to trigger an entrepreneurial culture shift. Belarus, as well as the whole New East region, is well-known for its strong tech expertise but is lacking in business skills. By analyzing recent startup exits in the region, we can see that many of them can be described as “technology showcases,” acquired by international companies together with engineering teams. Focusing more on developing an entrepreneurial mindset could turn the tables: Belarus could become the home for startups that solve global problems, grow and scale to international markets, and be “product and customer-driven” instead of “exit-driven.” This global perspective will ultimately lead to more jobs created in the region and healthy competition among all the players in the ecosystem.



When starting the EMERGE tech conference in Minsk, our goal was to make Belarus the central hub for the New East region by putting it on the global tech map and adding EMERGE to all international tech events calendars. The report will help do this, as well as create a detailed overview of the tech scene. The Belarusian ecosystem is currently in a very favorable growth stage with big exits in the past, great tech talent in the present, and ambitious tech startups with global potential in the future.

Alina Bezuglova, Margo Lazarenkova
EMERGE Founders.

**TECH
INDUSTRY
IN BELARUS**



KEY FACTS ABOUT BELARUS

Population

9.5 mn

GDP at PPP¹

189
bn USD

Moody's rating

B3
sustainable

Visa-free
stay
in the country

30
days

Ease of Doing
Business
Score Index

37th
place



Global
Innovation
Index

72th
place

ICT
Development
Index

32nd
place

Global
Connectivity
Index

42nd
place

BELARUS BECOMING A REGIONAL TECH LEADER

THE WORLD BANK RANKS BELARUS AMONG THE TOP TEN COUNTRIES FOR IT BUSINESS FRIENDLY REFORMS¹

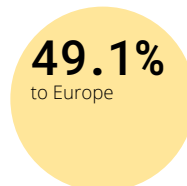
Belarus ranks **32nd** in the **Measuring Information Society Report 2018**, which assesses the development of ICT.



THE MAIN SALES ACTIVITY OF BELARUSIAN IT COMPANIES IS IN FOREIGN MARKETS

60.5% of IT specialists are engaged in outsourcing services².

More than 90% of the software produced in the Hi-Tech Park Belarus is exported².

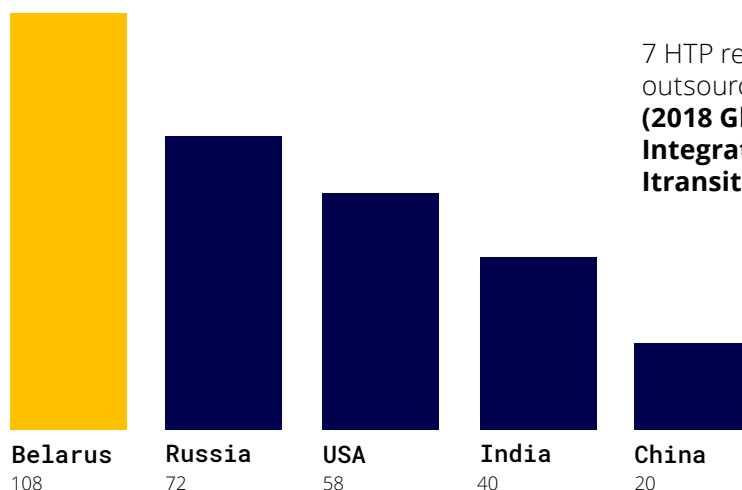


BELARUS IS AMONG WORLD LEADERS IN THE EXPORT OF IT SERVICES PER CAPITA

From 2005 to 2018, the export of IT services and products increased by more than 30 times, while the percentage share of IT exports in the total exports of goods and services increased from 0.16% to 5.5%³.

In 2017, the volume of export of IT services per capita in Belarus amounted to 108 USD². According to preliminary data, in 2018 it amounted to 120 USD.

VOLUME OF IT SERVICES EXPORTS PER CAPITA, 2017, USD



7 HTP resident companies are among the top outsourcing service providers in the world (**2018 Global Outsourcing 100 rating**): **Bell Integrator, Ciklum, EPAM, IBA Group, Intetics, Itransition and Oxagile⁴**.

1 - [Software Development CEE Report](#); 2 - [Belarus.by](#);
3 - [Sputnik Belarus](#); 4 - [The Global Outsourcing 100 - IAOP](#)
Source: CIVITTA analysis, open sources

DECREE №8 ON THE DEVELOPMENT OF THE DIGITAL ECONOMY ACCELERATED THE PACE OF DEVELOPMENT

DECREE №8 ON THE DEVELOPMENT OF THE DIGITAL ECONOMY

In 2017, Alexander Lukashenko signed a Decree “On the Development of the Digital Economy” which introduced noteworthy changes into the legislation, aiming to liberalize the high-tech sector in the country. **The key points of the decree include the following:**



NEW TYPES OF ACTIVITIES AMONG HTP RESIDENTS

Development of biotech, medical, aviation and space tech, and eSports. There are no restrictions on the amount of revenue from additional activities.



VISA-FREE ENTRY

Foreign workers and founders of HTP resident companies are entitled to visa-free entry to Belarus. They are allowed to temporarily stay for a maximum of 180 days.



USE OF ENGLISH LAW INSTITUTIONS

Using tools such as convertible loans, option contracts, non-compete clauses and the prohibition of luring, and compensation for property losses.



SUPPORT TECH EDUCATION AND INDUSTRY TRAINING

Residents of HTP are allowed to engage in educational activities in the field of ICT, following curricula approved by the HTP administration.



SIMPLYFING BUSINESS PROCESSES FOR IT COMPANIES

Foreign trade transactions can be concluded via the Internet.



LEGALIZATION OF ICO, CRYPTO CURRENCIES AND SMART CONTRACTS

Belarus became the first country to legalize smart contracts at a national level, and one of the first jurisdictions in the world with complex legal regulation for businesses based on blockchain technology.

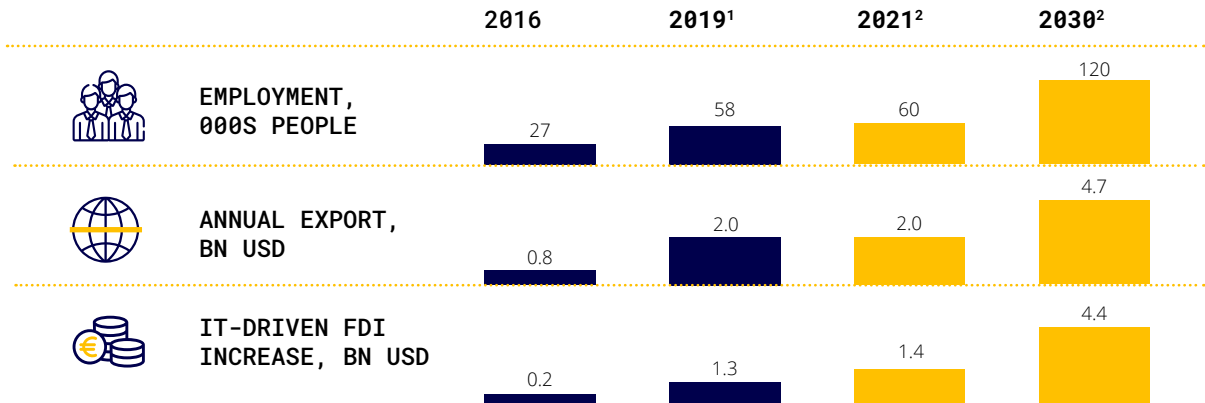


MAKING BUSINESS EASIER FOR HTP RESIDENTS

Residents have the right to make transactions with e-money without several restrictions.

THE GROWTH OF THE TECH INDUSTRY HAS ALMOST DOUBLED SINCE 2017 WITH MORE SIGNIFICANT GROWTH EXPECTED BY 2030

ASSESSING THE EFFECT OF THE DECREE №8

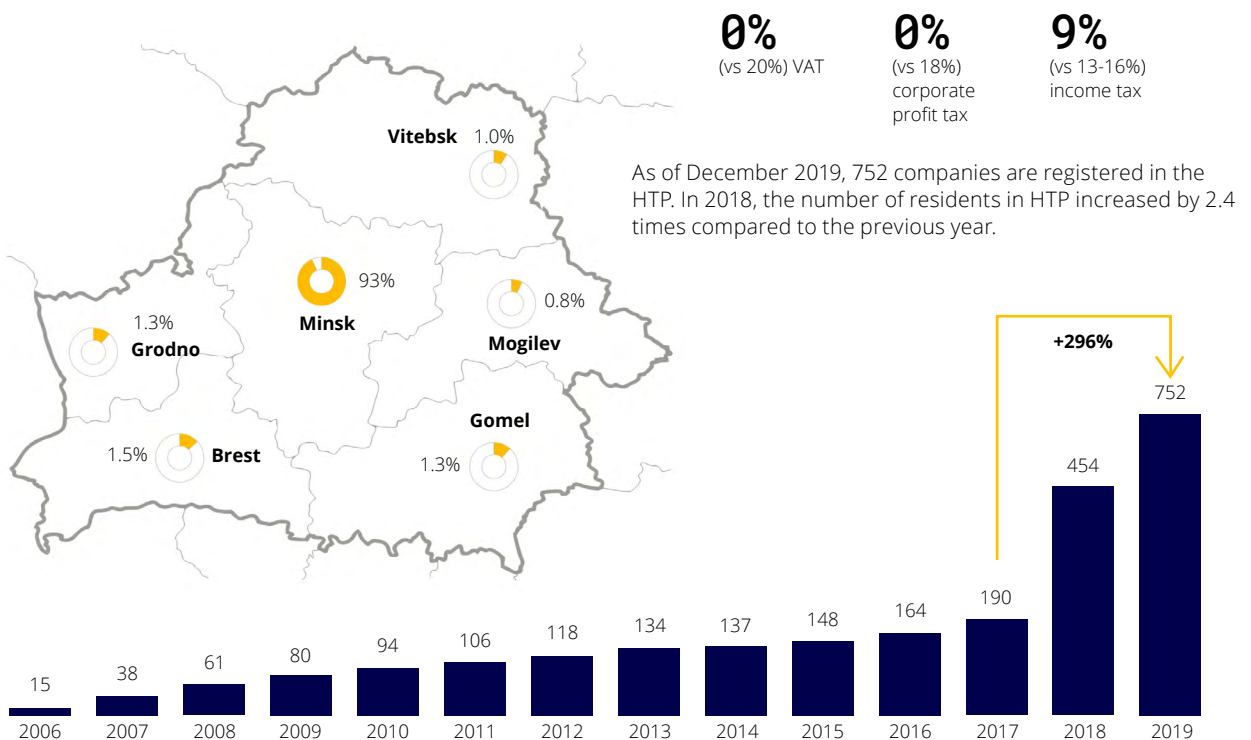


THE SPECIAL ECONOMIC ZONE REGIME IMPLEMENTED IN THE HI-TECH PARK PROVIDES CLEAR BENEFITS TO ITS RESIDENTS

THE HI-TECH PARK IN NUMBERS

THE HI-TECH PARK (HTP) is a unique economic zone with a special tax and legal regime in Belarus, contributing to the favorable development of the IT business.

More than 90% of all HTP residents are located in Minsk. At the moment the presence of HTP member companies in the regions is low.



1 - FDI figures are provided from 2018; 2 - Naviny.by
Source: CIVITTA analysis, Ministry of Economy, open sources, park.by

BELARUS HAS A SOLID STEM EDUCATION SYSTEM: ONE IN FOUR BELARUSIAN STUDENTS IS ENROLLED IN ONE OF 70+ STEM SPECIALTIES

KEY STEM* UNIVERSITIES

70+

IT specialties at universities

25%

of students are enrolled in STEM disciplines

STEM education in Belarus includes 2 groups of disciplines: experimental sciences, technology and engineering.

In 2017/2018, about 75 000 people or 25% of all students enrolled in these disciplines.



BELARUSIAN STATE UNIVERSITY (BSU)

IT DEPARTMENTS |

Faculty of Applied Mathematics and Computer Science
Faculty of Radiophysics and Computer Technologies

FACILITIES |

There are 13 research labs established in collaboration with leading IT companies, as well as 5 academic and educational centers



BELARUSIAN NATIONAL TECHNICAL UNIVERSITY (BNTU)

IT DEPARTMENTS |

Faculty of Information Technologies and Robotics

FACILITIES |

There is the possibility to conduct research in the science and innovation lab of industrial automation (magnetic diagnostics and processing sector)



BELARUSIAN STATE UNIVERSITY OF INFORMATICS AND RADIOELECTRONICS (BSUIR)

IT DEPARTMENTS |

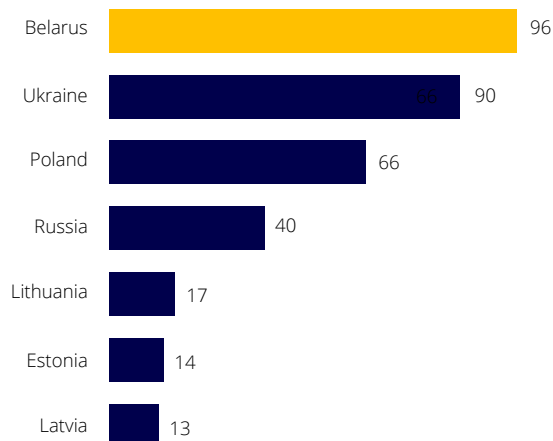
Faculty of Information Technologies and Control, Faculty of Computer Systems and Networks

FACILITIES |

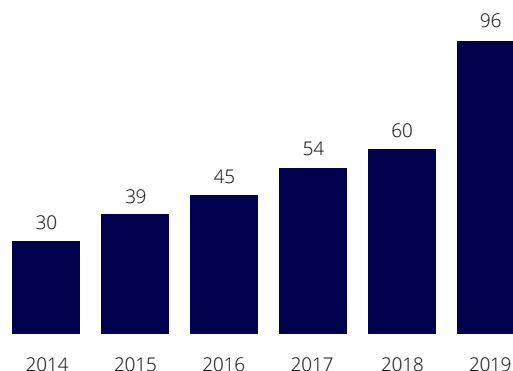
The university has 4 affiliated branches at industrial enterprises of Belarus, as well as 6 research labs, 3 of which were created in collaboration with the leading residents of the HTP. The university is a partner of leading foreign technology providers such as IBM, Siemens, Philips, Intel and Lenovo

AN ABUNDANCE OF TECH TALENT CONTRIBUTES TO THE GROWING NUMBER OF R&D CENTERS IN BELARUS

NUMBER OF R&D CENTERS



ESTIMATED NUMBER OF R&D CENTERS, 2014-2019



... AND TOP RESULTS IN DIFFERENT COMPETITIVE PROGRAMMING COMPETITIONS

RECENT VICTORIES OF BELARUSIANS AT INTERNATIONAL COMPETITIONS

2019



Gold medal – SnackDown 2019 (India)



Gold medal – Hash Code

2018



2 Gold and 2 silver medals – International Olympiad in Informatics (IOI)



Gold medal – Google Code Jam International Programming competition (Toronto)



Gold medal – Hash Code



Gold medal – Yandex.Algorithm



7 Bronze medals – Technocup



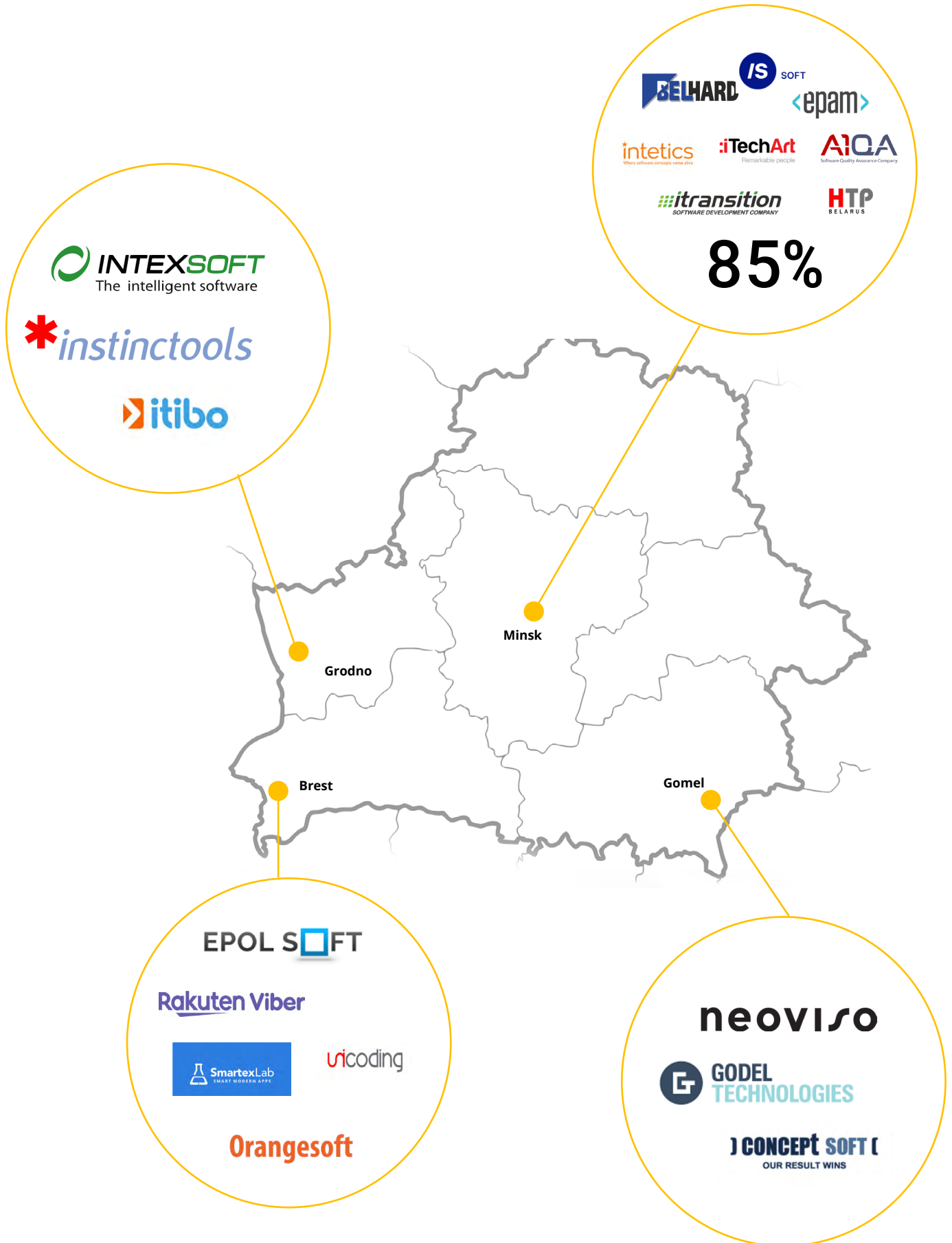
Silver medal – AI Cup: CodeBall

CUMULATIVE NUMBER OF MEDALS IN CODE JAM – GOOGLE'S CODING COMPETITIONS

code jam
by GOOGLE

	GOLD	SILVER	BRONZE
Belarus	7	1	0
Russia	2	2	7
Poland	2	1	1
Ukraine	0	1	0
Latvia	0	0	0
Lithuania	0	0	0
Estonia	0	0	0

R&D CENTERS ARE NOT ONLY SET UP IN MINSK, BUT ALSO IN REGIONAL AREAS



APPROX. 60 R&D CENTERS OF INTERNATIONAL TECH COMPANIES ARE LOCATED IN BELARUS



Headquarters: Newtown, USA
R&D center: Minsk
R&D activity: development and testing of embedded and custom software, implementation of software solutions.



Headquarters: San Francisco, USA
R&D center: Minsk
R&D activity: building a platform for health and fitness, as well as a variety of “smart” devices for collecting and analyzing users’ physical activity.



Headquarters: New York, USA
R&D center: Minsk
R&D activity: development of IT management software that allows MSPs or International IT teams to succeed.



Headquarters: Prague, Czech Republic
R&D center: Minsk
R&D activity: all aspects of clients’ IT needs, including end-to-end software development, migration, maintenance, consulting. The focus areas are SAP solutions, mainframe and enterprise apps, analytics, cloud computing.



Headquarters: Copenhagen, Denmark
R&D center: Minsk
R&D activity: development of AdTech software for placing and managing advertisements on the Internet, TV, mobile, outdoor advertising, and dashboards all over the world.



Headquarters: Luxembourg, Luxembourg
R&D center: Minsk, Brest
R&D activity: development and maintenance of instant messaging software apps for IOS and Android platforms.



Headquarters: Washington, D.C., USA
R&D center: Minsk
R&D activity: working on AR navigation, developing HD maps for fully automated cars.



Headquarters: New York, USA
R&D center: Minsk
R&D activity: cloud app development for risk management and financial management.



Headquarters: Kyiv, Ukraine
R&D center: Minsk
R&D activity: software development, technical solutions and project management consulting in Agile methodology.



Headquarters: Mountain View, USA
R&D center: Minsk
R&D activity: development and implementation of software on SAP, as well as on engineering of web, mobile, and cloud/server software solutions.



Headquarters: New York, USA
R&D center: Minsk
R&D activity: mobile app development; the company’s product portfolio consists of 150+ global brands (Tinder, Vimeo, Dottedash, etc.).



Headquarters: Icheon-city, South Korea
R&D center: Minsk
R&D activity: development, testing and maintenance of embedded software for flash memory controllers on storage devices.



Headquarters: Tokyo, Japan
R&D center: Minsk
R&D activity: development of technical solutions, delivery, installation, configuration, and maintenance of equipment of automatic telephone exchanges.



Headquarters: London, Great Britain
R&D center: Minsk
R&D activity: the center combines important sources of information, analysis, and expertise to find solutions in any industry and in any market.



Headquarters: Moscow, Russia
R&D center: Minsk
R&D activity: creation and development of products and services for Yandex.Search, Yandex.Browser, Yandex.Maps, Yandex.Mail, Yandex.Metrica.



Headquarters: Douglas, Great Britain
R&D center: Minsk
R&D activity: software development for gambling.



Headquarters: Minsk, Belarus
R&D center: Minsk
R&D center activity: production of specialized devices for the needs of hardware startups.



Headquarters: San Diego, USA
R&D center: Minsk
R&D activity: building an online gaming platform and an editing tool for it.

MAPBOX TRUSTS BELARUSIAN ENGINEERS TO DEVELOP INNOVATIVE PRODUCTS

MAPBOX IN MINSK

ABOUT MAPBOX | open source mapping platform for custom designed maps. **\$228 million – the total amount of investments raised.**

MINSK OFFICE | in 2017 Mapbox opened an R&D office in Minsk. A locally-based team is developing advanced solutions in the field of computer vision and autopilot.

MAIN REASONS FOR COMING TO BELARUS | presence of highly qualified professionals; liberalization of legislation in the field of startup regulations.

MAPBOX IMPACT ON LOCAL TECH ECOSYSTEM

The local team works on AR, VR and autopilot related technologies. The Minsk office deals with technology connected with the route elaborations and developments in the field of mobile SDK.

International R&D center

opening an R&D center after acquiring the local company MapData.

Innovative product

Launching Vision SDK: a developer toolkit for integrating camera, smartphone and car capabilities.



image courtesy: Mapbox

THE MINSK TECH ECOSYSTEM OFFERS A WEALTH OF EXCELLENT ENGINEERING TALENT

**PETER SIROTA (SR VP ENGINEERING AT MAPBOX)
TALKS ABOUT THE OPENING OF AN R&D OFFICE IN MINSK,
AND KNOWLEDGE EXCHANGE MADE POSSIBLE
BY TAPPING INTO LOCAL TALENT RESOURCES AND GLOBAL
CAPITAL MARKETS**



What were the main reasons for setting up an R&D office in Minsk, Belarus?

In planning our international business expansion, it became clear that Minsk is an opportune location to open our Research and Development office.

The Belarusian government provides a fertile environment for high tech development, with excellent benefits for businesses working to develop new and emerging technologies. The simplified regulation and tax benefits offered by the government made Belarus the ideal place to grow our business and development teams.

We've gained access to the exceptional engineering talent in Minsk, and have been able to create job opportunities in the market. As work commenced on one of our key products, the Mapbox Vision SDK, we needed to hire a number of strong computer vision scientists and engineers to help us build something that has never been created before. Through our market research, and with the help of Bulba Ventures, we discovered that Minsk has a high concentration of the type of talent that could help make this difficult and innovative project a reality. Yury from Bulba Ventures was especially helpful!

Not to mention Minsk is a very beautiful and convenient city with attractions that appeal to our employees, and the ability to draw talent from many other former Soviet republics, including Russia. It's an ideal place for Russian speakers to settle outside of their own country.

What are the strongest aspects of the Minsk tech ecosystem?

The Minsk tech ecosystem offers a wealth of excellent engineering talent that is readily

available, tax and regulatory benefits for high tech businesses, proximity to European markets including Russia and Western Europe, along with a neutral political environment that is friendly to all neighbors from east to west.

What impact does Mapbox bring to the local tech ecosystem?

Mapbox impacts the local tech ecosystem in a few ways and brings important benefits to Minsk and Belarus.

The company is expanding quickly and is hiring the best available engineers, creating employment opportunities, and leading them through some of the toughest and most interesting technical challenges that exist today.

With Vision, Mapbox is building a groundbreaking cutting edge product, bringing its technical capacity global reach and its customer base to Minsk, as well as teaching local engineers how to build a product that can be scaled in technical leadership across the globe.

The team has worked hard to integrate into the local community, building a presence by hosting meetups and speaking at conferences to share leadership skills, knowledge and experience with the broader tech community.

Finally, we bring the spirit of Silicon Valley and a culture of entrepreneurship to Minsk, showing entrepreneurs how to build a scalable business that is able to generate value through hard work and ingenuity. Tapping into local talent resources and global capital markets makes this possible. Our sincere hope and desire is to see Belarus and the startup ecosystem in Minsk become a highly-regarded, global player in the arenas of tech innovation and invention.

STARTUP ECOSYSTEM IN BELARUS



HERE ONE CAN REALIZE HIS/HER POTENTIAL AND TRULY ACHIEVE SOMETHING

ALEXANDER CHEKAN (PARTNER AT HAXUS) SPEAKS ABOUT THE RISE OF THE BELARUSIAN STARTUP ECOSYSTEM, ITS STRENGTHS AND CHALLENGES



Which factors influenced the development of the Belarusian startup ecosystem?

High-quality service tech companies such as EPAM have existed in Belarus for a while. New types of businesses started to form around these companies, ones similar to startups in the modern sense of the word. There were cases when ideas were born inside service companies, and company clients could then invest into these new creations. To bring these ideas to life, smaller teams were built within these companies and worked not only for a salary but also for equity.

This particular moment in time is crucial as Belarusian companies were proactively suggesting these ideas to their clients. In those times, there were no startup-weekends or pitch sessions in Belarus. Service companies simply had ongoing projects and new ideas emerged from these projects.

After a while, the first 'true' startups began to appear. The "tech service/outsourcing" company experience cultivated not only a number of engineers but also product and project managers. They began to launch new companies based on the classic startup model. Nowadays, there are more and more startups in Belarus, and institutional investors are starting to emerge.

Another critical factor is the success stories of local tech entrepreneurs who became role models for the upcoming generation of startup founders. Among them are Victor Kislyi (Wargaming), Yury Melnichek (MAPS.ME, AIMATTER, Bulba Ventures), Yuri Gurski (Flo, Haxus), Sergey Gonchar (MSQRD), Eugene Nevgen (MSQRD), and others. Their success paved the way for new startups to emerge.

What does the local ecosystem need in order to keep up with its dynamic growth from recent years?

There are a number of things. First — a modern education in the broad sense of the word. Education provides talent for the industry. The second aspect is the overall business climate that helps to retain this talent in the country. Currently, 13,000 to 16,000 students graduate each year, but let's say 100,000 graduate with 90,000 going abroad — it would actually make no difference how many students complete their education as the majority would leave the country. We have to think not only about the pipeline that provides the water for the swimming pool but also about the plug that prevents that same water from draining away. We either have it keeping the water in or we don't.

It's important to mention that the industry owes a lot to large companies such as EPAM who can afford to take on students and upskill them. Startups cannot afford to do that. In a startup, you may have a team of 3 that from the onset has to be trained and experienced like the special forces. This is why the growth and development of existing employees is a big and important project. There are also a lot of discussions around the business climate. It is a very important aspect that needs constant development.

What strengths and challenges do you see in the Belarusian startup ecosystem?

Local teams focus on building global products from the very beginning — this is one of the key strengths of the ecosystem. Another strong point is the overall feeling in the community. Despite all the challenges, the community recognizes the amazing growth of the industry and one can feel

that the environment is very supportive. Here one can realize his/her potential and truly achieve something. One can feel it at all levels, starting from friends & family and ending with the government.

Imagine you are a very talented musician with great potential but you live in a place that doesn't have a single conservatory within 5,000 km. The tech community has the privilege of benefiting from a lot of opportunities and networking links.

The challenges lie in the field of education and business climate. There is always a lack of people. The industry is growing faster than the creation of regulations and existing norms and rules in the society. This happens everywhere. I would also add that there is a lack of funding in the ecosystem, but it's a "chicken and egg" problem.

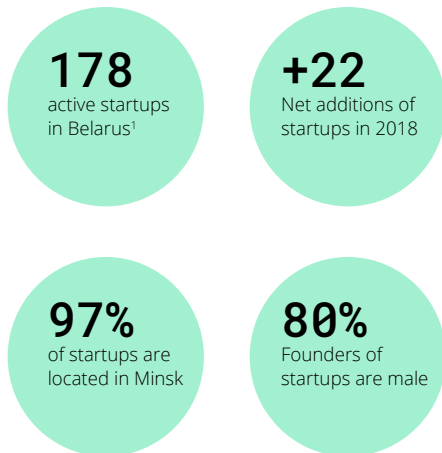
Some challenges are universal. There are countries with amazing business climates but lacking strong educational systems, like Cyprus: there is British law, zero dividends but a weak talent pool.

The Belarusian ecosystem can be described using the classic triangle of "quick, cheap, high-quality". Most of the time we can only have two of the three. You can go where there is more talent and convenient regulations (such as London or Silicon Valley) but it won't come cheap. If you choose to go cheap and with great regulations, you'll find a lack of talent. It's important to recognize that each ecosystem is trying to find this balance. And this is an ongoing process. Today Belarus is also looking for this balance.

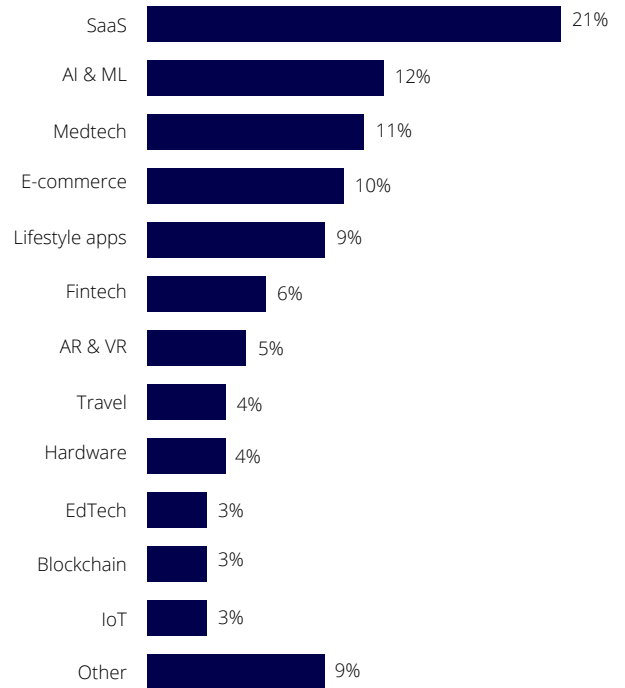
178 ACTIVE STARTUPS IN BELARUS AT THE BEGINNING OF 2019

SNAPSHOT OF THE BELARUSIAN STARTUP ECOSYSTEM

- 178 active startups in Belarus at the beginning of 2019
- About one third are residents of HTP
- SaaS, AI & ML are the most popular areas among startups

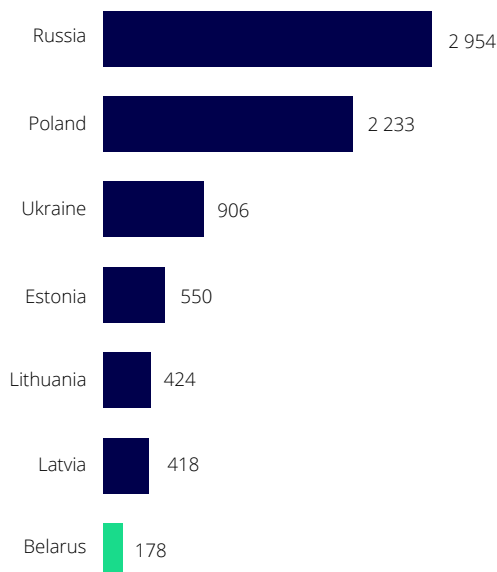


STARTUPS BY INDUSTRY, %

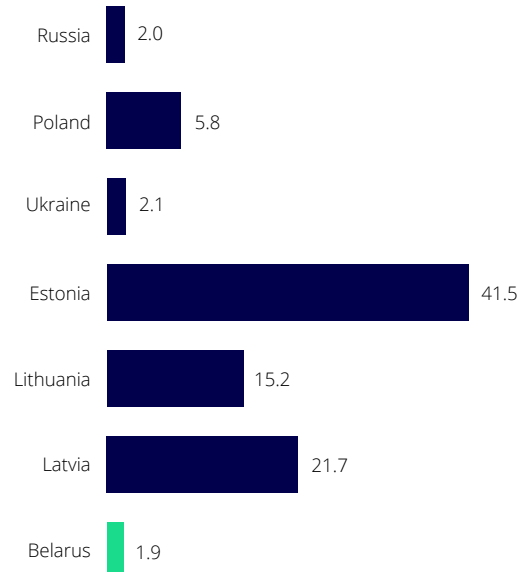


COMPARED TO ITS NEIGHBOURING COUNTRIES, BELARUS IS YET TO CATCH UP ON THE CONCENTRATION OF STARTUPS

NUMBER OF ACTIVE STARTUPS



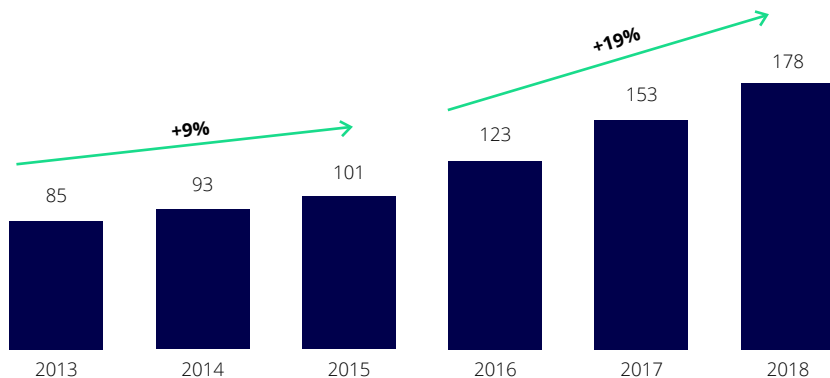
NUMBER OF STARTUPS PER 100,000 INHABITANTS



¹ - as of 06.2019
Source: Dealroom, Crunchbase, media, startup surveys

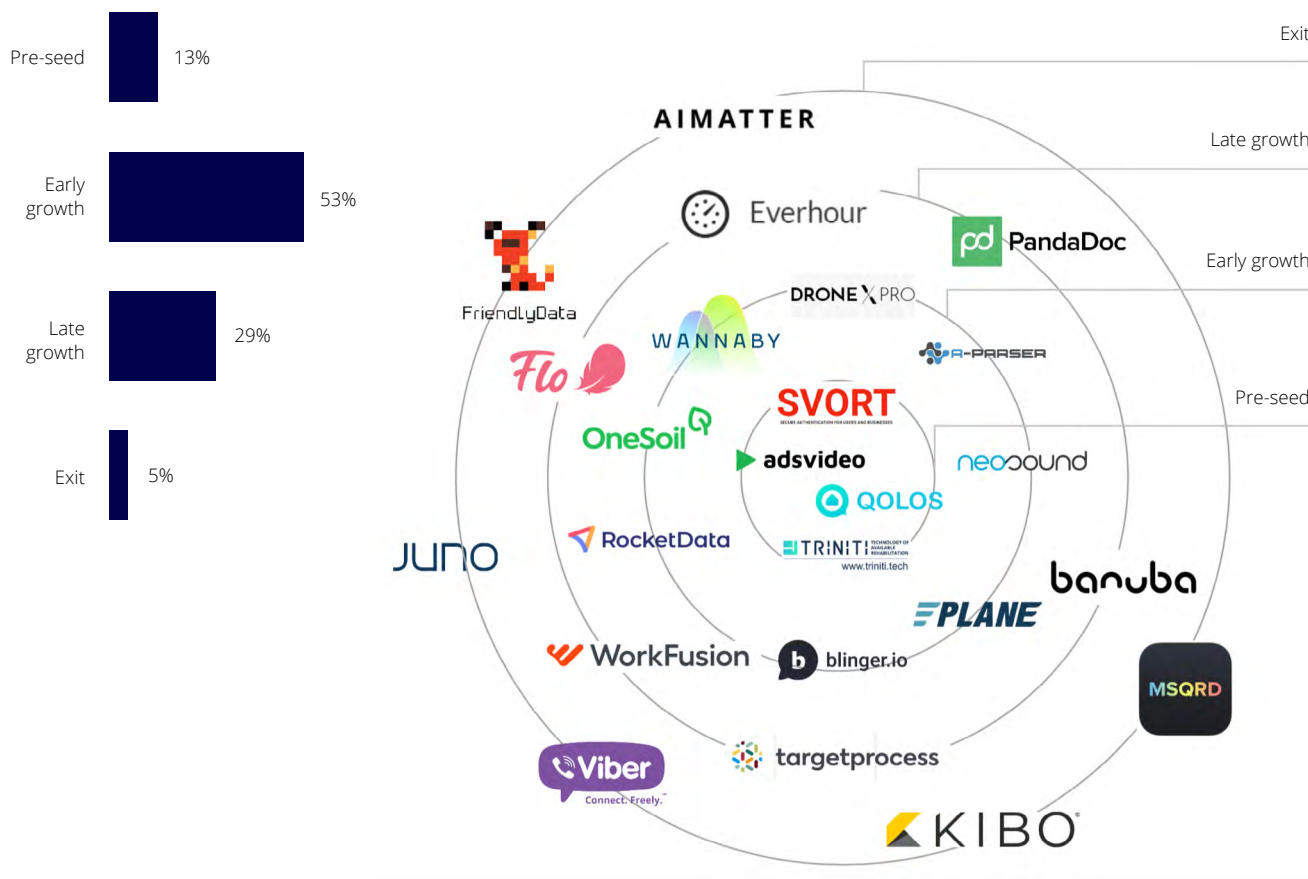
THE SITUATION IS RAPIDLY CHANGING; THE NUMBER OF STARTUPS HAS DOUBLED SINCE 2013, WHILE THE GROWTH RATE HAS ACCELERATED IN RECENT YEARS

NUMBER OF STARTUPS BY YEAR



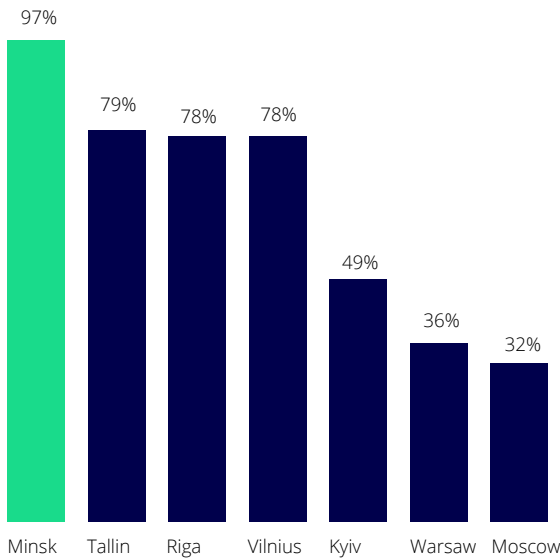
THE MAJORITY OF STARTUPS ARE AT THE EARLY STAGE OF DEVELOPMENT

PROPORTION OF STARTUPS BY STAGE OF DEVELOPMENT

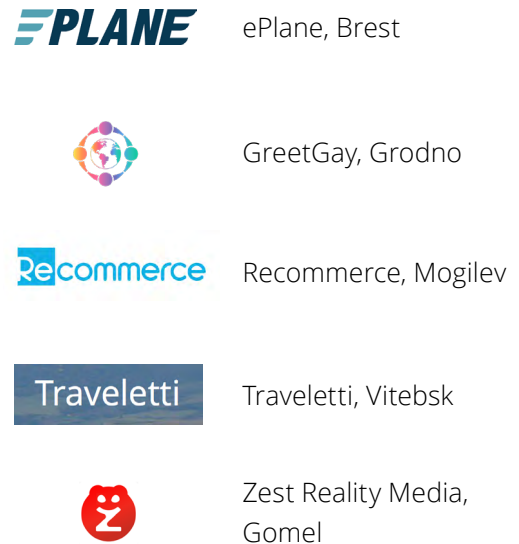


MINSK ACCOUNTS FOR 97% OF STARTUPS, OTHER REGIONS ARE HOME TO ONLY 6 STARTUPS

CONCENTRATION OF STARTUPS IN CAPITAL CITIES, % OF TOTAL



STARTUPS LOCATED IN REGIONAL CENTERS



RECENTLY A NUMBER OF SUCCESSFUL STARTUP EXITS HAVE TAKEN PLACE



Product: Viber allows to message online, make video and voice calls.

Exit: In 2014, **Rakuten** announced its intention to purchase **Viber** for \$900 million.



Product: Online trading with cloud solutions.

Exit: In January 2016, **Vista Equity Partners** acquired **Fiverun** and launched a new multi-channel commerce solutions company, **KIBO**.



Product: Live filters & face swap for video selfies.

Exit: In March 2016, **Facebook** acquired **MSQRD**.



Product: Online taxi service for the US market.

Exit: In 2017, **Gett** (the company also provides taxi services) acquired Juno. The price of the transaction was \$200 million.



Product: Neural network-based AI platform and SDK to detect and process images on mobile devices.

Exit: In August 2017, **Google** acquired **AIMatter**.



Product: FriendlyData makes enterprise data accessible for business people by providing a natural language interface to databases.

Exit: In October 2018, **ServiceNow** acquired FriendlyData.



IT WOULDN'T BE AN EXAGGERATION TO SAY THAT LEGISLATION FOR THE STARTUP ECOSYSTEM IS SOMETHING SIMILAR TO WHAT SOFTWARE DEVELOPMENT KIT (SDK) IS FOR ENGINEERS

DMITRY MATVEYEV (PARTNER AT THE LAW FIRM "ALEINIKOV & PARTNERS") TALKS ABOUT THE IMPORTANCE OF LEGISLATIVE REFORMS FOR THE LOCAL ECOSYSTEM AND GLOBAL COMPETITION FOR TALENT, TECH AND VENTURE CAPITAL



Which legislative reforms influenced the development of the Belarusian startup ecosystem?

I would suggest looking at this question from the "behavioral economics" perspective. Or, if I may, from the perspective of "behavioral law". How do we create an ecosystem that would make startups want to incorporate in Belarus rather than in Delaware or Cyprus? First, in many countries startups are provided with tax incentives. And Belarus is no exception. Here, I have to mention the Hi-Tech Park. It has received a substantial upgrade after the implementation of the Presidential Decree #8 "On The Development Of The Digital Economy" and now many startups are members of the Hi-Tech Park. What's really important for these startups is the opportunity to decrease the burn rate while saving on income tax (9% for Hi-Tech Park members instead of the usual 13%) and on deductions to the Social Security Fund.

Second, countries with a developed venture industry have comprehensive and common fundraising tools. It is a "must-have". Such tools are provided for in the Decree mentioned above, in the form of a convertible loan. Speaking of which, we are expecting convertible loans to appear in the Belarusian Civil Code.

Another important aspect is the introduction of rules regarding employee options. It's hard to imagine a startup without them. Local companies can now formalize documentless relations with foreign companies. In particular, widely used public offers posted on the websites

of foreign companies can now be used. Simply put, there is no need to ask, let's say 'Google', for a physical stamp on their documents.

How do you evaluate the importance of legislation for the development of the local startup ecosystem?

It wouldn't be an exaggeration to say that legislation for the startup ecosystem is something similar to what software development kit (SDK) is for engineers. It defines the functionality of a certain jurisdiction. For example, Delaware's SDK is great. We need ours to be the same, if not better. Why is that important? Venture investors and startups use clearly defined and well-known rules all over the world. If the logic of the economy is telling them to use liquidation preferences, they need to have the ability to legally formalize this option in the country where their startup is located and where the investments are directed to. If such an opportunity doesn't exist, investors might advise the founders to create a company in a more loyal jurisdiction. It is important to be aware of the competition that exists among nation states for financial flows, talent, and technologies. The competition became even more fierce when moving from country to country became easier for businesses. This development means that each nation should be concerned about the quality of its legal environment. You may not be able to find Gibraltar on a map, but you most definitely will have heard about how this country's government is creating favorable conditions for blockchain startups. Belarus, by the way, also created

a whole ecosystem for startups that use blockchain technologies.

What future steps are necessary for further advancement of regulations in our local tech sector?

The process of improving tech legislation should never stop because this industry is highly versatile and dynamic. Simply put, technologies outspeed the law. Currently lawyers are thinking about the legal status of robots. Should they be thought of as individuals, legal entities, animals or objects? Or should an absolutely new legal reality be created for robots? All these questions were raised back in 2016 by the European Parliament's Committee on Legal Affairs.

After conducting research, the Committee suggested to introduce a completely new legal status — “electronic person”. Nevertheless, many challenging questions still arise in the process. How do we construct legal rights and obligations for electronic persons? Will robots pay taxes? Does somebody have a right to destroy a human-like robot? We also need

to decide whether we will grant rights only to human-like robots or to vacuum-cleaning robots too? Autonomous vehicles and the integration of AI into various industries will prompt even more questions. What kind of decisions should a neural network make in an emergency situation? Speaking of which, what about drone aircrafts that surveil country borders? Such aircraft incorporate neural networks trained to attack targets in certain situations. The big question here is who will be held responsible? The person who trained the neural network or the person who actually launched the aircraft? What data should we use to train neural networks and what is the size of the dataset required to minimize possible system errors? It needs to be decided in which industries and areas AI can be freely integrated and which ones require regulation: military technologies, managing nuclear power plants, etc.

To sum up, I will say that the Belarusian legislation can significantly contribute to the international legal discussion if an attempt is made to answer such questions.

BELARUS OFFERS VISA-FREE ENTRY POSSIBILITIES

	Startup Visa	Startup registration costs	Privileges
BELARUS	✗	Min €0 charter capital €25 for registration	Visa-free entry: for investors of the “Great Stone” industrial park; for foreign citizens hired by HTP residents, as well as for founding members of HTP.
LITHUANIA	✓	Min €3,000 charter capital €34 for registration	Resident status: startup visa can be classified as a residential permit for one year with the possibility to prolong for one more.
LATVIA	✓	Min €3,000 charter capital €34 for registration	Equal conditions and terms: similar business terms and conditions for both residents and non-residents.
ESTONIA	✓	Min €2,500 charter capital €190 for registration	Resident status: any foreigner can receive e-residency, which gives almost equal rights as residents. It has become easier to hire a skilled foreigner at the national level as the government has introduced special rules and schemes.
UKRAINE	✗	Min €140 charter capital = min salary €67 for registration of legal address	Salary: any non-resident has the right to reduce their monthly taxable income from an employer to the amount of one social tax benefit.
POLAND	✗	Min €1,200 charter capital Registration is free, but a person must be an EU citizen or have a residence permit	Employment certificate: simplified permission for citizens of Belarus, Georgia, Russia, Ukraine, and Moldova.
RUSSIA	✗	Min €153 charter capital €61 for registration	Taxes: a reduction of income tax to 13% for highly skilled workers, as well as a reduction of profit tax upon getting a residence permit.

DECREE NO.8 ALLOWS FOR THE USE OF ENGLISH LAW INSTITUTIONS IN THE HI-TECH PARK

	Stock options	Convertible loans	Drag-along and tag-along terms in shareholder agreements
BELARUS	✓ For HTP residents and foreign companies with R&D offices in Minsk.	✓ For HTP residents and their counterparties	✓ Permission to conclude agreements with all necessary conditions and terms
LITHUANIA	✗ Information is absent	✓ Exist, but are not common	✓ Allowed but not common
LATVIA	✓ Only JSCs are entitled to provide stock options for employees	✓ Exist, but are not common	✓ Allowed, applied in practice
ESTONIA	✓ According to Index Ventures Research, Estonia’s approach to options was the most favorable in comparison to 18 EU countries	✓ Exist, applied in practice	✓ Allowed, applied in practice
UKRAINE	✗ No clear regulations in the legislation	✗ Not provided by law	✓ Allowed, however, there are frequent difficulties in practice
POLAND	✓ About 30% of large Polish companies have option schemes	✓ Exist, applied in practice	✓ Allowed but are not common
RUSSIA	✓ Exist, but are used in a small number of companies	✓ Borrower may be an LLC or a non-public JSC	✓ Allowed, applied in practice

FREE TRADE ZONES AND THE HTP ARE PLACES WHERE STARTUPS CAN GET TAX EXEMPTIONS AND OTHER PRIVILEGES

BELARUS

FREE TRADE ZONES | 0% tax on profits for 5 years from the date of declaration of profit, and further reduced rate of 50%; 0% tax on real estate in the free trade zone.

HTP | 0% tax on profits, 0% VAT, 9% income tax.

PRODUCT | 50% VAT exemption if selling products included in the import-substituting goods list on the territory of Belarus.

LATVIA

FREE PORTS AND SPECIAL ECONOMIC ZONES | Allowance of 80% on real estate tax, income tax, and dividends tax.

“STARTUP” STATUS | Allows for some tax breaks, special conditions and terms for the payment of social insurance for employers.

INCOME TAX | The right to reduce tax by 100% for new innovative companies.

GENERAL TAX ON LABOR PAYMENT | 41.9%

UKRAINE

SOME PREFERENTIAL RULES EXIST

TECHNOPARKS |

Innovative businesses can apply for the special status of innovative activity (companies can apply for specific-purpose subsidies).

PROFIT TAX | gradual decrease in income tax rates from 25% to 16% over 4 years; an exemption from profit tax for small businesses within 5 years.

REPORTING | A simplified tax reporting system.

GENERAL RULES

CORPORATE INCOME TAX | 18%

VAT | 20%

PERSONAL INCOME TAX | 18%

RUSSIA

PREFERENTIAL RULES EXIST

SKOLKOVO RESIDENTS |

CORPORATE INCOME TAX | Exemption from profits tax (vs 20%),

VAT | 0% (vs 20%).

PERSONAL INCOME TAX | 13%

LABOR CONTRIBUTIONS | 14% (vs 30%).

LITHUANIA

CIT¹ | Ordinary rate is 15%. The rate can be reduced to 0% for the first year if certain conditions are fulfilled.

INCOME TAX | There is an opportunity to reduce tax by 100% for innovative activity enterprises. There is a full tax exemption for enterprises investing in the Lithuanian free trade zones

GENERAL TAX ON LABOR PAYMENT | 39.2%

ESTONIA

NON-DISTRIBUTED PROFIT | Is non taxed. This profit can be used or reinvested in any way before distribution.

DISTRIBUTED PROFIT | Is taxed at a rate of 20%. The average amount of profit for the previous 3 years is taxed at 14%, later – at 20%.

GENERAL TAX ON LABOR PAYMENT | 38%

POLAND

SOME PREFERENTIAL RULES EXIST

FREE TRADE ZONES |

TAXES | Full tax exemption for a period equal to half of the period specified as the zone's validity period, 50% tax rebate during the second period.

WEALTH TAX | 10-year exemption from property tax, simplified procedures for selling property and entering into heritage rights

GENERAL RULES

VAT | 21%.

PERSONAL INCOME TAX | 19%

LABOR CONTRIBUTIONS | ~34%: employer's contribution ranges from 19.21% to 22.41%, employee's contribution is 13.7%.

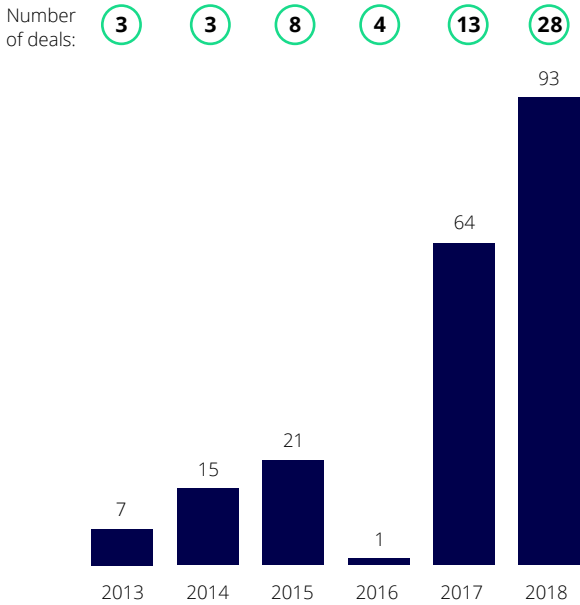
WEALTH TAX | Residents are exempt from property tax for a period of 5-10 years.

LAND TAX | Investors are exempt from land tax for 5-10 years.

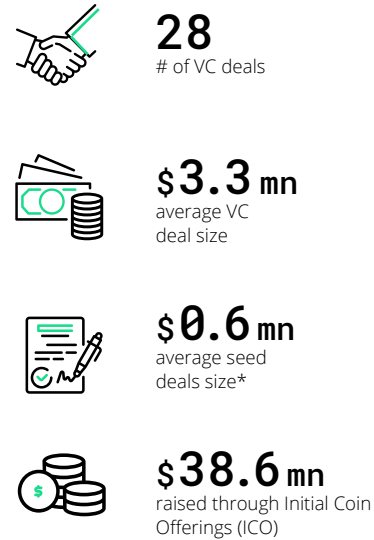
OTHER | 0% corporate property tax; compensation of customs payments in respect to goods imported for use in construction, machinery and equipment of real estate in Skolkovo or necessary for project participants to carry out activities

VC INVESTMENT IS GAINING MOMENTUM: IN 2018, INVESTMENTS REACHED A HISTORIC MAXIMUM OF 93 MILLION USD ACROSS 28 DEALS

VC INVESTMENT INTO BELARUSIAN STARTUPS, MN USD AND # OF DEALS



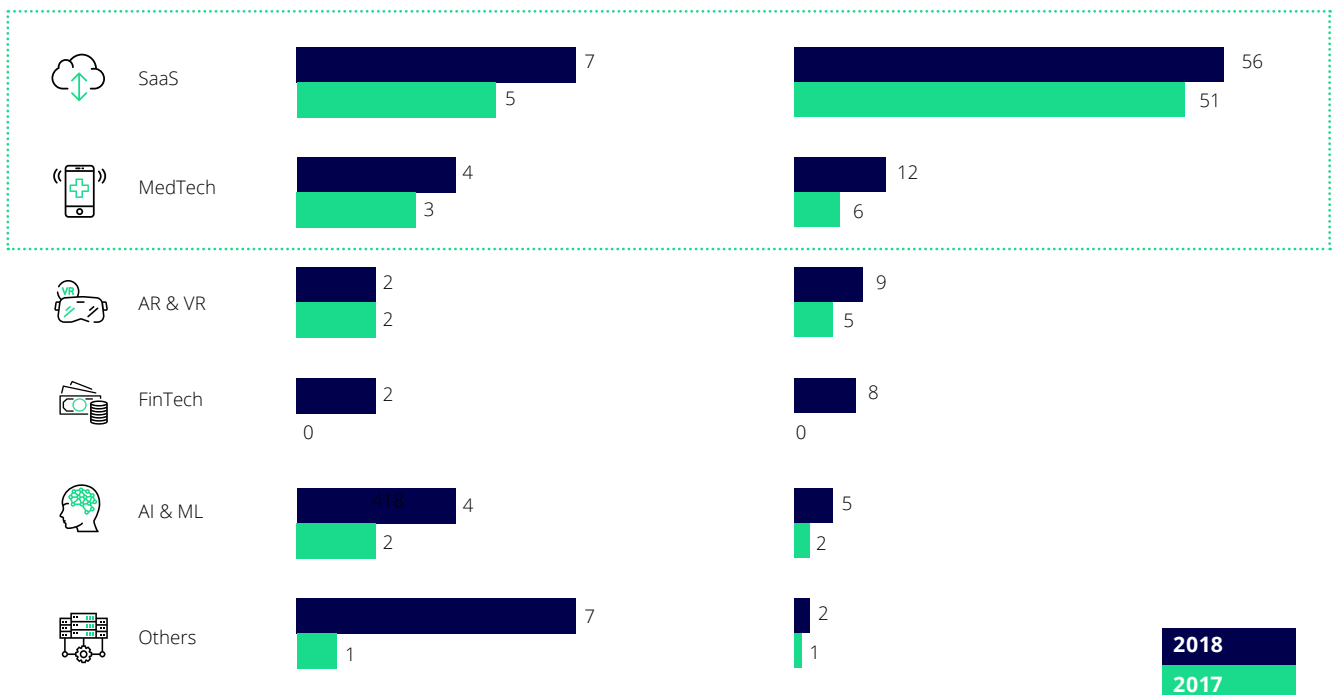
SNAPSHOT OF THE VC INDUSTRY IN 2018



STARTUPS IN SAAS AND MEDTECH CATEGORIES ACCOUNTED FOR 70% OF THE TOTAL INVESTMENT

NUMBER OF DEALS

TOTAL VALUE OF DEALS, MN USD



* Relatively large-sized VC deals of WANNABY, FaceMetrics and Dbrain are considered seed deals
Note: ICO funding is excluded

Source: Dealroom, Crunchbase, media, startups surveys

MORE THAN 80% OF THE FUNDS WERE RAISED BY THE 5 LARGEST STARTUPS

FUNDING, MN USD	STARTUP	AREA	INVESTORS (2018)
50	WorkFusion	SaaS	inovia, ngp capital, PNC, Georgian Partners, HAWK, DECLARATION
12	Flo Health	MedTech	MANGROVE CAPITAL PARTNERS, FLINT CAPITAL, SOCIAL DISCOVERY, HAXUS
8	Currency.com	FinTech	VP CAPITAL, LARNABEL VENTURES
7	Banuba	AR & VR	VP CAPITAL, LARNABEL VENTURES
5	Targetprocess	AR & VR	European Bank for Reconstruction and Development, SVBP
3	Dbrain	AI & ML	Chronobank.io, G2H2 Capital, scd2 ventures
2	WANNABY	AR & VR	:bulba, HAXUS
2	Facemetrics	AI & ML	VP CAPITAL, LARNABEL VENTURES
1	Fitstarter	Lifestyle	HCM
1	FriendlyData	SaaS	:bulba +5-7 investors

TOP 5 INVESTMENT DEALS MADE UP 88% OF THE OVERALL INVESTMENT AMOUNT

LARGEST STARTUP INVESTMENT DEAL, 2018, MN USD

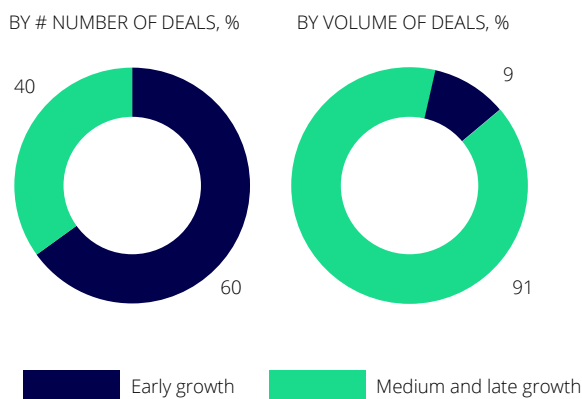
SHARE OF TOP 5 DEALS, 5 OF THE TOTAL

Estonia	177	Bolt	88%
Ukraine	100	GitLab	71%
Russia	85	Wayray	51%
Lithuania	59	Vinted	63%
Latvia	59	Groglass	73%
Belarus	50	WorkFusion	88%
Poland	36	IdoSel	43%

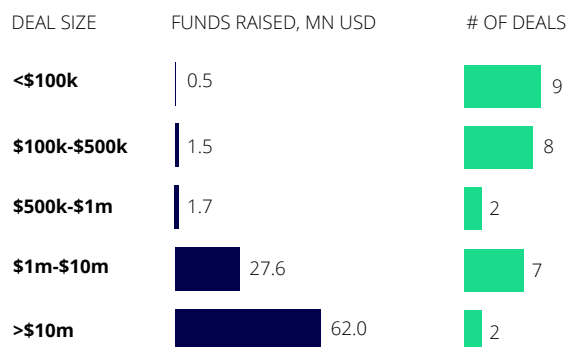
Note: ICO funding is excluded
Source: Dealroom, Crunchbase, media, startup surveys

WHILE EARLY-GROWTH STARTUPS ACCOUNT FOR MOST OF THE DEALS, A GREATER PROPORTION OF THE FUNDING IS ATTRIBUTED TO MORE MATURE COMPANIES

DISTRIBUTION OF VC INVESTMENT BY STAGE, 2018

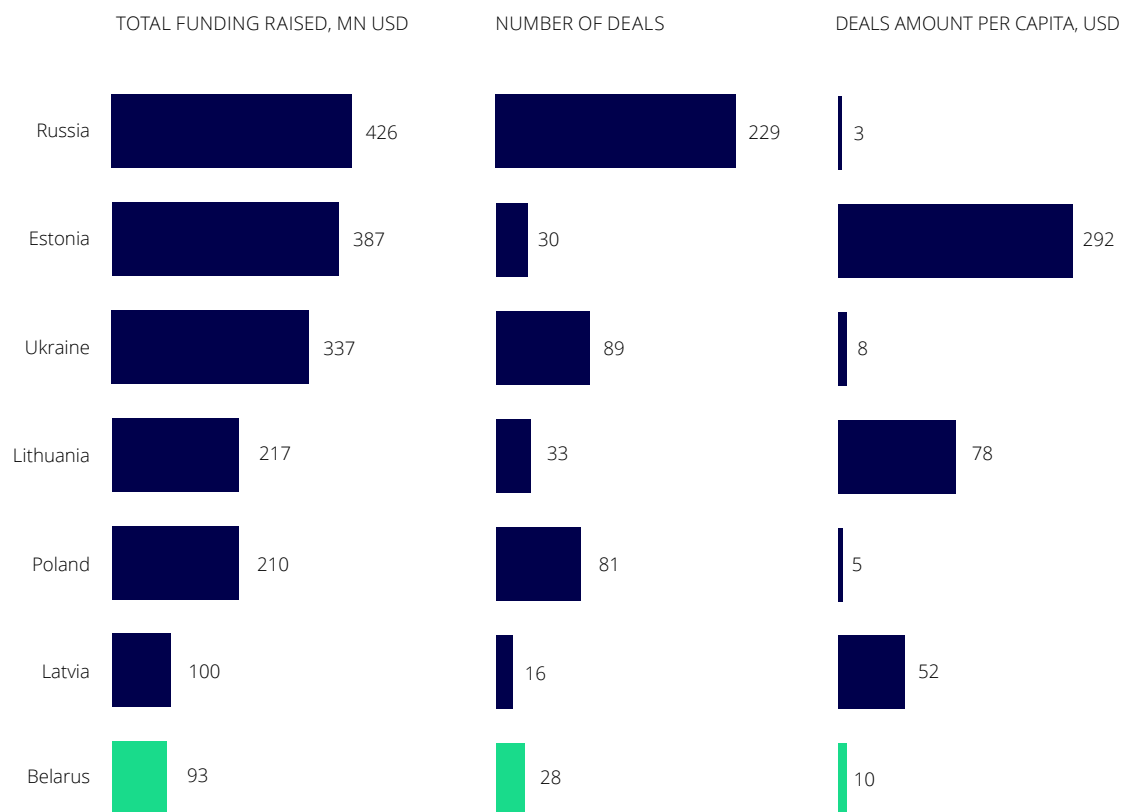


DISTRIBUTION OF VC DEALS BY SIZE, 2018

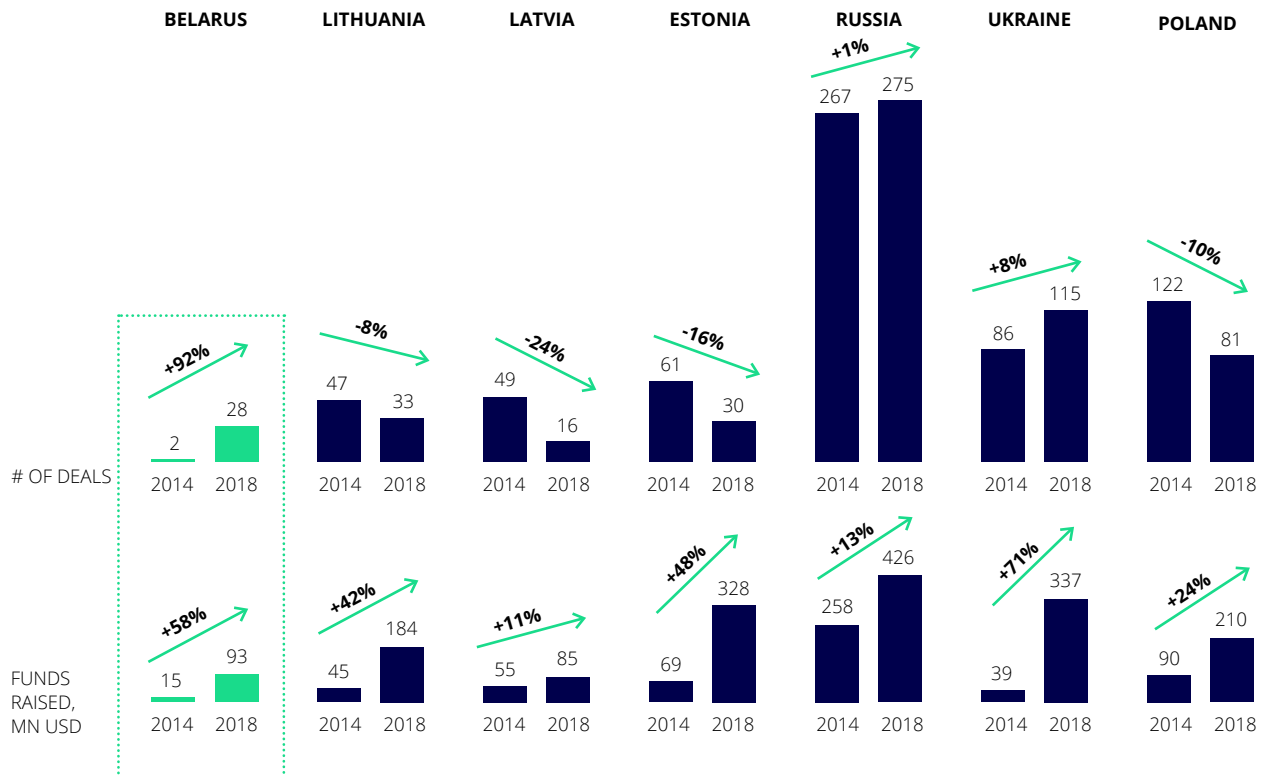


IN TERMS OF FUNDING RAISED, LOCAL STARTUPS STILL LAG BEHIND THEIR BALTIC COUNTERPARTS

CUMULATIVE STARTUP INVESTMENT, 2018

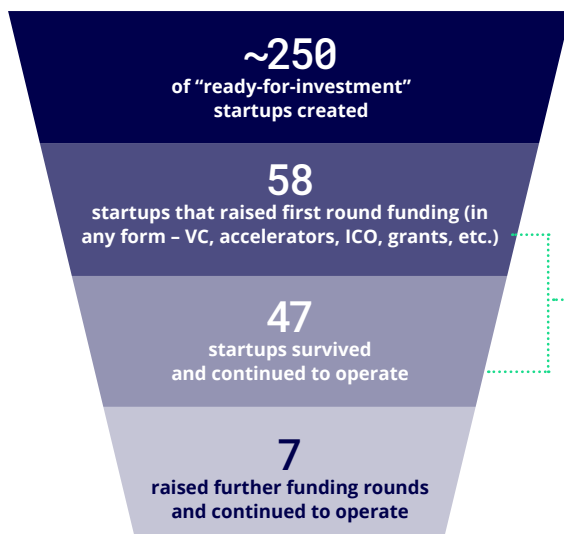


STARTUP INVESTMENT ACTIVITY IN BELARUS IS DEMONSTRATING PROMINENT GROWTH

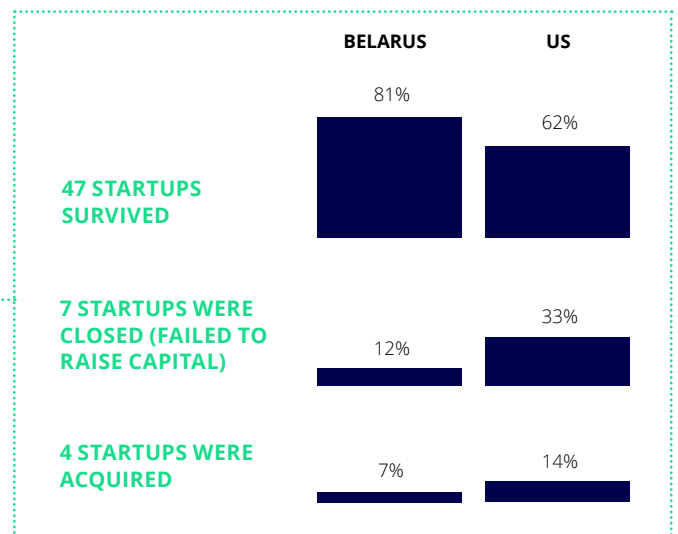


IN BELARUS, BOTH THE NUMBER OF CLOSED STARTUPS AND EXITS IS LOWER THAN IN THE US

STARTUP INVESTMENT FUNNEL, 2014-2019

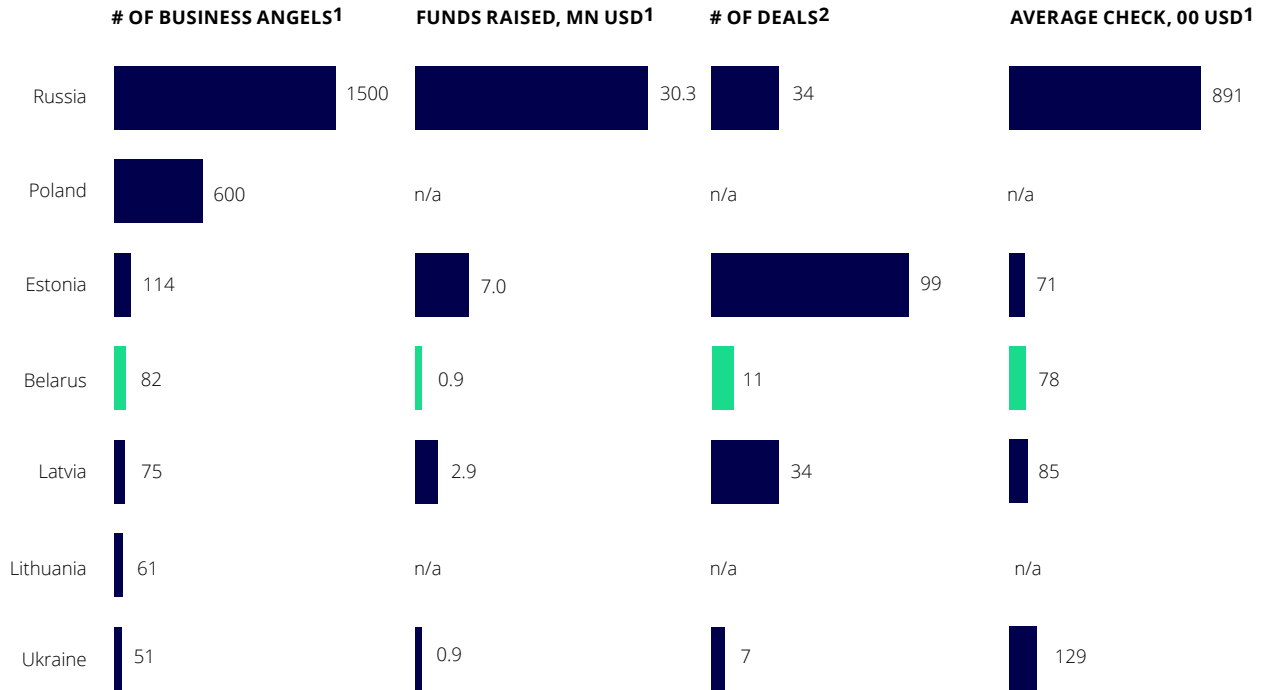


STARTUP INVESTMENT CONVERSION AND SURVIVABILITY RATES, BELARUS VS US



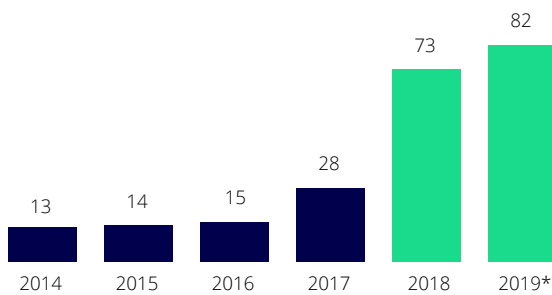
IN THE BALTICS THE EARLY STAGE FUNDING GAP IS BRIDGED BY BUSINESS ANGELS; IN BELARUS, ANGELS DO NOT PROVIDE ENOUGH FUNDING TO OVERCOME THE “DEATH VALLEY” PERIOD

BUSINESS ANGELS INVESTMENT STATISTICS (2018)

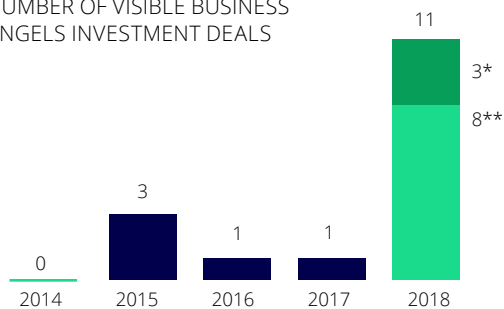


LAUNCH OF THE BUSINESS ANGEL NETWORK “ANGELS BAND” KICKSTARTED THE DEVELOPMENT OF THE BUSINESS ANGELS INVESTMENT VEHICLE IN BELARUS

NUMBER OF VISIBLE BUSINESS ANGELS



NUMBER OF VISIBLE BUSINESS ANGELS INVESTMENT DEALS



ANGELS BAND PROFILE



FOUNDED: 2018
CURRENT NUMBER OF MEMBERS: 82



GOALS AND ACTIVITIES

- to develop a culture of VC financing in Belarus
- to help startups find investors
- to consolidate angels with expertise in various business sectors
- to promote early-stage investment crucial for overcoming the “death valley” period.
- to give investors the opportunity to invest in ambitious projects



AMBITIONS

- to become an early-stage funding bridge for startups
- to strengthen communication with venture funds
- increase the number of participants to 120 by 2020

1 – only visible deals; 2 – both visible and non-visible
* – deals under the aegis of Angels Band; ** – independent deals (estimation)
Source: Dealroom, Crunchbase, Angelsband.by, LitBAN, LatBAN, EstBAN, Polish angel network, Civitta analysis, Angels Band survey, Angels Band site

IN 5 YEARS, 8 ACCELERATORS BECAME MEMBERS OF THE LOCAL STARTUP ECOSYSTEM



VTB ACCELERATOR

A corporate FinTech accelerator based on GenerationS, the largest accelerator of startups in Russia and Eastern Europe. In Belarus, the accelerator is represented by VTB's local branch VTB Belarus.

Стартап технологии

STARTUP TECHNOLOGIES

A monthly program that is designed to help IT entrepreneurs launch startups. Duration of training is 30 days.



InSight TDI

This accelerator is a 3-month program assisting in attracting investments, developing and establishing projects from the MVP (minimum viable product) stage to the final product. Projects chosen by the InSight team will receive \$10-20,000 in funding, as well as training in business planning and marketing. In return, startups give a share of their stock.

BELARUSIAN STARTUPS ARE OFTEN GOING FOR ACCELERATION IN POPULAR FOREIGN ACCELERATORS

Y Combinator

Y COMBINATOR (USA)

Business incubator for small companies in the field of information technology; The Belarusian startups that have passed through this accelerator are **Storyline** and **IQBoxy**.



Starta Ventures

STARTA (USA)

Newcomers from Starta include such Belarusian startups as **FriendlyData**, **Stringershub**, **Peerclick**, **Kinguru Tables**, **Esupl**, **BringMeGift**, **BeerBet** and others

Demium.

DEMIUM

A Spanish business incubator that has been operating in 5 cities in Spain for the last 5 years. The opening of the accelerator in Minsk took place in February 2019.



FTH.BY

The first Belarusian fintech-accelerator launched by Belgazprombank and Ten-X Company. A prerequisite to participate is the presence of a well-developed concept, a prototype, alpha or beta versions of the product.



TechMinsk

Founded in 2013 with the support of **USAID** and based at the **Imaguru Startup HUB**, **TechMinsk** is designed to help top innovative startups from the region scale globally. This accelerator works on a non-equity model – meaning without taking a share of the company; It's history includes 5+ years of notable work in startup acceleration. It has helped 125 startup teams across its 9 programs to build innovative tech companies; Its alumni gave birth to numerous internationally successful startups including **MSQRD** (acquired by **Facebook**, **NSDQ:FB**), **FriendlyData** (acquired by **ServiceNow**, **NYSE:NOW**), and **PandaDoc** (raised more than \$20m).



500 STARTUPS (USA)

The Belarusian startup **FriendlyData**, which later came to an agreement to sell its technology to ServiceNow, is a graduate of this accelerator program.



BARCLAYS ACCELERATOR (ISRAEL)

A 13-week program with the support of **Techstars** In April 2018, the Belarusian startup **Cashew** was given the opportunity to improve their strategy, launch their product to the market and prepare to attract investments.



ELEVATOR LAB

A startup accelerator of the Raiffeisen Bank International Group in the field of financial technologies. It is the largest fintech-accelerator in CEE, which allows for the possibility to enter the market of 14 countries.



LAUNCH ME

The first accelerator in Belarus for media tech startups. Launchme was established in October 2018 in Minsk as an initiative of Press Club Belarus and SPACE in partnership with the British Embassy in Belarus.



In June 2019, TechMinsk teamed up with Google Developers Launchpad "Powered by Launchpad"

is about empowering startup communities around the world through top accelerators, and helping them leverage each other, share insights and resources; **Terms and conditions** | Google doesn't take an equity stake in accelerator portfolio startups but instead focuses on developing companies and their ecosystems over the long term;

Results | It will put Belarus on the map of Google partner accelerators. TechMinsk will access insights from the company's Silicon Valley-based startup programs, and 20 years' worth of Google research and best practice insights on building businesses, products, and teams on a massive scale.



WISE GUYS (ESTONIA)

In 2018, the Estonian accelerator worked with 4 Belarusian startups: **Induto**, **Neosound**, **Smartsb**, **iDiscount**; Business terms and conditions include a development investment of € 20,000 in exchange for 8% of stock shares.

BELARUS-BASED STARTUPS LEVERAGED THE OPPORTUNITY OF ALTERNATIVE FUNDING METHODS AND RAISED 39 MN USD IN ICOS IN 2018

SNAPSHOT OF ICO FUNDING IN BELARUS IN 2018



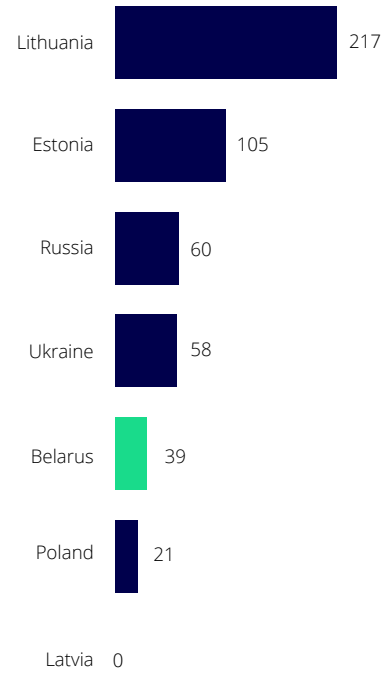
4
of VC deals



\$39mn
total volume of VC deals

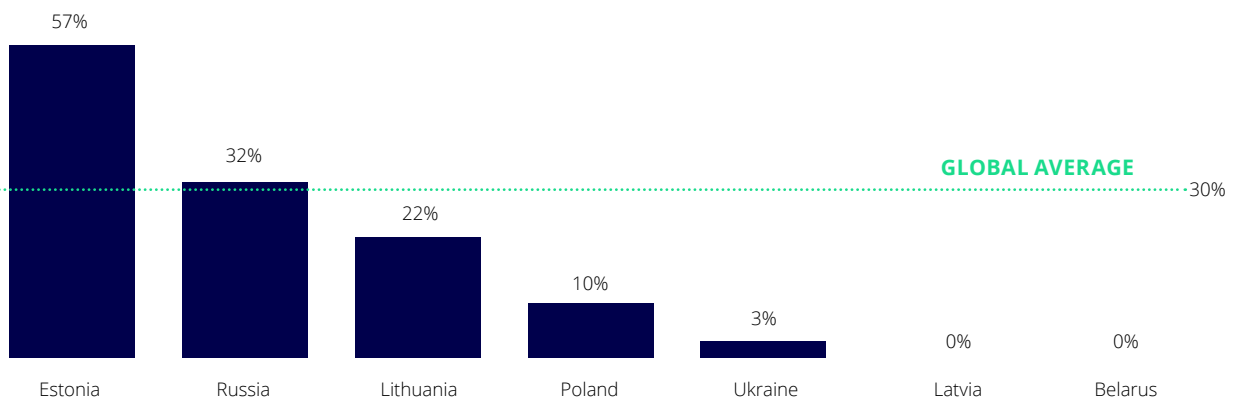
ICO FUNDING, 2018, MN USD

FUNDING, MN USD	STARTUP	AREA	DESCRIPTION
30.0	Play2live	Blockchain	Blockchain streaming platform for gamers and fans
5.6	Scorum	Blockchain	A sports ecosystem where everyone is rewarded
2.7	Dbrain	SaaS	Developing project management software
0.3	MeetNGetMe	Travel	Personal travel concierge services



THE ROLE OF CORPORATE VENTURE CAPITAL IS INCREASING IN THE REGION, WHILE BELARUS IS YET TO EXPLORE THIS VEHICLE

SHARE OF CORPORATE VENTURE FUNDING IN TOTAL VENTURE FUNDING, 2018



CORPORATE INVESTMENTS IN BELARUS CAN DEVELOP EFFECTIVELY IF ALL MECHANISMS NEEDED FOR SUCH FINANCIAL DEPOSITS WILL WORK

ANDREY FILON (INVESTMENT DIRECTOR AT ZUBR CAPITAL) PROVIDES A PERSPECTIVE ON CORPORATE INVESTMENTS IN BELARUS, TECH INNOVATIONS IN LARGE COMPANIES AND THE IMPORTANCE OF CORPORATE ACCELERATORS FOR THE LOCAL ECOSYSTEM



The corporate investment sector in Belarus is at the early stage of development and doesn't yet have a systemic character. In countries with a developed investment ecosystem, corporate venture investments, understood as investing capital of large companies in strategically budding projects, can be part of a company's strategy. By investing in venture projects, a company is definitely undertaking a risk, but with a thorough approach, it can bring great results.

Ideally, the goal of corporate investment is to find and develop projects in synergy with the main business. Thus, the majority of CVC (Corporate Venture Funds) are registered in industries where companies release a lot of high-tech products — in MedTech and FinTech. These two industries account for 78% of the overall amount of corporate funds in the USA. When a startup receives corporate investments, it doesn't automatically incorporate them into the company's structure. There are examples from the neighboring countries where the associated project had the opportunity to grow separately. Many things depend on the investor's strategy and their approach to corporate investing. Both options are equally viable.

Large Belarusian companies don't invest in startups for a number of reasons. First, Belarusian large business owners often act in a traditional way and prefer to grow innovations within the company. Business owners tend to think it is easier to hire a team to work on an innovative project and to build everything from scratch.

And if a business has enough resources to grow startups within a company — this is great! But if one calculates all expenses

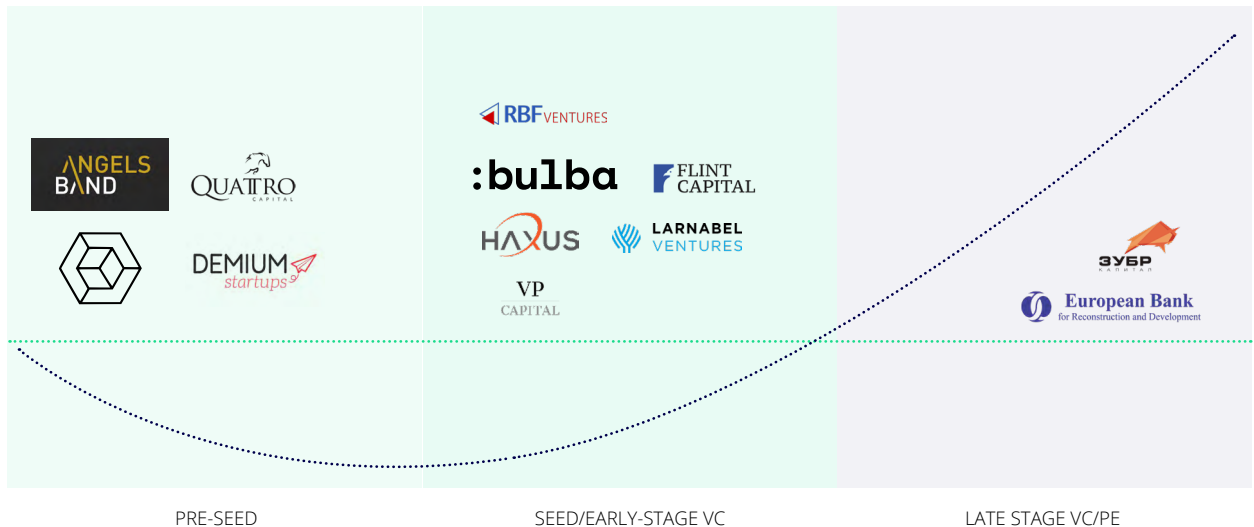
(including time), it turns out it's easier to acquire a startup that already achieved something within a certain industry. Another reason why the size of corporate investments in Belarus is still not significant enough is the fact that many startups are not public and corporate investors are not aware of their existence. Getting on an investor's radar and pitching a product or a service is not an easy task for a startup. What could help here is accelerators and business-incubators, important elements of the investment ecosystem. After going through acceleration, a startup has more chances at getting increased visibility because it gets expert reviews, help from mentors, etc. These tools help startup founders get invaluable experience of preparing the right pitch and adapting to an investor's requirements.

To sum it up, corporate investments in Belarus can develop effectively if all mechanisms, needed for such financial deposits will work. Here I am talking about the willingness of large businesses to grow through corporate investments, the launch of corporate accelerators and business-incubators, increasing the number of startups in different fields.

Local medical corporations are weakly represented in Belarus at the moment, and I wouldn't expect MedTech CVC's here in the nearest future. In the meantime, banks are starting to feel the pressure coming from FinTech startups. In order not to lose in the finance industry, that is rapidly transforming today and is heavily influenced by technology, banks need to invest in innovative products, including through CVC. This is why Belarusian banks started to support blockchain hackathons, and Belgazprombank even launched its FinTech accelerator. I believe we should expect CVC's to grow and develop in the FinTech sector.

THE MAJORITY OF BELARUS-FOCUSED STARTUP INVESTMENT FIRMS ARE SEED AND EARLY-STAGE MONEY

STARTUP INVESTMENT FIRMS IN BELARUS, 2019



6 LOCAL VC'S ARE ACTIVE IN THE STARTUP ECOSYSTEM



Provides opening (sometimes pre-seed) capital together with the strong management support. Primary specialization is AI startups.

haxus.com



This investment company has a wide profile; **RocketBody** and **Wowmaking** are among their portfolio projects.

quattrocapital.by



Investments into ML startups at the early stages. Provides direct access to tech, business and marketing expertise for growth acceleration.

bulba.com



Invests in various sectors of the Belarusian economy. Invited investments from European Bank of Reconstruction and Development, The Netherlands Development Finance Company.

zubrcapital.com



Russian-Belarusian Fund with a focus on Belarusian and Russian tech startups that are at the seed and grown (A) stages.

rbf.vc



Focuses on innovations and high tech. Invests in AI, AR, fintech and blockchain.

vpcapital.by

ANOTHER 5 FUNDS HAVE GAINED A Foothold IN THE FORM OF LOCAL BRANCHES AND REPRESENTATIVES



Russian Venture Fund with a strong presence in Belarus. The major specialization is direct investments in the tech sector.

larnabel.vc



International Venture Fund, specializing in the field of IT, media, and financial services, virtual and augmented reality startups.

flintcap.com



Hackspace Capital is a fund-based platform that finances innovative hardware startup teams with cutting edge products and technologies.

hackspace.capital

Belarus-China

Joint venture fund of Belarus and China with a focus on the high-tech industry: innovative products, and innovations in traditional sectors of the economy.

belaruschina.by



The programme is committed to invest in and collaborate with entrepreneurs and management teams to build world-class companies and become global leaders in their markets.

ebrdvcip.com

EVENTS HIGHLIGHT THE DIVERSITY AND MATURITY OF THE ECOSYSTEM

**EMERGE FOUNDERS
MARGO LAZARENKOVA
AND ALINA BEZUGLOVA
ON THE IMPORTANCE
OF EVENTS AND
NETWORKING FOR
STARTUP COMMUNITIES**



What role do events and meetups play in the development of startups?

First and foremost, the goal is to network. For startups, it's an opportunity to get product feedback from potential clients and investors. Secondly, the topics that are discussed during events are important for developing the ecosystem. Events highlight the diversity and maturity of the ecosystem.

What do you see as the main points of growth for technical and start-up events?

The need for more practical topics; a filtering system to create a more quality audience for better networking; including technical and startup communities in creating events.

What is the most significant benefit that entrepreneurs and techies can gain from these events?

Events are a great opportunity to meet people from the industry. First and foremost, every business is a people business — it is the people that play the key roles and it is so important to develop personal relationships outside of the office. And industry events are the places where you can do just that! The atmosphere during these events is informal, yet professional, which makes it really convenient to catch up with colleagues. Also, events are a great PR opportunity to generate potential leads and share your product/service with the audience.

A LOT OF TECH & STARTUP EVENTS TAKE PLACE IN BELARUS

EMERGE

2000+

EMERGE

Brings together investors with the most promising startups from the New East region. A platform for international communication, exchange of experience and new cooperation in the field of emerging technologies.

emergeconf.io



BIZTECH

An international event organized by the Belarusian State University and the Hi-Tech Park Belarus. Focused on business ideas and start-up projects pitching to the international business community.

2018.biztech.by



1000+

STARTUP WEEKEND

The largest annual conference of IT-entrepreneurs and investors in Belarus, as well as an international competition of startups.

startupweekend.by



250+

IOT FOCUS TECH CONFERENCE

International case conference for those who develop and implement Internet of Things products and solutions. During this event, developers and companies can demonstrate their pilot projects.

iotfocusconf.com



600+

VENTURE DAY MINSK

Venture Day is an Eastern European Conference focused on startups and technology. The conference is supported by USAID, Startup Lithuania, British Embassy in Belarus, and BPS-Sberbank.

venturedayminsk.com



400+

GROCON

The largest conference for IT-communities to exchange experience with experts and invited guests, and solve business cases.

communities.by

bulbacon

700+

BULBACON

Bulbacon is a platform to facilitate the exchange of experience and communication between scientists and practitioners in ML, AR and CV.

bulbacon.com



15000+

GLOBAL ENTREPRENEURSHIP WEEK

First platform in Belarus to present startup ideas to the international community and state at the highest level by innovative companies.

The program includes GEW exhibition and Bel.Biz Battle.

gew.by



500+

SAP FORUM

SAP FORUM is an event for IT, business and government organizations to discuss innovative solutions and technologies to beat the competition and build an Intelligent Enterprise.

events.sap.com



600+

IT BDSMINSK

Practical conference on Business Development, Sales, Marketing + Product Management, as well a platform for finding outsourcing partners and getting acquainted with the managers of IT companies from the CIS and Baltic States.

bds.marketing



Стартап школа

JUMP START

A competition of initiatives in the field of business education and entrepreneurship support. The goal is to find and implement ideas that will develop the startup ecosystem.

startup-school.by



STARTUP BATTLE

Entrepreneurial battle, which is useful not only for participants who are looking for investments, but also to everyone who is interested in business.

battle.startup.network



500+

SOCIAL WEEKEND

Social Weekend helps ideas become projects with a clear solution and strategy. The competition helps to create projects that can become a fully-fledged social business which is able to secure sustainability.

socialweekend.by



1500+

MINSK FINTECH CONFERENCE

One of the most important events in the field of fintech, that brings together representatives of large venture funds, investors, foreign, and local experts.

fintechbelarus.by



IT SPRING

An annual conference about product and project management in IT-companies.

itspring.by



ANGELS DATING DAY

AngelsBand unites early-stage investors to boost unicorns ideas. The main goals are to create an environment where a startup will find its investor and to consolidate business angels with expertise in various business sectors.

angelsband.by



700+

ACCELERATE

Open conference for the business and IT-community where IT leaders and experts in digitalization can share practical experience in using technologies across various areas of organizations and changes in IT-processes.

terrasoft.ru



TEEN STARTUP BATTLE

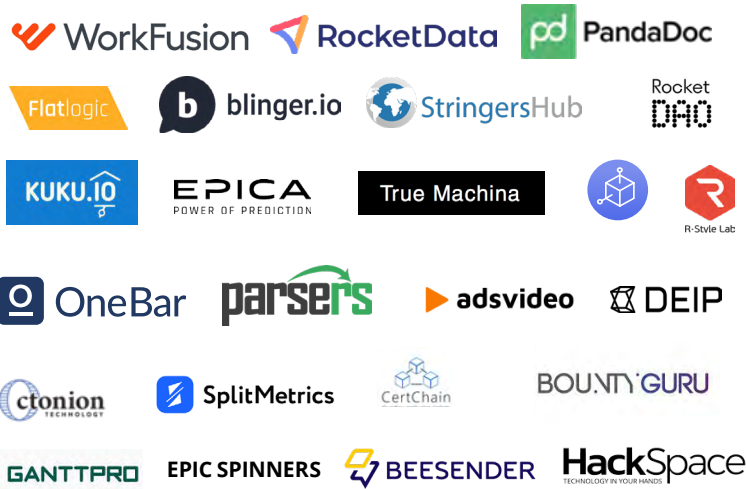
The first large-scale event for teenagers in Belarus, consisting of a series of masterclasses from experts and a real startup battle.

teenstartupbattle.by

TOP-100 STARTUPS

TOP 100 BELARUSIAN STARTUPS MAP

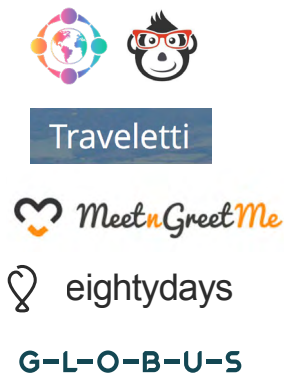
SaaS



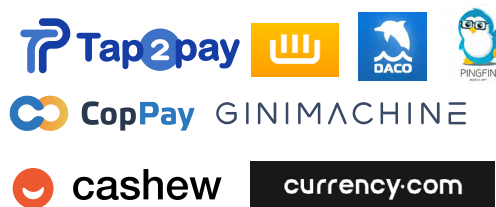
MED TECH



TRAVEL SERVICES



FINTECH



BLOCKCHAIN



LIFESTYLE



E-COMMERCE



OTHERS



ARTIFICIAL INTELLIGENCE



EDUCATION



HARDWARE



AUGMENTED REALITY



AI



DATAMOLA

Building custom web-based and handheld applications to meet all business needs.
 Founded: 2016
datamola.com



SPOTVISION

AI solutions for parking.
 Founded: 2018
spotvision.co



\$2 MN

FACEMETRICS

Computer vision apps for education, entertainment and lifestyle.
 Founded: 2018
facemetrics.io



InData Labs

INDATA LABS

Data science consulting.
 Founded: 2014
indatalabs.com



WISEAI

Deep learning and computer science technologies in skin care.
 Founded: 2017
wiseai.cc



PMCN

\$60K

PMCN

Automated parking service.
 Founded: 2018
parkmycarnow.by



\$500K

ONESOIL

A precision farming platform that allows farmers to monitor fields in real time. OneSoil analyzes satellite images with machine learning technologies and produces smart sensors for fields.
 Founded: 2014
onesoil.ai



PROMETHEAN AI

Tool for creating 3D content in games using artificial intelligence.
 Founded: 2018
prometheanai.com



VIBRO BOX

VibroBox is a digital signal processing (DSP) service focused on prescriptive maintenance, vibration diagnostics, and condition monitoring algorithms for a broad range of equipment.
 Founded: 2016
vibrobox.com

XXX Investments raised

AUGMENTED REALITY



\$12.8 MN

**BANUBA**

AR enabled mobile apps and tech.

Founded: 2016

banuba.com**AR SQUAD**

Mobile apps at the intersection of AR and lifestyle.

Founded: 2016

**FLOOR IS A LAVA**

Mobile AR game

Founded: 2014

lavagame.app

\$235K



\$2 MN

KINO-MO/HYPERVSN

First Integrated 3D holographic display system.

Founded: 2014

hypervsn.com**WANNABY**

A mobile AR platform & tech allowing consumers to try goods before making a purchase.

Founded: 2017

wanna.by

creative as a human

ARTYLINE

An AR design tool offering a creative screen option from your sketch. Instantly.

Founded: 2018

www.artyline.co

BLOCKCHAIN

**MULTY**

Bitcoin Ethereum open source wallet. All sensitive data is encrypted with a unique Master Key, and there is no way for anyone to guess the password steal, or hack it.

Founded: 2018

multy.io**SCORUM**

Sports media where a passion for sport pays off. Scorum provides cryptocurrency rewards for both content creators and curators.

Founded: 2017

scorumcoins.com**SWEELY**

A social ecosystem that unites Sponsors, Volunteers, and Non-profit organizations. Here you help to solve social issues and receive a reward for it!

Founded: 2018

sweely.org**CONSENSUSLAB**

Specializes in the field of software development, BM and marketing. Committed to digitizing business processes in accordance with the current and upcoming trends.

Founded: 2017

consensuslab.io**VINCHAIN**

VINchain is creating a worldwide decentralized database of vehicle information that is 100% transparent, reliable and accessible by everyone.

Founded: 2017

vinchain.io**ICOGURU**

ICOGuru is an entire internet-encyclopedia of cryptocurrency that offers its users all the information about it. The platform presents all upcoming, ended and live ICO campaigns.

Founded: 2017

icoguru.io

XXX Investment raised

E-COMMERCE

**VERYFI**

All-in-one solution to automate time & material tracking. Eradicate data entry, recover personal time, and boost productivity.

Founded: 2017

veryfi.com

**BIG DATA TECHNOLOGIES**

B2C projects: Alitools (Monitor the change in prices of goods, reflects its own level of trust in the seller and finds reviews), TrackBot.

Founded: 2015

bdtech.by

**ZOOMOS**

Solving the mundane tasks of online stores: creating descriptions of goods, automatically updating prices and availability of goods in the online store.

Founded: 2013

zoomos.by

**KAKADU DEV**

Modern solutions for eCommerce and retailing: Kakadu Base, Kakadu Pay, Kakadu Point, Kakadu Drive.

Founded: 2013

kakadu.bz

**OYPER**

The algorithm learns to understand fashion trends in real time and develops targeted recommendations tailored to unique consumer styles.

Founded: 2017

oyper.com

**SCAN AND BUY**

Streamline retail operations, gain valuable insights and create a seamless shopping experience for customers.

Founded: n/a

scanandbuy.me

EDUCATION

**KNOMARY**

Group of projects specializing in the development of new tools and products for distance learning experts.

Founded: 2016

knomary.com

**LOCKUROK**

Reward students and schoolchildren with points in cafes for not using mobile phones.

Founded: 2017

lockurok.by

**LOGICLIKE**

An online educational platform for the development of logical thinking and mathematical abilities in children.

Founded: 2013

logiclike.com

FINTECH



\$31K

TAP2PAY

Tap2Pay helps SMB and enterprise customers accept payments by all digital channels seamlessly. Unique proprietary technology allows merchants to sell products and services via messengers, websites and social networks.

tap2pay.me

**ITHUB**

IT services and solutions that provide a range of customer-centric services working best for online business.

Founded: 2018

ithub.pro

**PINGFIN**

The first application that not only gives a complete picture of personal finances, but also saves real money.

Founded: 2017

pingfin.us

GINIMACHINE

GINIMACHINE

A full-scale credit scoring platform that utilizes your historical data. The system automatically builds, validates and deploys high-performing risk models.

Founded: 2017

ginimachine.com

**COPPAY**

Cryptocurrency payments and exchange. Dash, Nem and other cryptocurrencies payouts in Euro are supported.

Founded: 2017

coppay.io

**DACO**

We want to give opportunity for every person in need, community or charity to launch a crypto-raising campaign using cryptocurrencies as a donation method with a transparent scheme of distribution of donations.

Founded: 2017

daco.life



\$120K

CASHEW

Allows banks to turn their mobile applications into a means of payment with Point-of-Sale financing functionality.

Founded: 2016

cashew.me

currency.com

\$10 MN

CURRENCY

The world's first regulated tokenized securities exchange.

Founded: 2017

currency.com

XXX Investment raised

HARDWARE


CLEVETURA

CLEVETURA is doing research in the field of human-computer interaction as well as developing its own technologies for input devices.

Founded: 2017
clevetura.com

**R-Nox (ZIVE)**

ZIVE is a portable radiation monitor, paired with smartphones via Bluetooth. It's a high-precision device with a professional Geiger-Muller counter and user-friendly interface.

Founded: 2014
r-nox.com

**ROZUM ROBOTICS**

The only company in Belarus (and, incidentally, the CIS and the Baltic states) that develops collaborative robots and does not attract foreign investment.

Founded: 2015
rozum.com

**TESLASUIT**

The startup is developing a full-body AR/VR suit that accelerates the improvement of movement, reflexes and instincts, allowing faster and better improvement of the human mind and body.

Founded: 2016
vrtek.by

**DJINSENSOR**

The DjinnSensor collects the data during adjusted period, that is kept in a cloud storage, providing access to the KPI data of departments and each employee.

Founded: 2018
djinnsensor.com



\$71K

HAND ENERGY

The first and the best portable energy generator ever, packed with unique functionality. It has a great app with many features, the possibility to charge it from a socket; and on top of that it's really light and produces green energy.

Founded: 2016
hand.energy



\$1,1MN

DRONEX PRO

Mini pocket (foldable) drone with HD camera, that is cheap and affordable.

Founded: 2016
bel.biz/startups/dronex/



\$500K

ONESOIL

A precision farming platform that allows farmers to monitor fields in real time. OneSoil analyzes satellite images with machine learning technologies and produces smart sensors for fields.

Founded: 2014
onesoil.ai

XXX Investment raised

LIFESTYLE

ABODVA_{.com}

ABODVA

The first video dating app that will help people to find each other faster and easier. Founded: 2016
app.abodva.com



EVERHOUR

Accurate employee time tracking software for reporting, invoicing and painless payroll. Founded: 2010
everhour.com

joiny

JOINY

Joiny helps people come together for any activity, create events and get special discounts. Founded: 2016
joiny.io



BEERBET

BEERBET

Predict outcomes of sports events to win discounts at bars. Founded: 2017
thebeerbet.com



FORSPO

Convene the team for a game, notify players about upcoming games and trainings. Founded: 2015
forspo.com

neosound

NEO SOUND

For supervisors and managers, Neo Sound provides essential reports, which help them to monitor the quality of customer service and the most common complaints. Founded: 2016
neosound.eu



AIWI

A dating service that allows you to find your other half using artificial intelligence technologies. Founded: 2018



ZEST

\$400K

ZEST

An AR App that turns the entire world around into one fully interactive social media environment. Founded: 2016
zestreality.com



ROCKETBODY

\$220K

ROCKETBODY

Powered by AI technology, this app helps you to train efficiently, eat right, and achieve sport and fitness goals. Founded: 2016
gorocketbody.com



fitstarter

\$1,1MN

FITSTARTER

Fitstarter is a startup for tennis players and businesses related to tennis. Functions include the online booking of courts, player ratings, customer and finance accounting and an industry-specific CRM system. Founded: 2007
fitstarter.ru

MED TECH



\$18MN

FLO HEALTH

An AI-powered women's health platform that encompasses accurate cycle predictions, personalized daily health insights and a closed, secure community of experts and peers. Founded: 2015

flo.health

\$20K

DEEPDEE

Artificial intelligence research company, which provides a revolutionary solution for prompt automated early stage diagnosis of eye diseases by processing fundus images.

Founded: 2018

deepdee.org**PROTEIQ BIOSCIENCES GMBH**

Cloud-based solution for Data Processing. A targeted proteomics company providing research services and discovering novel biomarkers specifically around sports and well-being.

Founded: n/a

proteiq.com**SKINIVE**

AI technology that identifies any type of skin conditions, including skin cancer, pre-cancer formations, skin virus, and benign formations.

Founded: 2018

skinive.com

\$400K

TRINITI

Rehabilitation simulator for the recovery of motor and coordination disorders, including patients after a stroke.

Founded: 2014

triniti.tech

\$100K

LUNG PASSPORT

A system based on an electronic stethoscope and a mobile application that recognizes breath sounds using neural networks and can identify the five most common diseases.

Founded: 2018

www.lungpass.com

\$300K

PIGPUG

A comfortable, wireless headset for children with neurofeedback training apps to improve attention, thereby overcoming attention deficiency and improving learning abilities.

Founded: 2017

pigpug.co**ARIADNA**

Microsoft HoloLens Augmented Reality Helmet application that can expand the functional field of the surgeon. Using wireless glasses, the doctor can prepare for the operation on the way to work.

Founded: 2016

**FLYSER**

Affects the muscles of the shoulder girdle and the arm muscles. It strengthens ligaments and tones the muscles. The machine increases muscle power.

Founded: 2018

flyser.io

\$100K

TOOTHSCAN

A revolutionary scanner offering at home dental health monitoring combined with a direct connection to the dentist.

Founded: 2014

indiegogo.com**BEETS BLU**

Helps to create a workout plan efficiently: view real-time heart rate, training zones and calories burned in an app on a smartphone or tablet.

Founded: 2012

www.beetsblu.com

\$300K

MYO TRITON

A project around electromechanical prosthetic arm. The position of the fingers is controlled by electronics (Arduino), which allows a person to perform various actions.

Founded: 2015

myotriton.com

\$70K

FEEZIO

The web application is designed specifically for doctors and specialists in physical rehabilitation.

Founded: n/a

feez.io**PRACTICAL ONCOLOGY**

The program offers students and doctors to test their knowledge in the form of a game: a real patient's medical record is given with several diagnostic options. The task is to find effective methods for determining the disease.

Founded: 2018

SAAS (1/2)



\$118MN

WORKFUSION

The world's leading companies choose WorkFusion's intelligent automation cloud to automate operations, upgrade customer experience and unleash their growth.

Founded: 2011

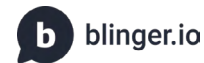
workfusion.com

**FLATLOGIC**

Creates Dashboards, Web and Mobile Applications for businesses to manage, analyze and visualize their data.

Founded: 2015

flatlogic.com



\$1MN

BLINGER.IO

A platform that allows companies to conduct customer support and sales in all instant messengers and social networks, online chat and email.

Founded: 2016

blinger.io



\$500K

ROCKETDATA

Online presence management service. The startup works with 38 services.

Founded: 2017

rocketdata.io



\$21MN

PANDADOC

Automation of processes associated with document flow, with built-in electronic signatures, workflow management, a document builder, and CPQ functionality.

Founded: 2013

pandadoc.com



\$150K

STRINGERSHUB

A marketplace that connects professional videographers and eyewitnesses with media producers and editors who need video content.

Founded: 2016

stringershub.com



\$120K

KUKU.IO

A web app for managing multiple accounts on social networks simultaneously, allowing you to create, plan and publish content to all social networks at once.

Founded: 2011

kuku.io

**TRUE MACHINA**

Uses newly published technical and scientific knowledge to generate novel ideas and inventions in continuous mode.

Founded: 2016

truemachina.com

**EPICA**

Gives companies the unprecedented power to make decisions by detecting behavior patterns of audiences in real time.

Founded: 2016

epica.ai

**ONEBAR**

Forms the foundation of questions and answers for an IT team, collecting information from the correspondence in Slack.

Founded: 2016

onebar.io

**PARSERS**

A multi-threaded parser of search engines, site assessment services, keywords, content and much more (Youtube, pictures, translators).

Founded: 2017

a-parser.com

**ADSVIDEO**

Generates tons of video reviews and places them on your web pages. These videos help potential buyers to find out more about the product.

Founded: 2016

adsvideo.co

XXX Investment raised

SAAS (2/2)

**ROCKETDAO**

An investment platform that helps to reduce the time and costs of investors on searching, tracking and evaluating startups. To help startups with the preparation of all necessary documents and data for further successful investments attraction.

Founded: 2017

rocketdao.io

**CERTCHAIN**

CertChain is a web certification platform for all the certification market players. It aggregates all the possible offers and allows clients to choose the most suitable one for them. Sells crypto. Bitcoin, Ethereum, Litecoin.

Founded: 2017

certchain.io

**BOTCUBE**

Design and build chatbots enhanced with artificial intelligence for multiple platforms such as Facebook Messenger, SMS, Telegram, VK or Viber.

Founded: 2016

botcube.co

BOUNTYGURU**BOUNTYGURU**

Receive marketing support from thousands of micro-influencers. They will write, blog and film about your project.

Founded: 2017

bountyguru.com

**DEIP**

We help funding agencies, universities and research organizations to manage their processes more efficiently.

Founded: 2017

deip.world



\$34K

BEESENDER

The number one program for omnichannel communications on bpm'online platform.

Founded: 2015

beesender.com

GANTTPRO**GANTTPRO**

Create Gantt charts, plan projects and manage tasks quickly.

Founded: 2011

ganttpro.com

**R-STYLE LAB**

R-Style Lab helps innovative tech startups to out-do the competition with smart products and aid businesses in cutting down on expenses and increase their efficiency.

Founded: 2012

r-stylelab.com

**SPLITMETRICS**

SplitMetrics is a platform for mobile marketers to conduct A/B test and optimize app store pages for maximum conversion.

SplitMetrics brings solutions to mobile marketers that are as easy and delightful to use as they are powerful in the data they provide.

Founded: 2014

splitmetrics.com

EPIC SPINNERS**EPIC SPINNERS**

Epic Spinners is an open source set of loading animations for web applications. The animations are available both as easily customizable Vue.js components and pure HTML/CSS code snippets.

Founded: 2017

epic-spinners.epicmax.co

XXX Investment raised



\$5,5MN

OCTONION

Octonion is a unique Intelligent platform with Edge computing capabilities. The platform enables IoT projects to industrialize 3 times faster (6-8 months compared to current typical IoT timeline of 18-24 months).

Founded: 2014

octonion.com

**HACK SPACE**

Hackspace LLC was founded by a group of computer engineers in 2012. Now it has 70 specialists in such fields as computer electronics, firmware/software development and business analysis.

Founded: 2012

hackspace.by

TRAVEL SERVICES



\$130K

GREET GAY

An LGBTQ-friendly travel app for safe travel services from the local LGBTQ+ community members.

Founded: 2016

greetgay.lgbt

Traveletti

TRAVELETTI

Guide to the world of rest on the unique objects of agrotourism throughout the Europe.

Founded: n/a

traveletti.com

G-L-O-B-U-S

GLOBUS

A cross-platform vector maps library to develop a high performance map-based apps with a full set of essential features working in offline mode.

Founded: 2018

globus.software

**MEETNGREETME**

Connecting international travelers and local people to receive personal concierge services and lifestyle management.

Founded: 2015

meetngreetme.com

**MALPA TRAVEL**

Everything for independent traveling in a single place, without intermediaries, direct access to world-class service and booking sites.

Founded: 2015

malpatravel.com


 eightydays \$450K
EIGHTYDAYS.ME

All-in-one trip plan search, from commercial flights, trains, buses and ferries to hotels and vacation rentals.

Founded: 2016

eightydays.me

OTHERS

**GURU MAPS**

Detailed and easy-to-use offline vector maps based on OpenStreetMap.

Founded: 2009

gurumaps.app

XXX Investment raised

BELARUS ON THE REGIONAL STARTUP MAP

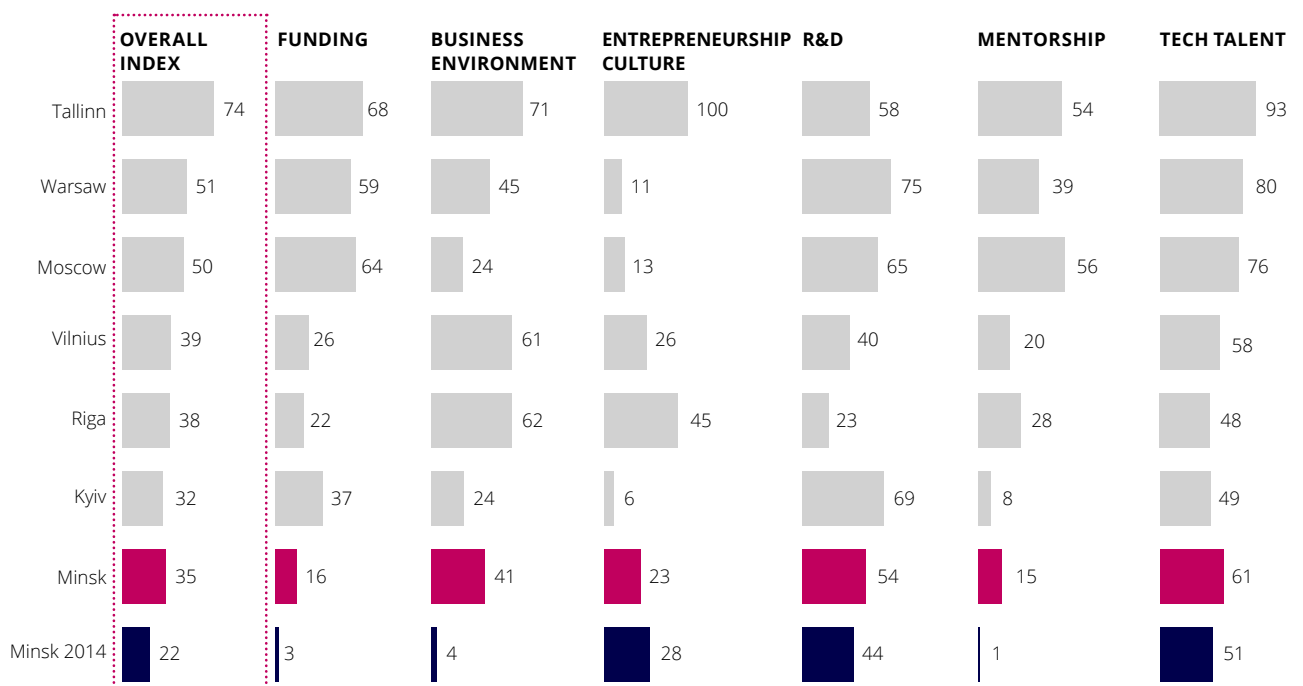


WE GATHERED BEST PRACTICES TO DEVELOP OUR OWN INDEX AND ASSESS THE POSITION OF BELARUS

Startup ecosystem index

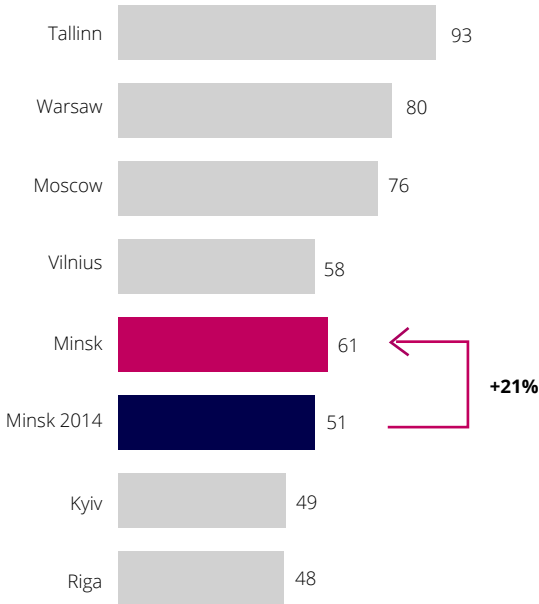
1	2	3	4	5	6
FUNDING	BUSINESS ENVIRONMENT	ENTREPRENEURSHIP	R&D	MENTORSHIP	TECH TALENT
VC deals	Ease of doing business, WorldBank	Number of active startups	Gross expenditure on R&D	Number of startup accelerators	Average salary for IT specialists
Number of visible business angel deals	Moody's current credit rating	Number of newly registered companies	Number of international R&D centres	Number of visible business angels	Proportion of STEM graduates in total graduates
Number of VC funds	Startup visa program				Proportion of ICT specialists in total employment
	Office space avg. rental cost, class B				Knowledge of foreign languages, EF EPI rating

ALTHOUGH LOCAL STARTUP ECOSYSTEM IMPROVED IN THE LAST 5 YEARS, THE POSITION IN THE INDEX IS STILL BELOW MOST OF THE NEIGHBORING COUNTRIES

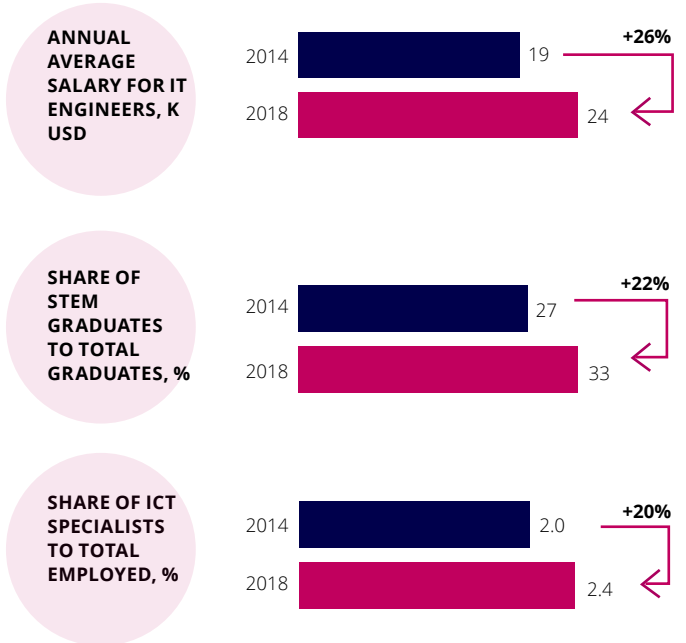


BELARUS IS ONE OF THE HUBS FOR TECH TALENT IN EASTERN EUROPE

INDEX FOR TECH TALENT COMPONENT, 2018

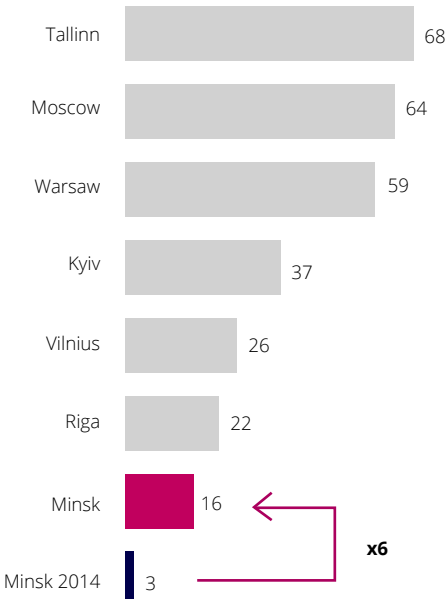


SUB-COMPONENTS FOR MINSK

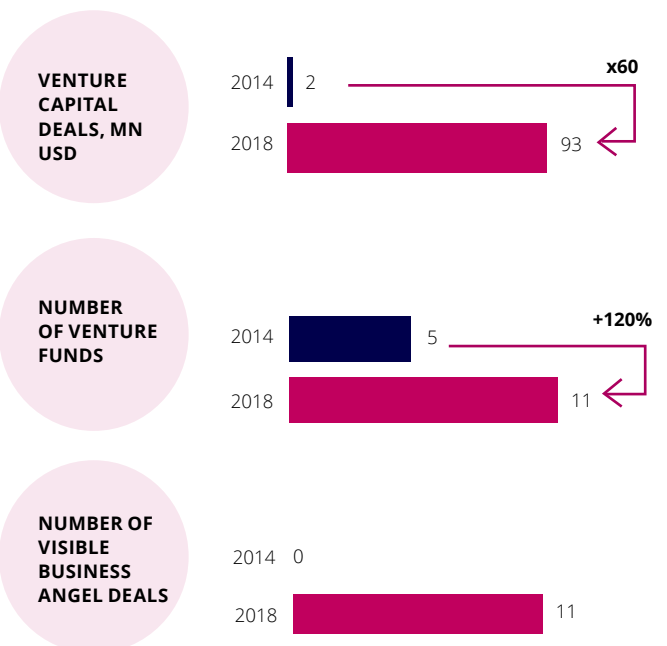


ALTHOUGH BELARUSIAN STARTUPS STILL LACK ACCESS TO LOCAL SOURCES OF FUNDING, THE SITUATION HAS IMPROVED DRASTICALLY DURING THE LAST 5 YEARS

INDEX FOR FUNDING COMPONENT, 2018



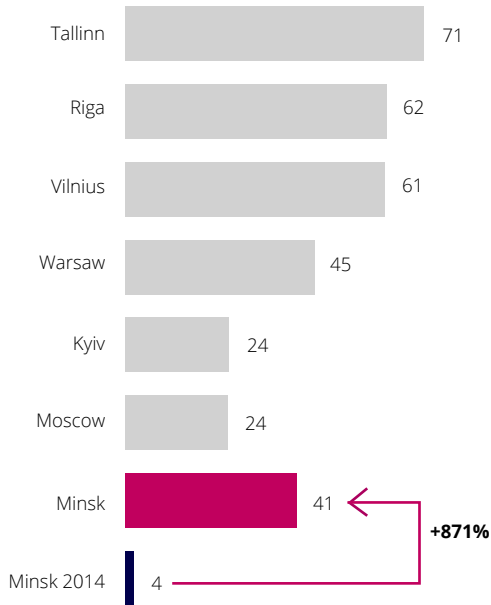
SUB-COMPONENTS FOR MINSK



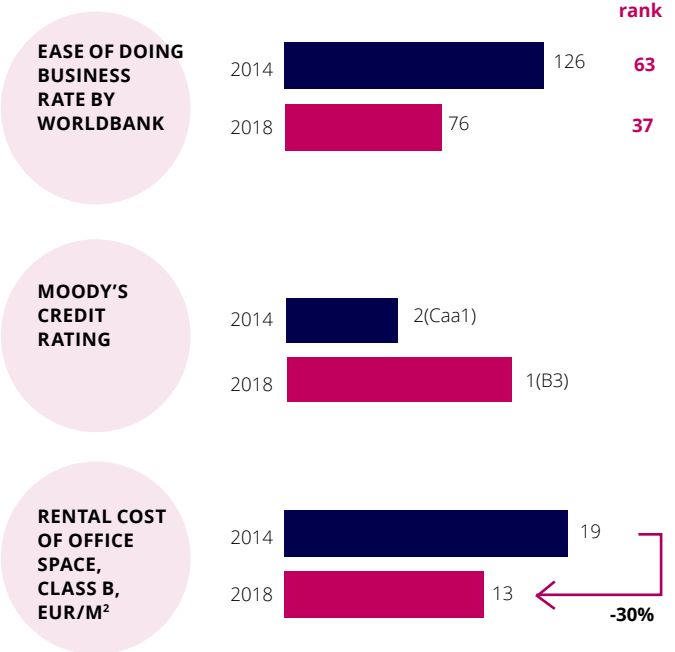
STARTUP INDEX

FOR THE LAST YEARS, THE BUSINESS ENVIRONMENT IN BELARUS HAS IMPROVED ALMOST TO REACH THE LEVEL OF BALTIC COUNTRIES

INDEX FOR BUSINESS ENVIRONMENT COMPONENT, 2018

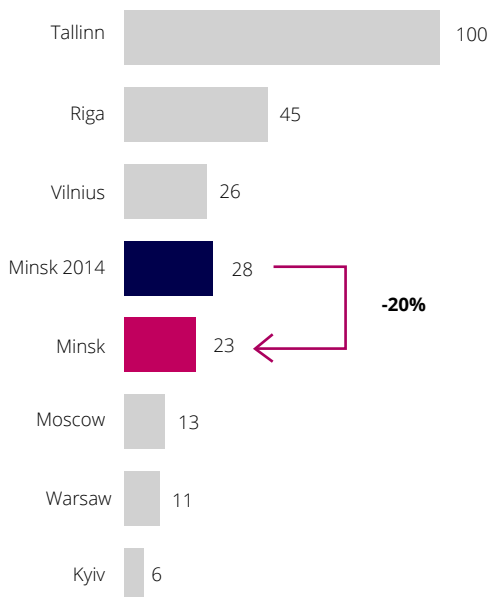


SUB-COMPONENTS FOR MINSK

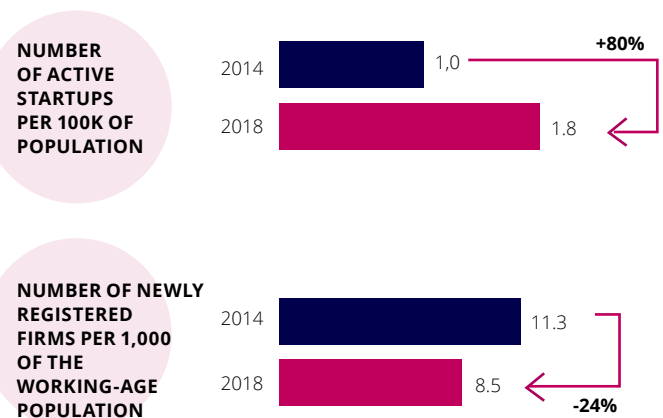


ALTHOUGH THE NUMBER OF STARTUPS IS GROWING, ENTREPRENEURSHIP CULTURE HAS DECREASED BECAUSE OF THE DECLINE OF COMPANIES REGISTRATION

INDEX FOR ENTREPRENEURSHIP COMPONENT, 2018



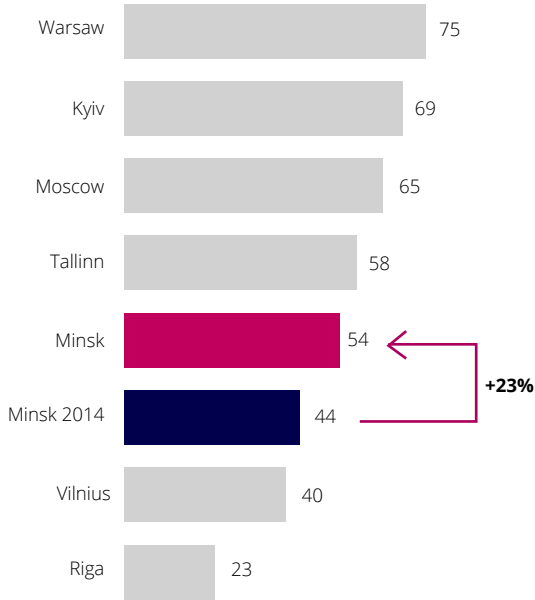
SUB-COMPONENTS FOR MINSK



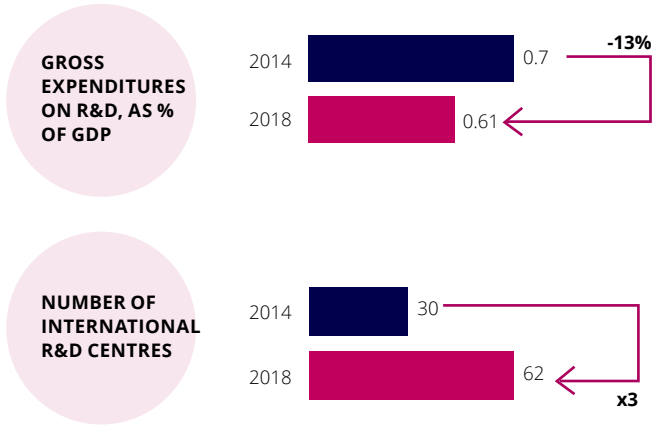
STARTUP INDEX

INTERNATIONAL COMPANIES HAVE THEIR R&D CENTERS IN BELARUS, LOCAL COMPANIES ARE YET TO CATCH UP ON GROWING THEIR R&D CENTERS

INDEX FOR R&D COMPONENT, 2018

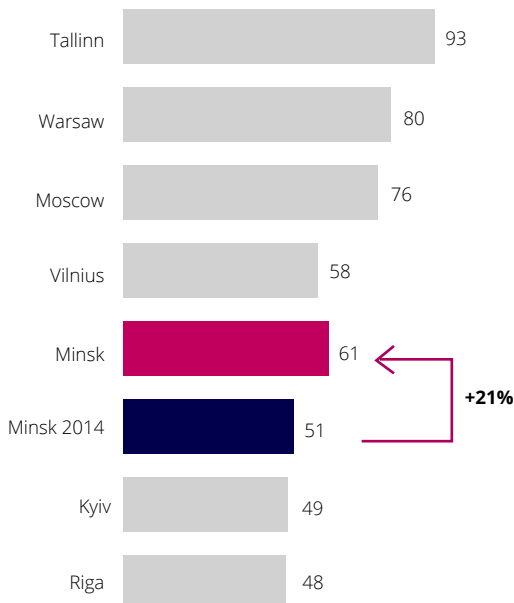


SUB-COMPONENTS FOR MINSK

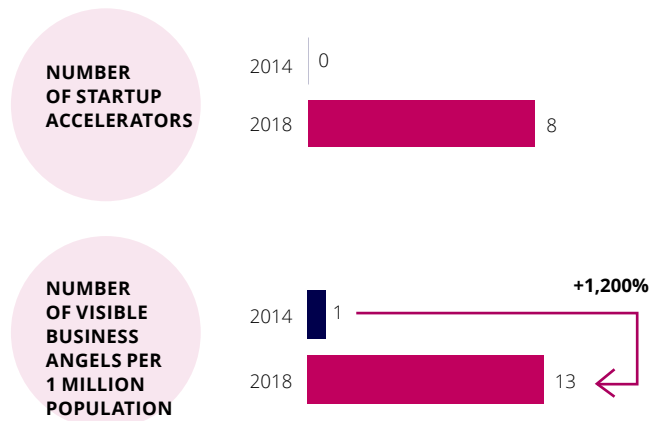


ALTHOUGH BELARUSIAN STARTUPS STILL PREFER FOREIGN MENTORSHIP HELP, THE NUMBER OF DOMESTIC ACCELERATORS AND BUSINESS ANGELS HAS GROWN IN THE LAST 5 YEARS

INDEX FOR MENTORSHIP COMPONENT, 2018



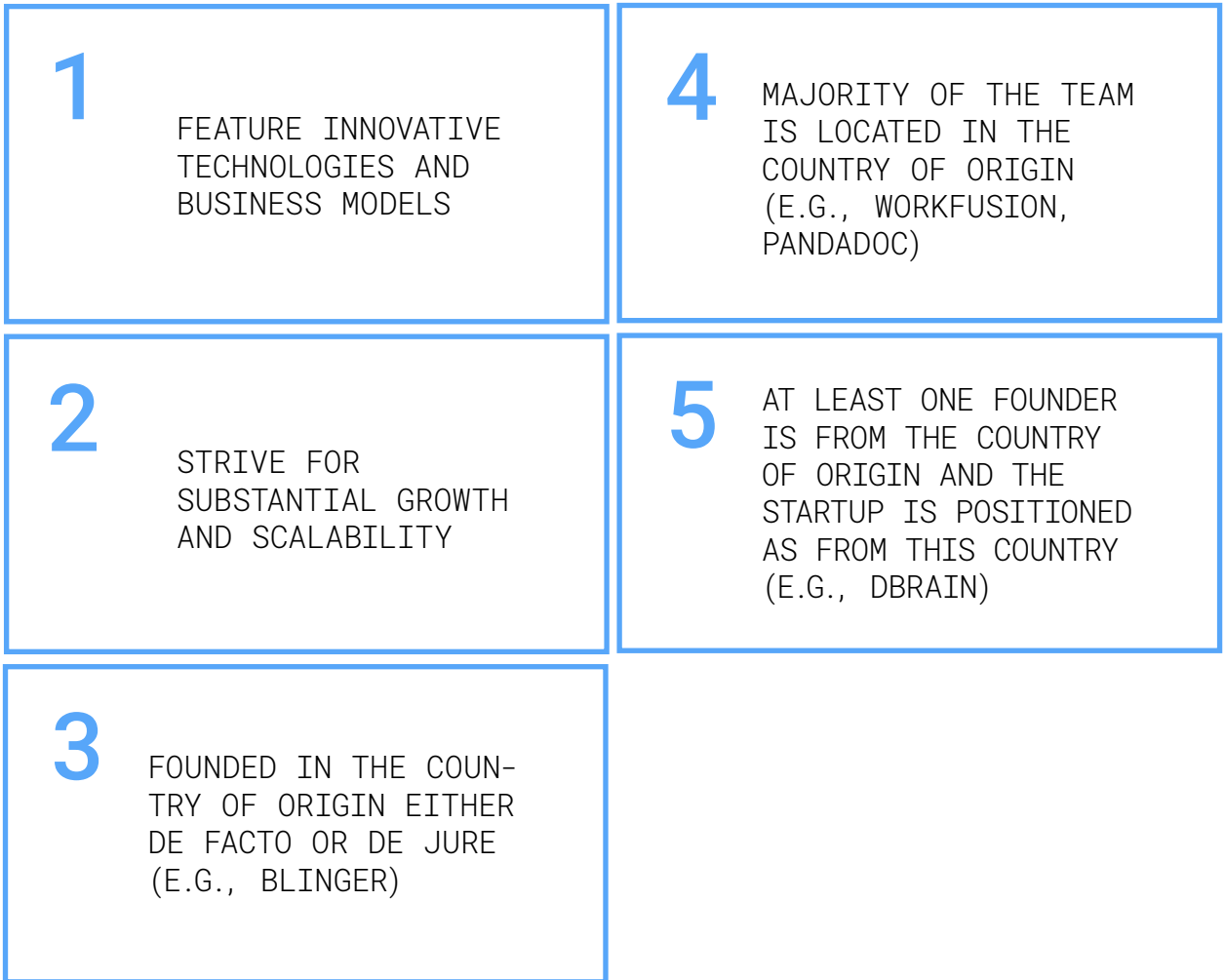
SUB-COMPONENTS FOR MINSK



APPENDIX: METHODOLOGY



OUR APPROACH TO DEFINING STARTUPS IN THE REPORT



OUR APPROACH TO GATHERING DATA

1. COLLECTED A LIST OF ACTIVE BELARUS-BASED STARTUPS	2. COLLECTED # OF ACTIVE STARTUPS IN NEIGHBOURING COUNTRIES	3. GATHERED DATA ON STARTUP FUNDING (DEALS, SIZE, VEHICLES)	4. GATHERED ECOSYSTEM-RELATED DATA/INDICATORS FOR BUILDING STARTUP INDEX
Global startup databases (Dealroom, CrunchBase)	Global startup databases	Global Startup databases	Number of ICT specialists
Communities (AngelsBand, incubators, BelBiz, VCs, etc.)	Local dedicated organizations and reports (e.g. Startup Latvia)	Communities (AngelsBand survey, LatBan, EstBan, etc.)	Knowledge of foreign languages
Direct contacts with startups and people from ecosystem	CIVITTA knowledgebase in the countries	Local organizations and reports	Number of international R&D centres
Media		Direct contacts with startups and people from ecosystem	And many others
		Media	

SUB-COMPONENTS OF THE STARTUP INDEX

		BELARUS	LITHUANIA	LATVIA	ESTONIA	RUSSIA	UKRAINE	POLAND
FUNDING	Venture capital deals, mn USD	93	217	100	387	426	337	210
	# Of venture funds	11	10	6	10	40	17	70
	# Of visible business angel deals	11	14	34	99	34	7	27
BUSINESS ENVIRONMENT	Ease of doing business rate by World Bank	76	81	80	81	77	68	77
	Moody's credit rating	2	4	4	6	3	1	5
	Rental cost of commercial property class b €/m ²	13	10.5	10.5	10	17	12	12
	Startup visa program	No	Yes	Yes	Yes	No	No	No
ENTREPR. CULTURE	# Of active startups per 100k population	1.9	15.2	21.7	41.5	2.0	2.1	5.8
	# Of newly registered companies per 1,000 working-age population	8.5	3.3	8.0	20.8	4.3	1.5	1.7
R&D	Gross expenditures on R&D, % GDP	0.5	0.8	0.4	1.3	1.1	0.5	1.0
	# Of international R&D centres	62	17	13	14	40	90	66
MENTORSHIP	# Of startup accelerators	8	6	4	3	40	6	26
	# Of visible business angels per 1 mn population	9	22	39	86	10	1	11
TECH TALENT	Annual average salary for IT specialists, k USD	23,928	23,455	28,545	32,418	26,517	25,000	38,261
	Proportion of STEM graduates to total graduates, %	33	24	21	27	29	27	23
	Proportion of ICT specialists to total employed, %	2.4	2.7	2.3	5.6	1.7	1.0	2.8
	Index of foreign language	54	58	57	57	53	53	62

LIST OF ACTIVE BELARUSIAN STARTUPS

Abodva	Feezio	Onesoil	StringersHub
AdsVideo	Fitstarter	Orderino	SVORT
Affise	FlatLogic	Oreado	Sweely
AirCloud	Flo Health	OYPER	Synesis
Aiwi	Floor is a lava	PandaDoc	Synpatic
ApexQubit	Flyser	Parsers	Tap2Pay
AR Squad	Forspo	PeerClick	Targetprocess
Ariadna	FriendlyData	PigPug	Teslasuit
ARtyline	Fun lib	PingFin	Thebeerbet
Backup reality	GanttPro	Platform.io	Tilly
Banuba	Georeklama.by	PMCN	Toothscan
Beesender	Get Outfit	Postboy	Trainer
Beets BLU	GiniMachine	Practical oncology	Traveletti
Best headline	Give away	Promethean AI	Triniti
Big data technologies	Globus	ProteiQ	True Machina
Blinger	GMoney	Qolos	Ultralab
BookYourStudy	Gurtam	R-Nox	UseResponse
Botcube	Guru Maps	R-Style lab	Veryfi
BountyGuru	HandEnergy	Realtby	VibroBox
Bratte	Health First	Recommerce	VINchain
BringMeGift	Hiendsys	Red rock apps	Vione
Bymax	Howl	Robatz network	VironIT
Caffesta	Icoguru	RocketBody	Wandle
Camera First	iDiscount	RocketDao	Wannaby
Car Hunters	InData labs	RocketData	Werbot
Cashew	Infludb	Rozum robotics	Wisp
Certchain	ITHub	SayMask	Wizartech
Chaingraph	Joiny	Scorum	Workfusion
Clevetura	Juno	Sens app	Xrverse
Contract.one	Kakadu	Skinive	Yamoto samokato
CopPay	Keeple	Smartsub	Zest reality media
Daco	Fiverun	SplitMetrics	Zoomos
DAO Terra Electro	Kinguru	SpotVision	
DataMola	Kino-mo	GraiMe	
Dbrain	Klika tech		
DE:OX	Knomary		
Deepdee	Kuku.io		
Deip	Lingvanex		
Dhound	LockUrok		
Djinn sensor	Logic.Like		
Dronex	logistlab		
EduTracks	Lung passport		
Eightydays	Malpa travel		
Epic Spinners	Meetngreetme		
EPICA	Meldesck		
Eplane	Mobiwise		
Esupl	MovieTherapy		
Everhour	Multy		
Evifile	Myotriton		
Exp Capital	NeoSound		
Exponenta	Onde		
FaceMetrics	OneBar		



Note: the startups that have raised funding are highlighted in blue.

CONTRIBUTORS



ALEINIKOV
& PARTNERS



LAUNCH → ME
MEDIA ACCELERATOR

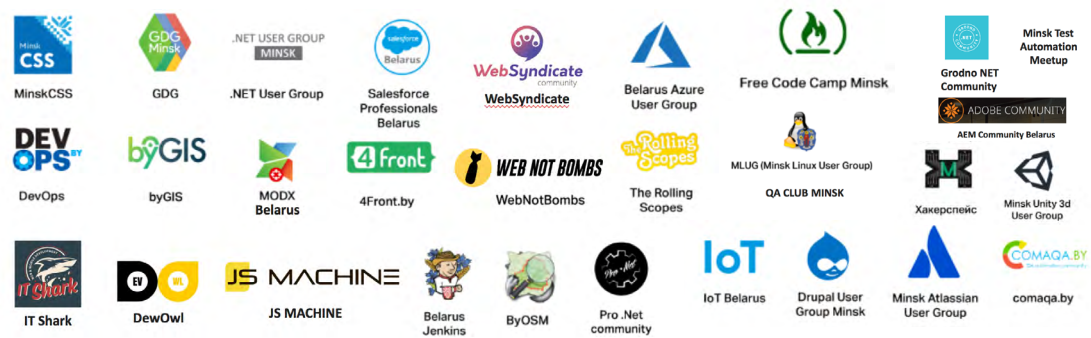


THE BELARUSIAN TECH ECOSYSTEM COUNTS 70+ PROFESSIONAL COMMUNITIES: MAJORITY IS DEVOTED TO TECHNOLOGIES

PROGRAMMING LANGUAGES



TECHNOLOGIES



MANAGEMENT & ANALYSIS



OTHER



DESIGN



DATA SCIENCE



BLOCKCHAIN



**TECH
IN THE NEW
EAST:
BELARUS**