



FINE

Fintech Investor
Network and
Ecosystem

D1.1 COUNTRY ECOSYSTEM MAPPING

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PARTNERS

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D1.1 COUNTRY ECOSYSTEM MAPPING INVESTOR KNOWLEDGE BASE AND ECOSYSTEM MAPPING

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The (insert) Consortium is the following:

Participant number	Participant organisation name	Short name	Country
1	Truffle Capital	TC	FR
2	Finance Innovation	FI	FR
3	Across Limits	AL	MT
4	Fintech Corridor	FC	IE
5	Ro Fintech	RF	RO
6	Crowdfunding Hub	CH	NE
7	F6S NETWORK LIMITED	F6S	IE

EXECUTIVE SUMMARY

In Europe, the fintech space looks very fragmented and not unified, therefore, the FINE project has developed an [investor mapping](#) tool and an [ecosystem map](#) to boost collaboration and cross-border investments between mature and less mature ecosystems within the Eu.

Together with all the consortium partners, Truffle Capital has been able to achieve the mapping of a significant number of investors and fintech ecosystem players within the project targeted countries. To reach this ambitious target, each partner, with the support of Truffle Capital, has worked to identify the most prominent investors in each of the countries targeted by the FINE, as well as identifying the most influential and practical ecosystem information and players per country.

Through the work done, work package one has built a common framework designed to unify all the players in the European fintech ecosystem, as well as identified more than 200 single investors, with most of them being Venture Capital funds backed by institutional Investors.

On the other hand, the partners have aggregated more than 250 trends, policies and regulations with the aim to provide investors with a concrete and strong toolkit to foster the understanding of a country's ecosystem.

Following the first year of the FINE project work, the consortium will regularly update both the investor and the ecosystem map as the project progresses to build a comprehensive and up-to-date tool for the users.

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ABBREVIATIONS

IP	Internet Protocol
TCP	Transmission Control Protocol
KPI	Key Performance Indicators

1. SECTION: INVESTOR MAPPING

Truffle Capital (TC), together with the contribution of all the consortium partners, achieved the task of mapping 200 fintech investors in the targeted countries.

TC built a common framework in Excel with over 21 columns that can identify and describe from a quantitative standpoint each of the fintech investor mapped by the consortium partners.

The framework's main KPIs for each targeted country were mainly focused on having:

- More than 15 types of investors, typically active in the fintech space (Venture Capital, Corporate Venture Capital, Business Angels, Private Equities, Family Offices etc).
- At least 2 types of investors leading fundraising rounds or followers.
- Typical Stage of investment: going from early to later stages.
- The industry focus of the investors: ranging from generalist (investing regardless of the sector), to sector specialist (such as Crypto, Cyber, Insurtech and others).

The KPIs mentioned above, together with the office locations, were the most important pillars of the framework that all the investors must possess to be classified in the file.

1.1 OVERVIEW

The investor mapping has been able to reach and overcome the initial KPIs (which were set before the start of the project). In addition, the map has gathered a lot of interest from external parties that have shown the intention to cooperate with the consortium and be an active part of the process in the future.

The FINE project consortium has presented the Investor Maps in several events and occasions, creating engagement and interests by international parties on the project. In particular, the consortium had the opportunity to present at the [Unchain Festival](#) in which there has been also a pitching session from an Eastern European startup. The Unchain panel example perfectly entails the FINE project mission, using the investor map to promote cross-border investments, indeed, at the event, [Benjamin Berényi](#), CEO and founder of Past-Pay, a leading fintech in the CEE region, had the opportunity to pitch and discuss with international investors. The Unchain Festival panel is only one of the several events where the consortium presented the investor map and was able to increase the awareness on cross-border investments. This event will be described in more detail in the corresponding communication and dissemination deliverable.

1.2 ABOUT FIGURES

- **207 European Investors** mapped by Truffle Capital and the FINE partners.
- **49,7%** of the investors mapped are focused on **Seed and Series A**.
- **France** is the country with most investors within the framework, with more than 50 investors represented, 30 of which are Venture Capital.
- **Venture Capital represents over 50%** of the population of investors mapped, being the majority in each of the FINE target countries.
- Among the targeted countries, the **CEE countries** (*Romania, Bulgaria and Hungary*) have **47 investors** registered on the map, of which 29 are Venture Capital funds.

Country	Company name	Investor Type	Investment Type	Stage focus
France	Eurazeo	Private Equity	Lead	Stage Agnostic
France	Truffle Capital	VC	Lead	Stage Agnostic
France	Daphni	VC	Both	Early Stage I (Pre-seed)
France	Partech	VC	Lead	Stage Agnostic
France	Blackfin	VC	Lead	Stage Agnostic
France	AXA Venture Partners	CVC	Lead	Stage Agnostic
France	BNP Paribas CIB	CVC	Both	Late Stage (Series A+)
France	Crédit Agricole CIB	CVC	Both	Stage Agnostic
France	Societe Generale Ventures	CVC	Lead	Early Stage II (Seed, Series A)
France	Seventure Partners	CVC	Both	Stage Agnostic

Figure 1 - European Investors mapped by TC and the FINE partners

2 SECTION: ECOSYSTEM MAPPING

2.1 OVERVIEW

Truffle Capital (TC), together with the contributions of all the consortium partners, achieved the task of mapping; >250 trends, policies and regulations, shaping the future of fintech in targeted countries.

TC built a common framework in excel with over 14 columns that are used to identify and describe quantitatively, each of the fintech related policies and movements affecting the fintech ecosystem in target countries.

The framework was built based on the topology of information that was filled in by the consortium partners, indeed, there were more than 35 types of actors affecting the ecosystem such as:

- General Trends, Policies, Regulations, Journalists, Chamber of commerce, Central Banks, Government, Sector Association, European Laws etc.

Actors Type	Descriptions
Market trend	Perceived tendency of financial markets to move in a particular direction in a determined set of time
Status of collaboration between Fintech and banking firms	Any form of collaboration between startups and banking firm that could be used as best practice example
Government policies	Any laws or incentives governments put in place to support the startups ecosystems both at regional (Eu commission laws and incentives) and local level
Fintech/Banking regulations and licenses	Any particular regulations relative to the banking world or fintechs that might be helpful for investors and their portfolio companies (easiness to access licenses, KYC laws etc)

Figure 2 - Mapping: trends, policies and regulations

Based on the actors, the consortium partners produced a description of action with a focus on each of these actors with information on their impact, active city/country and contacts.

In addition to the actors, an important KPI to measure the maturity of the ecosystem, can also be based on the number of specialized events held in a country. The FINE network was able to identify the most important events in each of the targeted countries such as:

- FinTechShow - Held in Budapest, this event focuses on the latest technologies in the banking and financial sector, offering insights into digital transformation trends, payments, cybersecurity, and more.
- Fintech Summit Sofia - An annual summit that brings together fintech professionals, startups, banks, and investors to discuss the future of finance, including innovations in payments, blockchain, and financial services.
- French Fintech Week - France FinTech, Paris&Co, the AMF, and the ACPR (Autorité de contrôle prudentiel et de résolution), promotes the dynamism of the global fintech ecosystem in France with a week of events held in different areas of Paris.

2.2 ABOUT FIGURES

- **Spotlighted > 18 Fintech** events are available to the European investor community, 49,7% of the mapped investors are focused on **Seed and Series A** investors
- **Covered the investment landscape of 10 European countries**
- Identified useful service providers for all the investment stages
- France is the country with the highest number of events, with six.
- Example of ecosystem information which is useful for Fine network:
 - **Romania - Incentive schemes for investment in tech/fintech businesses:**
 - Romania's tech and fintech sectors are growing, supported by tax incentives and development goals set by the government. As of January 1, 2023, IT field employees, including those on secondment in Romania, can benefit from income tax exemptions, aimed at fostering innovation and growth. Fintech companies enjoy a 1% tax rate if annual revenues are under €0.5 million. Additional benefits include a 50% extra deduction on R&D expenses and tax exemptions for profits reinvested in technological equipment, under certain conditions, promoting a favourable environment for tech industry expansion.

- **Spain - Create & Grow Law:**
 - a limited liability company can be set up in Spain with a minimum capital amount of just 1 Euro, as opposed to the 3.000 Euros formerly required.
- **Spain, Start-up Law - For Companies**
 - The Law slashes the tax rate from 25% to 15% for the first tax period in which a profit is recorded, as well as the following three tax periods.
 - It allows startups to defer payment of the corporate tax debt for a period of twelve and six months, respectively, during their first two years of activity, without the need for collateral.
 - Exempts Start-Ups from the obligation to make instalment payments during the same period.

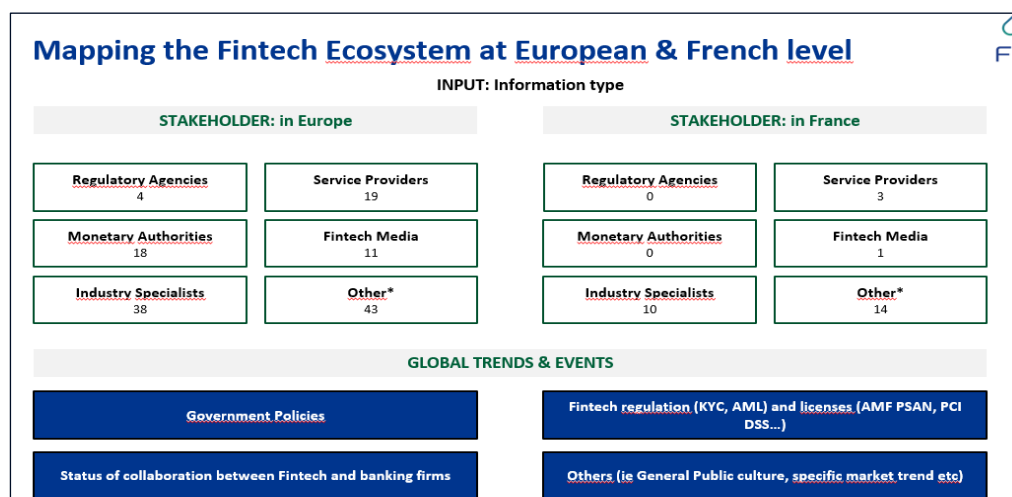


Figure 3 - Mapping the Fintech Ecosystem at European & French Level

Information type	Description
Market trend	Acceleration of M&A operations, for 40% of them they are transactions between fintechs
Market trend	Impact Fintech: Resilient ecosystem, which has continued to grow by 6% over the past year, despite the difficult economic climate.
Market trend	Paris is the 2nd start-up capital in Europe, after London. "La French Tech" raised more than €8.4 billion in the first half of 2022.
Market trend	Exits are getting harder for EU fintechs

Figure 4 - Market Trends

3 CONCLUSIONS

Over the first year of activity of the FINE project, the working group has achieved to put in place an efficient and inclusive mapping activity, resulting in a European network of Fintech investors as well as identifying the major trends that are shaping the fintech ecosystem in several European countries. Particularly, for the investor's angle, FINE was interested in mitigating issues arising from a knowledge gap that was present in less represented countries in the fintech space, as well as increasing the visibility of all the network participants. On the other hand, for the ecosystem maps, the FINE project has provided the users with a detailed and comprehensive landscape of economic, political and social scenarios. Providing support to investors; in their processes of evaluating potential risks related to specific countries, assessing the market dynamics, highlighting specific regulations in each of the FINE targeted countries to keep investors well-informed.

As a next step, the FINE consortium will keep analysing the market of investors, new trends and regulations arising in the targeted countries, to build the most comprehensive European investor knowledge base in the fintech space. The consortium, along with key support of the Fintech Corridor, have been curating news and content for different audiences in the European fintech space as well.

To reach the milestones and advance to the next steps, the FINE partners will host monthly meetings to enhance continuous collaboration among consortium partners. This will elevate the quality of work and ensure a shared understanding of each task performed by the consortium members.

APPENDIX A

TIMELINE

FINE Workplan	Year 1												Year 2											
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10	M11	M12	M13	M14	M15	M16	M17	M18	M19	M20	M21	M22	M23	M24
WP1 - Investor Knowledgebase and Ecosystem Mapping																								
T1.1 Setting a common framework for researching and reporting on the local ecosystem.																								
T1.2 Identification and mapping ecosystem players																								
T1.3 Building a common EU investor knowledge base																								
T1.4 Curating news and content for different audiences																								

Figure 5 - Timeline: WP1 tasks

Useful Links

Fine Website: <https://fintechnetwork.eu/>

Ecosystem Map: <https://fintechnetwork.eu/ecosystem-map/>

Investor Map: <https://fintechnetwork.eu/investor-map/>

TASK LEADERS logos

- TRUFFLE CAPITAL



- ROFINTECH



- IMPULSE FOR WOMEN



- THE FINTECH CORRIDOR

