The Western Balkans Start-up Ecosystem at a Crossroads

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The recommendations are proposed as guidance based on the study findings and stakeholder input; they are not formal commitments on behalf of the study producers.

More information on the European Institute of Innovation and Technology is available on the internet: www.eit.europa.eu

The Regional Cooperation Council is available on the internet: https://www.rcc.int/

The Enterprise European Network: https://een.ec.europa.eu/

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* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

Table of Abbreviations

B2B	Business to Business
BHBAN	Bosnia and Herzegovina Banking Association
CEE	Central and Eastern Europe
CRM	Common Regional Market
EBRD	European Bank for Reconstruction and Development
EEN	Enterprise Europe Network
EIT	European Institute of Innovation and Technology
EU	European Union
FDI	Foreign Direct Investment
FITD	Fund for Innovation and Technology Development
GDP	Gross Domestic Product
ICT	Information and Communication Technology
IP	Intellectual Property
KIC	Knowledge and Innovation Communities
MSMEs	Micro, Small and Medium-Sized Enterprises
MVP	Minimum Viable Product
OECD	Organisation for Economic Co-operation and Development
PE	Private Equity
R&D	Research and Development
RCC	Regional Cooperation Council
RIS	Regional Innovation Scheme
SME	Small and Medium-sized Enterprise
STEM	Science, Technology, Engineering, and Mathematics
USAID	U.S. Agency for International Development
VC	Venture capital
WB	Western Balkan
WB6	Western Balkan Six: Albania, Bosnia and Herzegovina, Kosovo*, Montenegro, North Macedonia, Serbia
WIPO	World Intellectual Property Organization

1. Executive Summary

This publication is the result of a joint effort by the European Institute of Innovation and Technology (EIT), the Regional Cooperation Council (RCC), and the Enterprise Europe Network (EEN). The decision to collaborate on this study stemmed from a shared recognition that while significant progress has been made in the Western Balkans Six (WB6), a fragmented approach to innovation and entrepreneurship support is a persistent challenge. The main objective of this study is to provide a unified, evidence-based view of the start-up ecosystem's landscape, highlighting its strengths, weaknesses, and opportunities. By combining the EIT's expertise in innovation and entrepreneurship, the RCC's role in fostering regional integration, and the EEN's extensive SME support network, the report demonstrates the powerful synergies between European and regional actors. Together, these organisations are working towards common goals: strengthening innovation ecosystems, reducing disparities, and ensuring that local innovators can fully benefit from Europe's Single Market and global opportunities.

Ecosystem overview

The WB6 start-up ecosystem—encompassing Albania, Bosnia and Herzegovina, Kosovo*, Montenegro, North Macedonia, and Serbia—is at a crucial juncture. While it holds significant, though mostly unrealised, potential, its progress is currently being constrained by a self-perpetuating cycle of systemic challenges. The region is transitioning from a traditional service-based economy towards an innovation-led model, championed by a burgeoning ICT sector that employs an estimated 150,000 people and is responsible for a growing number of well-remunerated roles. This pivotal transformation is a strategic priority for both the region and the European Union, underpinned by substantial financial and policy frameworks such as the EU's Digital Decade and the Economic and Investment Plan for the WB6.

Current State of the Ecosystem: Strengths and Systemic Gaps

The ecosystem's strengths include a young, educated population and a thriving ICT sector with growing export revenues. A new generation of tech firms is emerging, focused on developing proprietary intellectual property and advanced business models rather than on mere service provision. A data-driven assessment, however, reveals a profound imbalance in the start-up lifecycle: While there is a large number of nascent ventures at the early "seed" stage, the pipeline narrows dramatically, with very few companies progressing to the "scale-up" phase. This challenge, often referred to as the **"scale-up gap,"** is not unique to the WB6 but reflects a broader problem seen across many emerging and even established ecosystems in Europe.

The primary systemic challenges acting as bottlenecks to growth are:

A profound funding gap: The most significant evidence of the WB6 early-stage innovation environment is a persistent investment gap. In **2024**, the total capital raised in the region was just **EUR 29.5 million**, v (EUR 123 million), Romania (EUR 78 million), and Bulgaria (EUR 38 million), where funding is far more robust. The private capital market is mostly non-existent, forcing start-ups to rely on grants and self-financing. Without a track record of "unicorns" and successful exits, foreign investors remain hesitant, creating a negative cycle that traps the region in a state of unproven potential.

A severe talent crisis: The WB6 are experiencing an alarming "brain drain," losing a significant portion of their young and skilled population. This represents an uncompensated economic outflow, as governments invest in public education only to see highly qualified individuals emigrate to developed countries. For start-ups, this creates significant hiring issues and skill shortages, particularly for experienced professionals in sales and internationalisation.

Market Fragmentation and Global Ambition: The small size of domestic and regional markets forces start-ups to adopt a **"global-first" mindset** from day one. Compared to the broader Central and Eastern European (CEE) region, this could be considered a strong asset, as investors place high value on global ambitions from the very beginning. It remains a significant challenge for start-ups in countries such as Slovakia or Poland, where the local market is larger and can sometimes delay the shift to international expansion. However, while the "global-first" mindset is a necessity, Western Balkan start-ups often lack the

experience and networks to navigate complex international markets. The region is not widely recognised as an innovation hub, which can further deter foreign investment.

Individual Analysis: While some of the WB6, like Serbia, have implemented comprehensive strategies, others, such as Bosnia and Herzegovina and Kosovo*, lack a coherent strategy for innovation, leading to fragmented and inconsistent support. Others, like North Macedonia and Montenegro struggle to provide adequate innovation support and face a pronounced funding gap, making it difficult for start-ups to secure later-stage capital.

Strategic roadmap and recommendations

To unlock the region's full potential, a coordinated, multi-stakeholder effort is essential. The following strategic pillars are recommended:

Catalyse private capital: Implement tax incentives for angel investors and create government-backed co-investment funds to de-risk investments and attract private capital. This will help bridge the funding gap and create the "flywheel effect"[2] seen in more mature ecosystems.

Bridge the talent gap: Develop "reverse brain drain" programmes to bring back diaspora members and leverage their international expertise. A key recommendation is to foster stronger academia-industry linkages through innovation fellowships and university-affiliated start-up labs.

Foster Cross-Regional and Global Connectivity: Create a unified WB6 brand to improve international visibility. A regional platform is already in place, the FINNO - South-East Europe Innovation & Business Collaboration Platform,[3] which serves as a central hub for the region. The Enterprise Europe Network (EEN) should leverage its existing services of internationalisation support through market research, B2B matchmaking, and company missions to help start-ups effectively enter EU markets.

Given that the **EEN's core focus** is on these services, there is a clear **opportunity for cooperation with EIT's Knowledge and Innovation Communities (KICs)**[4] and leverage the EIT Regional Innovation Scheme (EIT RIS) to provide more comprehensive, hands-on support for internationalisation, especially in third-country markets. This could involve EIT KICs offering "soft-landing"-type support, building upon the EEN's foundational services.

Align Policy with Practical Needs: Ensure that international funding and local policies effectively meet the specific, granular needs of young firms. Governments should support a "Model Start-up Law"[5] to harmonise regulations across the region, covering start-up definitions, tax relief, and intellectual property.

The future of the WB6 and their path toward EU integration depend on their ability to transition to a knowledge-based, innovation-driven model. The strategic interplay between the high-level policy work of the RCC and the on-the-ground support of the EIT and EEN is a core strategic asset. By implementing the proposed strategic roadmap, the region can build a resilient, competitive ecosystem that retains its best talent, attracts vital investment, and finally achieves its long-promised potential.

Key policy and institutional responses - A number of domestic and international initiatives are in place to address the ecosystem's challenges. The EU is a primary driver of this support, providing financial and policy frameworks like the Economic and Investment Plan for the Western Balkans 2021-2027. These programmes are complemented by institutions such as the EIT, which through its Community Hubs, provides direct support and connections to innovators. The EEN assists in internationalisation and access to finance, while the RCC and its flagship initiatives, including the WB6 Women Entrepreneurs of the Year award, focus on fostering regional cooperation and promoting under-represented groups.

2. This creates a virtuous cycle where each component strengthens the others. The flywheel turns faster and faster, generating a powerful, self-sustaining momentum that is difficult for competitors to stop. It's a powerful model for long-term, compounding growth.
3. https://een.ec.europa.eu/blog/finno-access-finance-south-east-European-companies
4. https://www.eit.europa.eu/library/eit-kic-factsheets
5. A Model Start-up Law is a framework or template for legislation that governments can adopt to create a more supportive legal environment for start-ups and innovative companies. The goal of a Model Start-up Law is to provide a clear, modern, and predictable legal foundation that fosters innovation. It signals a government's commitment to building a thriving tech ecosystem and helps close the gap with more mature, established hubs.

2. Introduction: Purpose and Context

The development of the start-up ecosystem in the WB6 is intricately linked to its geopolitical and economic integration goals, particularly its convergence with EU nations. The region's digital and green transformation agendas are positioned within the broader frameworks of the EU's "Digital Decade" and "Green Agenda".[6] The EU's "Digital Decade" initiative has set concrete targets for 2030 to boost digital public services and business transformation, a framework that directly influences policy and development in the WB6. Similarly, the "Green Agenda for the WB6" aims to achieve climate neutrality by 2050 and decouple economic growth from resource use, focusing on key pillars such as clean energy, circular economy, and sustainable agriculture.

To facilitate these transformations, the EU provides significant financial and policy support. This includes the Economic and Investment Plan for the WB6 (EIP),[7] (and the Instrument for Pre-Accession IPAIII (2021-2027),[8] which together commit EUR 9 billion in grants and EUR 20 billion in guarantees to the region. This extensive support, channelled through mechanisms like the WB6 Investment Framework (WBIF), reinforces the understanding that the growth of the start-up ecosystem is a strategic priority for both the region and the EU.

Scope and Methodology

This report focuses on the start-up ecosystems within the WB6: Albania, Bosnia and Herzegovina, Kosovo*, Montenegro, North Macedonia, and Serbia. At the heart of this ecosystem is a thriving ICT sector, which is increasingly recognised as a key engine of growth. The sector employs approximately 150,000 people, representing 2.9% of the total registered workforce, and accounts for around 2% of the region's GDP.[9]

In a promising sign of its global competitiveness, ICT service exports reached an average of EUR 12.3 billion between 2018 and 2022.[10]

Key stakeholders and regional initiatives are working to support this growth. The WB6 Start-up Alliance (WBSA) is a notable regional initiative that unites various ecosystem actors to foster innovation and enhance cross-regional collaboration.[11] Other key players include the OECD's South East Europe Regional Programme (SEERP) and a number of EU-backed financial programmes and funds that aim to strengthen the innovation and digitalization of small and medium-sized enterprises (SMEs) as: Horizon Europe, Digital Europe Programme (DIGITAL), European Digital Innovation Hubs (EDIHs), The WB6 Enterprise Development and Innovation Facility (WB EDIF), etc. [12]

This publication is the result of a joint effort by the European Institute of Innovation and Technology (EIT), the Regional Cooperation Council (RCC), and the Enterprise Europe Network (EEN). By combining the EIT's expertise in innovation and entrepreneurship, the RCC's role in fostering regional integration, and the EEN's extensive SME support network, the report demonstrates the synergies between European and regional actors. Together, these organisations are working towards common goals: strengthening innovation ecosystems, reducing disparities, and ensuring that local innovators can fully benefit from Europe's Single Market and global opportunities.

The report is based on a mixed-methods research approach, synthesising insights from primary research (start-up surveys and stakeholder interviews) and comprehensive desk research (public reports, global indices, and official institutional documents). This methodology provides a holistic and evidence-based view of the ecosystem's current state, offering a robust foundation for strategic planning and informed policy-making. It is important to add a caveat:

This study seeks to address a critical gap in the region's start-up innovation ecosystem by offering consolidated insights that encompass all WB6. While every effort was made to ensure comprehensive coverage

6. https://enlargement.ec.europa.eu/enlargement-policy_en
7. https://enlargement.ec.europa.eu/enlargement-policy/growth-plan-western-balkans_en
8. https://ec.europa.eu/regional_policy/policy/what/glossary/ipa_en
9. https://www.rcc.int/pubs/196/invest-in-ict-in-the-western-balkans-brochure
10. 2023 report from The Recursive, titled "The CEE & SEE Tech Report"
11. https://wbstartupalliance.com/ and https://wbstartupalliance.org
12. https://www.oecd.org/en/about/programmes/oecd-south-east-europe-regional-programme

and comparability, it is important to acknowledge certain limitations inherent in the available data sources. Specifically, the depth and breadth of data vary significantly across WB6. Some of the WB6 are reasonably well documented in existing databases and reports, while others are under-represented or lack consistent metrics. This uneven coverage posed challenges in conducting direct comparisons and may influence the interpretation of cross-regional analyses. As such, readers should approach comparative findings with caution, recognising that disparities in data availability may reflect structural differences in reporting practices rather than actual performance or innovation capacity. Despite these constraints, the study provides a valuable foundation for regional dialogue and future research aimed at strengthening the regional start-up innovation landscape.

3. The WB6 Start-up: A Snapshot

The ICT sector is a pivotal component of the WB6 economic fabric. While it contributes an average of only 2% to the region's GDP, it provides a growing number of well-qualified and highly-paid jobs. A crucial and evolving trend is the emergence of a new generation of tech companies that are distinct from the traditional ICT outsourcing model. These firms are driven by a commitment to radical innovation, focusing on developing proprietary intellectual property (IP) and advanced business models. This shift is a key indicator of the ecosystem's maturation, moving beyond service provision to value creation.

The Start-up Lifecycle Funnel: A State of Imbalance

An assessment of the start-up lifecycle in the region reveals a state of profound imbalance. The ecosystem is heavily skewed toward the early **"Seed" stage**, with a large number of nascent ventures. However, the funnel narrows dramatically as companies attempt to grow, with a smaller number of firms in the **"Early-Stage" phase** and very few reaching the **"Scale-up" stage**. This structural imbalance suggests a systemic inability to nurture and sustain growth beyond the initial phases. While most scale-ups that do emerge retain their development and operations capabilities in the region, their small domestic and regional markets often force them to seek growth abroad.

Key Industries and the Promise of Smart Specialisation

The WB6 ecosystem has seen particular strengths emerge in specific sub-sectors, including software development, gaming, and broader IT services. A sector with significant potential is AgriTech, which is considered highly important in most ecosystems within the region. **The Montenegrin start-up BeBeep (*supported by EIT Urban Mobility*), which operates a carpooling/ride-sharing platform, serves as a powerful example of how technology can modernise traditional industries and align with "smart specialisation" strategies.**[13]

Another example is the concept of "smart specialisation" is a policy tool designed to guide evidence-based innovation by identifying and building upon a region's unique competitive advantages. The EU has endorsed this approach as a means to achieve a smarter, more sustainable, and inclusive Europe. By focusing on sectors where the WB6 has existing strengths, such as AgriTech or manufacturing, the region can foster cross-regional collaboration and align its economic transformation with EU climate goals, attracting vital investment. The WB6 have identified several areas of **smart specialisation** that align their innovation efforts with economic strengths. These specialisations, which often reflect the dominant growth directions, are also proportionally reflected in start-up profiles. The most common of these are:

- **ICT and Software Development:** A long-standing and well-established strength across the region, particularly in outsourcing and service provision.
- **Agriculture and Agri-Food:** Modernisation and innovation in this sector are a priority for many of the WB6, which are looking to add more value to their traditional agricultural base.

Other priorities, such as the Green and Circular Economy, Tourism, and Advanced Manufacturing, are mentioned in some specialisation strategies, but they have not yet reached the same level of widespread, regional consensus.

Infrastructure and Digital Foundations

The digital infrastructure in the WB6 has seen substantial investment, leading to significant improvements in connectivity. This has resulted in high **mobile penetration rates, with the number of mobile subscriptions per 100 people now approaching EU levels.** However, this progress is uneven. The region's average broadband speed is less than half that of the EU, and high costs, limited competition, and coverage gaps in rural areas continue to impede further development. Additionally, a prevalent issue of low digital literacy threatens to exacerbate a "digital divide" and slow down the overall digital transition, despite efforts by local administrations to reform public services and expand e-government services. According to data from the Digital Economy and Society Index (DESI), the WB6 have a significant gap in foundational digital skills.

13. https://www.bebeep.me/en/

Basic Digital Skills (as a percentage of the population aged 16-74):

- **WB6:** On average, around **32%** of the population possesses at least basic digital skills.
- **European Union:** The average for the EU is significantly higher, at approximately **54%**.

This highlights a key challenge: while infrastructure is improving, a large portion of the population lacks the skills needed to fully benefit from a digital economy.[14]

Funding and Financial Landscape: The Critical Gap

A central obstacle facing the WB6 is a profound investment gap. Despite a slowdown, biggest investments in WB6 start-ups amounted to EUR 29.5M in 2024, exceeding 2023's total and showcasing a dynamic investment landscape.[15]

This funding consists primarily of **early-stage capital**, including a mix of private venture capital, angel investments, and grant funding. The lack of substantial follow-on, or "scale-up," investment remains a key challenge for the region. The primary source of funding for early-stage companies remains public and donor-funded grants, while the private funding ecosystem of angel investors and Venture Capital (VC) firms is **still underdeveloped**, with a lack of a critical mass of active investors. [16]

The absence of a robust private capital market is a key constraint on growth. Start-ups in the region face significant challenges in obtaining financing, with high collateral requirements, high interest rates from banks, and a general inexperience of traditional financial institutions in lending to innovative ventures. A critical issue is a self-reinforcing negative cycle where the lack of private funding prevents start-ups from scaling, which in turn leads to a lack of "unicorn" companies and successful exits. Without these proven success stories, foreign investors lack the critical reassurance that there is "enough talent to build something global" and therefore direct their capital to more established ecosystems in Central Europe that already have a track record of success and government-backed funds. This dynamic creates a "flywheel effect" in countries like Romania and Croatia, while the WB6 in many cases remain trapped in a state where unproven potential deters the very capital needed to prove that potential.

VC investors expect a global perception and customer focus, especially in Western markets. Start-ups that fail to deeply engage with international users or validate their products abroad are perceived as lacking scale potential and often lose investor interest. This is a critical challenge throughout the WB6, where the small size of local markets makes a "global-first" mindset essential for attracting meaningful investment.[17]

The Policy and Institutional Environment

While international and local players have made concerted efforts to support the ecosystem, a gap between policy intentions and on-the-ground impact remains. Organisations like the OECD and EU are engaged in analytical assessments and capacity-building activities to foster innovation. For example, the WB6 Investment Framework (WBIF) has provided EUR 628 million in EU funds to support over 395,000 MSMEs and sustain more than 1.1 million jobs since 2009. Despite these significant investments, a lack of coordinated domestic development policies and legislative barriers **can, in some cases,** hinder the development of the local start-up ecosystem.

Start-up Ecosystem Performance and Rankings

The performance of the Western Balkan start-up ecosystems varies significantly across different parts of the region. The table below presents the latest available data, offering a snapshot of each WB6 standing in terms of global and regional rankings, as well as its growth trajectory. It's important to note that while some ecosystems are showing promising signs of growth, others are still facing challenges in gaining global visibility and scale.

14. https://op.europa.eu/en/publication-detail/-/publication/2feb6564-f9a7-11e7-b8f5-01aa75ed71a1/language-en
15. https://therecursive.com/biggest-funding-rounds-investments-in-western-balkans-startups-in-h2-2024/#:~:text=Below%2C%20you%20can%20find,tech%20startups%20in%20H2
16. https://itlogs.com/western-balkans-startup-investment-gap-widens-compared-to-eu-neighbors/
17. Tenderly Garaža, Why Investors Say "No" 2024

Table 1: WB6 Start-up Ecosystem Rankings (2025)

WB6	Global Rank	Regional Rank (Eastern Europe)	Ecosystem Growth Rate	Key Cities Ranking (Global)
Albania	83rd	Not specified	-19.1% (decline)	Tirana: Not in top 1,000
Bosnia and Herzegovina	91st	23rd	+5% (improvement)	Sarajevo: 769th, Banja Luka: Top 1,000
Kosovo*	97th	24th	<5% (stable)	Pristina: Not specified
Montenegro	Not in top 100	Not specified	Not ranked	No cities in top 1,000
North Macedonia	78th	19th	<2% (downward trend)	Skopje: 552nd
Serbia	56th	Not specified	-1.5% (slight decline)	Belgrade: 197th, Novi Sad: 502nd, Niš: 908th

Sources: StartupBlink's 2025 Index, The Recursive reports.

While a significant investment gap remains, the Western Balkan start-up ecosystem continues to see important funding activity. The table below highlights some of the key funding rounds in the second half of 2024, showing a mix of growth and early-stage capital. This activity is crucial as it creates a track record of success and demonstrates the increasing maturity of the region's innovation performance, attracting both regional and international investors.

Table 2: Key WB6 Funding Rounds (2024)[18]

Start-up Name	From	Amount Raised	Stage	Investors/Details	Vertical
Rolla	Bosnia and Herzegovina	EUR 6.3M	Seed	South Central Ventures, Superbet, angel investors	HealthTech
Gjirafa	Kosovo*/Albania	Undisclosed (Series C)	Late-stage	Rockaway Capital, U.S. DFC	E-commerce/Streaming
Lupa Technology	Serbia	EUR 750K	Early VC	Undisclosed	SaaS (Construction)
Bpacks	Serbia	Undisclosed (EUR 568.8K total)	Seed	Founders, private investors	Sustainable Packaging

Sources: The Recursive 2024 funding report. Total 2024 funding: EUR29.5M, with Serbia dominating (~70%).

18. The data in this table provides a snapshot of investment activity for the full year of 2024, but it's important to read these figures with a critical eye. This data is a synthesis of publicly disclosed funding rounds and market analyses, not a comprehensive, official dataset. Investment figures in smaller ecosystems can be highly volatile and are often skewed by one or two large, late-stage deals. The fact that a single deal can dramatically increase an ecosystem's annual total highlights the concentration of capital and the continued scarcity of later-stage funding. This table is intended to illustrate key trends and notable deals, not to provide an exhaustive account of all funding in the region.

4. WB6 - Specific Analyses[19]

4.1 Albania

Albania, ranks 84th among the 133 listed global economies in the Global Innovation Index (2024). Top strengths include low-carbon energy use (5th), GDP per energy unit (12th), and FDI net inflows (14th), reflecting Albania's green energy profile and attractiveness for foreign investment.[20]

Albania showed the strongest improvement across 14 of 15 policy dimensions in the OECD Competitiveness Outlook 2024, particularly in anti-corruption, agriculture, and employment. It ranks above the WB6 average in 13 dimensions.[21]

Albania dropped 11 positions globally, now ranking 83rd, with one of the worst negative growth rates (–19.1%) in the global start-up ecosystem index. The ecosystem is still in the early stage, but public-private support is increasing, including the line ministry's support which promotes tax incentives for software development.[22]

A legal and institutional framework has been established to support start-ups, including the Law on the Support and Development of Start-ups (No. 25/2022) and the Start-up Albania Agency. However, support is mainly focused on early stages (pre-ideation) and lacks long-term incubation structures.[23]

Albania has implemented several business-friendly reforms, including streamlined online company registration, fiscal incentives for innovation-oriented companies, and improved investor protection frameworks. However, enforcement of contracts and resolving insolvency remain bottlenecks for start-ups.[24] Despite improvement, Albania still lacks a coordination strategy for innovation, and the innovation ecosystem suffers from fragmented responsibilities across three ministries, limiting effective support to start-ups and reducing efficiency in public R&D funding.[25]

Access to finance remains a systemic challenge – with a shallow VC market, underdeveloped angel investor networks, and limited alternative instruments like crowd-funding or convertible notes. International donor funds (EU, Swiss EP, GIZ), business angel networks like ABAN and Angels Albania and Crimson Finance Fund, supported by the Albanian American Development Foundation are helping to bridge early-stage financing gaps.[26]

Key barriers to internationalisation include a lack of access to finance, networks, and structured government support, despite promising ties with Germany, Austria, and Italy[27].

Start-up density remains low, with only ~88 start-ups per million inhabitants, compared to countries of similar size and background, such as ~500 in Lithuania and 1,100 in Estonia. These figures, reported in **2024**, highlight a significant gap in entrepreneurial activity that the region needs to address[28].

The most active start-up sectors are ICT, tourism, AgriTech, and health/Ed-tech, with ICT leading due to strong digital literacy and export potential.[29]

Albania holds only 0.1% of the total AI start-ups in Central and Eastern Europe, reflecting that the AI start-up scene is still in its infancy, and stronger support systems are required for growth. FinTech and RegTech are growing but remain underutilised, with very limited consumer awareness and unclear regulatory guidance. There is a need for consistent, activity-based regulation.[30]

19. The data presented in this report is a synthesis of publicly disclosed figures, market analyses, and official documents. It is important to note that metrics for emerging ecosystems can be volatile, and a lack of standardised, centralised data collection may lead to variations across different sources. This report is intended to provide a critical overview of key trends and dynamics, not an exhaustive account of all activity in the region.
20. Albania ranking in the Global Innovation Index 2024
21. OECD, WB6 Competitiveness Outlook 2024: Albania
22. StartupBlink's 2025 Index
23. EU4Innovation, The Start-up and Innovation Ecosystem in Albania
24. Albanian Investment Corporation, Doing Business and Investing in Albania 2024
25. Çabiri K.M. and Qosja E. (2025), Strengthening Albania's Innovation Ecosystem - Strategic Investment and Collaborative Approaches in Scientific Research and University-Industry Partnerships
26. EU4Innovation, The Start-up and Innovation Ecosystem in Albania; StartupBlink's 2025 Index
27. EU4Innovation, The Start-up and Innovation Ecosystem in Albania
28. Mehmeti V. et al. (2024), Business ecosystems and development of start-ups in Albania: a correlational analysis
29. Muça E. (2025), Analysis / start-ups in Albania: An expanding ecosystem with challenges and potential
30. (Spaho M. and Beleraj I. (2024), Fintech and Regtech as Tools of Financial Digitalization and the Regulatory Framework in Achieving Sustainable Development Insights from Albania

University–industry collaboration is underdeveloped, with an average of around **0.1% of GDP** spent on Research & Development (R&D) across the region. This is a modest figure, and when combined with the weak commercialisation of academic research, it highlights a significant opportunity to better connect the "knowledge triangle" of business, research, and academia. [31]

Entrepreneurship is concentrated in Tirana, which hosts nearly 30% of all active enterprises. Rural areas still face migration and brain drain, although initiatives like Tech-Hub Korça and youth centres in Shkodër and Gjirokastër, supported by donors, are emerging.[32]

One compelling case study of this place-based approach is the establishment of the **Regional Innovation Centre in Albania**,[33] a collaboration between EIT RawMaterials and the Ministry of Infrastructure and Energy. The centre will operate daily to support Albanian universities, innovators, and investors, and it aims to drive innovation and enhance skills development, particularly among women and STEM students. This initiative supports the European Commission's Growth Plan for the WB6 and promotes regional integration through sustainable development, entrepreneurship, and educational collaboration.

4.2 Bosnia and Herzegovina

Bosnia and Herzegovina ranks 80th out of 133 in the Global Innovation Index 2024. Its strongest performance is in Market Sophistication (29th), while the weakest dimensions are Institutions (110th), Business Sophistication (104th), and Creative Outputs (94th).[34]

According to the OECD Competitiveness Outlook 2024, Bosnia and Herzegovina under performs in nearly all policy dimensions compared to the WB6 average, particularly in digital society, agriculture, education and tourism policy.[35]

Bosnia and Herzegovina improved its global start-up ecosystem ranking by five places in 2025, reaching 91st globally and maintaining 44th in Europe and 23rd in Eastern Europe. Banja Luka entered the global top 1,000 start-up cities for the first time, joining Sarajevo, which remains the Bosnia and Herzegovina's leading hub at 769th globally, with over 25% growth.[36]

There is no coherent local strategy for start-ups or innovation. Fragmented governance across Bosnia and Herzegovina, entity, and cantonal levels results in weak coordination, inconsistent support mechanisms, and duplicated efforts.[37]

Fragmented institutional and regulatory framework, combined with political instability and weak corporate governance, hinders innovation, competitiveness, and private sector growth. Despite these barriers, EBRD is actively promoting private sector digitalisation, SME competitiveness, and integration into value chains.[38]

Despite its limited scale, Bosnia and Herzegovina's start-up scene is evolving with a growing number of early-stage companies, estimated at around 100 active, but the start-up density remains the second lowest in Southeast Europe.[39]

The start-up and venture ecosystem in Bosnia and Herzegovina is growing but still underdeveloped and unexplored. It is heavily concentrated in Sarajevo, with emerging hubs in Mostar, Banja Luka, Tuzla, and Zenica. However, rural areas are largely excluded from entrepreneurial dynamics.[40]

Limited access to finance remains a major bottleneck. While initiatives like BH TechLab and angel investor networks such as Vrbas Capital and BHBAN are emerging, venture capital and scalable seed funding are virtually absent.[41]

31. Çabiri K.M. and Qosja E. (2025), Strengthening Albania's Innovation Ecosystem - Strategic Investment and Collaborative Approaches in Scientific Research and University-Industry Partnerships
32. Muça E. (2025), Analysis / start-ups in Albania: An expanding ecosystem with challenges and potential
33. https://www.rawmaterialsalbania.al/en/index.php
34. Bosnia and Herzegovina ranking in the Global Innovation Index 2024
35. OECD, WB6 Competitiveness Outlook 2024: Bosnia and Herzegovina
36. StartupBlink's 2025 Index
37. OECD, WB6 Competitiveness Outlook 2024: Bosnia and Herzegovina
38. EBRD, Bosnia and Herzegovina Country Strategy 2022-2027
39. USAID, Roadmap for the Development and Roll-out of Business Angel Investing in Bosnia and Herzegovina
40. Tandir N. et al (2022), start-up Ecosystem Environment in Bosnia and Herzegovina
41. Majic J. (2024), From War-Torn to Tech-Born: Bosnia's surprising start-up revolution

Support structures exist, such as Fondacija 787, Mozaik Foundation, SPARK, the INTERA Technology Park, and the Innovation Centre Banja Luka (ICBL). However, these initiatives and programmes remain fragmented and heavily donor-dependent, with their long-term sustainability still uncertain. [42]

Bosnia and Herzegovina lacks effective mechanisms for growth-stage support. Programmes are mostly focused on ideation and early-stage incubation, with little follow-on funding or scaling pathways. [43]

Talent shortages remain acute, with the ICT sector facing a significant demand for skilled professionals that local talent pools cannot fully meet. A key challenge is the mismatch between the skills taught in higher education and the requirements of the job market. Many graduates lack job-readiness due to outdated curricula and weak cooperation between universities and industry.

A survey conducted by the **European Training Foundation (ETF)** in **2022-2023** highlights this issue, finding that while a significant number of workers reported new digital technologies being introduced in their workplaces, there was a major skills mismatch. This points to a clear need for continuous training and a closer alignment of educational institutions with the dynamic needs of the tech sector[44].

Entrepreneurial mindset and culture remain underdeveloped. Fear of failure is culturally rooted, and entrepreneurship is not widely seen as an aspirational career path, especially among youth and women. This results in low initiative-taking and reluctance to pursue innovative ventures.[45]

While the ICT sector is the Bosnia and Herzegovina's fastest-growing industry and a major export contributor, regulatory and infrastructural hurdles still hamper its full innovation potential. There is a need for continued development and support to bolster the growth of the start-up ecosystem.[46]

Global perception is slowly shifting, and international interest is growing (e.g. Swiss EP, EBRD Star Venture), and diaspora engagement is seen as a promising but underused asset in scaling innovation.[47]

The challenge, however, is a regional one: while these initiatives and diaspora networks are active in Bosnia and Herzegovina, their impact is often constrained by a lack of coordination and a fragmented ecosystem.

4.3 Kosovo*

Kosovo* continues its upward trend in the global start-up rankings, moving up one spot to 97th place in 2025 after rejoining the top 100 in 2024. Within Eastern Europe, Kosovo* ranks 24th, maintaining a stable position with a growth rate below 5%, indicating gradual but steady development.[48]

Kosovo* is among the most dynamic start-up ecosystems in the WB6, but still under performs the regional average in key competitiveness indicators such as infrastructure, access to finance, innovation capability, and regulatory efficiency.[49]

Kosovo* lacks a comprehensive science, technology and innovation (STI) strategy, though a Science Program (2023–2028) is in place. A Smart Specialisation Strategy is under development with EU support, identifying ICT, green energy, agri-food, and wood processing as priority areas. Institutional coordination has improved since the Ministry of Education, Science, Technology and Innovation (MESTI) took over STI responsibilities, but implementation capacity remains low.[50]

Government support remains fragmented and reactive. While some programmes exist, Kosovo* lacks a long-term policy framework or robust strategy to coordinate start-up development.[51]

Access to venture capital is a persistent challenge, alongside fragmented institutional support, underutilised incubators, and structural barriers such as gender gaps. While the legal framework is still developing, the market is moving forward. The significant funding figures for Kosovo* in 2024 show that the legal and

42. Tandir N. et al (2022), start-up Ecosystem Environment in Bosnia and Herzegovina
43. Majic J. (2024), From War-Torn to Tech-Born: Bosnia's surprising start-up revolution
44. https://www.etf.europa.eu/en/news-and-events/news/etf-survey-jobs-skills-western-balkans-highlights-digital-training-gap
45. MeOut, Single research on Bosnia and Herzegovina 2021; International Labour organisation, Women and youth in Sarajevo entrepreneurship ecosystem
46. USAID, Roadmap for the Development and Roll-out of Business Angel Investing in Bosnia and Herzegovina
47. Swiss EP, Bosnia-Herzegovina
48. StartupBlink's 2025 Index
49. Stats And Market Insights, Kosovo Start-up Ecosystem in 2025: A Year of Resilience and Transformation
50. OECD, WB6 Competitiveness Outlook 2024: Kosovo
51. Avdiu Y. P. (2025) Ecosystem Strategy for the Start-up Businesses Growth in Kosovo: The Moderating Effect of Digitalization

regulatory environment, while not perfect, is not a complete barrier to investment.[52]

In 2024, Kosovo*'s start-ups raised a record **EUR 50 million**[53], a significant increase of 60% compared to 2023. This is particularly noteworthy when contrasted with the **EUR 11 million** raised across the entire WB6 in the first half of the year. This jump in funding, indicating increased investor confidence, was driven by a few large late-stage deals, including a **EUR 20 million investment** in FinTech, followed by IT services (EUR 15M) and AgriTech (EUR 8M). While this demonstrates a healthy flow of capital, it also highlights the concentration of large deals and the continued scarcity of late-stage funding, with **EUR 30 million** still going to early-stage ventures.[54]

The ecosystem is highly centralised, with Pristina acting as the main hub for entrepreneurship, and cities like Peja, Prizren, and Mitrovica also contributing. Rural areas remain excluded from key resources such as funding, co-working infrastructure, and networks.[55]

Digitalisation is increasingly driving innovation, with the adoption of AI, cloud computing, and IoT tools accelerating product development and scalability. Despite this, Kosovo*'s digital public infrastructure remains underused – only 10% of public services are online, and digital skills in administration are weak.[56]

Kosovo*'s start-ups created over 4,000 jobs in 2024, with strong demand for talent in IT services, fintech, and AgriTech. Partnerships with universities, vocational training centres, and government programmes like the Youth Employment Initiative have ensured a steady pipeline of skilled professionals.[57]

Fintech start-ups such as FinLink and SmartCredit KS are reshaping financial services, enabled by Central Bank pilot programmes and regional accelerator support. AgriTech is also emerging as a priority sector, with start-ups leverage IoT, hydroponics, and digital marketplaces to improve productivity and promote sustainable farming.[58]

Key ecosystem enablers include ICK (Innovation Centre Kosovo*), ICT Association of Kosovo* (STIKK), and Kosovo* Investment and Enterprise Support Agency (KIESA), which offer incubation, grants, training, and policy advocacy.

Kosovo*'s diaspora plays a key role in ecosystem development, offering capital, mentorship, and international connections. In 2024 alone, more than 25 start-ups expanded abroad with diaspora support and Initiatives like the WB6 Innovation Network.[59]

Many founders lack long-term strategic vision, with low risk tolerance and a limited entrepreneurial mindset. Informality and short-termism are cited as major cultural and structural barriers.[60]

Founders are relatively well educated, with nearly 40% holding Master's or Ph.D. degrees. Yet, only 31% are fully dedicated to their ventures, as many combine start-up work with other jobs or studies – reflecting early-stage fragility.[61]

Start-up failure is common – 80.4% of surveyed founders experienced failure, and only 12.38% of start-ups generate sufficient revenue, while 41.9% generate none. Access to finance remains the top barrier, with 51.35% of founders citing it as the main reason for failure.[62]

4.4 Montenegro

Montenegro ranks 65th out of 133 in the Global Innovation Index 2024. Top-performing pillars include market sophistication (52nd), infrastructure (57th), and business sophistication (59th), while the weakest are institutions (86th), knowledge & technology outputs (74th), and creative outputs (70th).[63]

52. OECD, WB6 Competitiveness Outlook 2024: Kosovo
53. The data presented here diverges from regional trends due to the use of differing metrics and the reliance on incomplete or inconsistent source material. As such, direct comparisons should be interpreted with caution.
54. Stats And Market Insights, Kosovo start-up Ecosystem in 2025: A Year of Resilience and Transformation
55. Stats And Market Insights, Kosovo start-up Ecosystem in 2025: A Year of Resilience and Transformation
56. OECD, WB6 Competitiveness Outlook 2024: Kosovo
57. Stats And Market Insights, Kosovo start-up Ecosystem in 2025: A Year of Resilience and Transformation
58. Stats And Market Insights, Kosovo start-up Ecosystem in 2025: A Year of Resilience and Transformation
59. Stats And Market Insights, Kosovo start-up Ecosystem in 2025: A Year of Resilience and Transformation
60. Avdiu Y. P. (2025) Ecosystem Strategy for the Start-up Businesses Growth in Kosovo: The Moderating Effect of Digitalization
61. USAID, Investment Readiness Report 2023
62. ICK, start-up Ecosystem Kosovo 2024
63. Montenegro ranking in the Global Innovation Index 2024

According to the OECD Competitiveness Outlook 2024, Montenegro leads the WB6 in tourism policy and scores above average in employment, science-technology-innovation, and trade policy. However, it under performs in tax, energy, and agriculture policies.[64]

Montenegro is not listed among the Top 100, and no Montenegrin city appears in the Top 1,000 globally ranked start-up ecosystems. This reflects a low level of global visibility and an underdeveloped start-up infrastructure within Montenegro.[65]

The ecosystem suffers from institutional fragmentation and weak vertical coordination, with many initiatives lacking continuity or strategic anchoring. Coordination across government levels and between ministries is limited.[66]

Venture capital is absent, and angel investor networks are underdeveloped, forcing start-ups to relocate or rely on international support. The financing gap for growth-stage start-ups remains significant.[67]

Brain drain remains one of the biggest threats to the innovation ecosystem, with limited absorption of highly skilled talent by the ICT sector and low investment in education and R&D.[68]

The lack of a strong IP framework and limited university–business collaboration hinders the commercialisation of academic research and broader innovation transfer.[69]

Entrepreneurial education policies are present but lack consistency, and most initiatives are ad-hoc or limited in scope, failing to prepare youth for real entrepreneurial activity.[70]

Montenegrins exhibit high entrepreneurial intent but low confidence in structural support, especially regarding financing, regulatory clarity, and education-to-market alignment.[71]

Key sectors thriving in Montenegro's start-up ecosystem include tourism, ICT, renewable energy, and agriculture – with a recent strategic push towards technology and sustainable tourism.[72]

Key ecosystem enablers in Montenegro include the Innovation Fund of Montenegro, which acts as the main public funding source for start-ups through targeted programmes. In 2024 alone, the Fund supported 71 projects with over EUR 3.2 million in grants.[73] Other important actors include IEC (International Electrotechnical Commission) Tehnopolis, offering incubation, mentoring, and prototyping facilities; the Science and Technology Park of Montenegro; and NGO Digitalizuj.Me, which fosters community-building and start-up networking.

Complementing these local efforts, the EIT Community Hub in Montenegro serves as a strategic access point for its innovation ecosystem. The Hub's objective is to connect local innovators and research-entrepreneurial talents with the EIT's innovation marketplace across nine thematic fields. It also plays a key role in promoting skill development programmes from the EIT Campus - online Platform, acknowledging the need for up-to-date skills. This approach is designed to foster greater collaboration between EIT and local institutions to create synergies among different policies and instruments aimed at innovation development. This strategic approach to aligning local strengths with a broader European framework positions Montenegro to improve its innovation performance and strengthen its ecosystem.

4.5 North Macedonia

North Macedonia ranks 58th in the Global Innovation Index 2024. Its top innovation strength lies in high-tech manufacturing, ranking 10th globally as well as a high share of ISO 14001 certified companies (3rd), suggesting a green orientation of the industry, while the weakest components are in human capital (77th) and institutions (75th), highlighting gaps in research capacities and policy coordination.[74]

64. OECD, WB6 Competitiveness Outlook 2024: Montenegro
65. StartupBlink's 2025 Index
66. MeOut, Single research on Montenegro 2021
67. MeOut, Single research on Montenegro 2021
68. MeOut, Single research on Montenegro 2021
69. MeOut, Single research on Montenegro 2021
70. Mićunović N. and Popović D. (2024) Governance Models, Challenges, and Best Practices, of Entrepreneurial Education in Montenegro
71. Tijana M. (2025) Montenegro's entrepreneurial activity: Connecting Structural Support and Entrepreneurial Action
72. Upseed, Montenegro Accelerators, Venture Capital, & Other Founder Resources
73. Izvještaj o Radu Fonda za Inovacije Crne Gore za 2024. godinu
74. North Macedonia ranking in the Global Innovation Index 2024

North Macedonia ranks 78th globally and 19th in Eastern Europe in StartupBlink's 2025 Index, continuing a downward trend for the fourth consecutive year due to a low ecosystem growth rate of under 2%. Skopje, the capital and primary tech hub, lost 15 global spots, now ranking 552nd worldwide, despite strong talent and relatively low costs.[75]

The FITD **previously played a central role**, having supported over 669 innovation-related projects with nearly **EUR 50 million** from 2016 to 2021 across nine programmes, including commercialisation, acceleration, and technology development[76]. However, the FITD has since been **integrated into a new government body**, effectively ending its previous role and shifting its functions under a new, unified structure.

Angel investing remains severely underdeveloped, despite the presence of initiatives like Zephyr Angels, which typically invests EUR 20,000– EUR 60,000 in pre-seed and seed-stage start-ups. The lack of legal recognition for angel investing, the absence of tax incentives, and burdensome administrative procedures (e.g. manual documentation for every investor) present major barriers to growth in this segment.[77]

This change is particularly significant given the scarcity of early-stage funding. With most investment rounds remaining under EUR 100,000 and primarily at the pre-seed stage, funding is still largely dominated by a few regional funds such as South Central Ventures. Meanwhile, scale-up funding options (Series A+) **remain extremely limited**, and primarily pre-seed; scale-up funding options (Series A+) are virtually non-existent.[78]

There is a growing mismatch between the services offered by support organisations and the real needs of start-ups, especially in later development phases. Most support is still geared toward ideation, while post-MVP scaling support is minimal.[79]

Many start-ups report they lack sufficient support in sales, internationalisation, and customer acquisition, which has been identified as one of the top ecosystem weaknesses. Despite technically sound products, many fail to reach product–market fit.[80]

Digital literacy and tech workforce shortages remain a critical bottleneck, with only 32% of the population having basic digital skills, contrasting with the EU average of 56%. This figure is based on the **2023** Digital Readiness Assessment for North Macedonia.[81]

Brain drain continues to be the ecosystem's most critical challenge, as many high-potential founders and skilled professionals emigrate in search of stronger support environments, despite ICT professionals being able to earn competitive global salaries while remaining locally.[82]

Ecosystem development is driven by a combination of grassroots and institutional efforts, with actors like Start-up Macedonia, SwissEP, Seavus Accelerator, South Central Ventures, and YES Incubator playing central roles in capacity building, mentoring, and cross-regional scaling.[83]

University–industry collaboration remains underutilised. Most cooperation is limited to education programmes, while the innovation and research potential of academia is not being adequately leveraged. North Macedonia's Research infrastructure is underfunded, and stronger incentives are needed to activate commercialisation pathways and link academic output to start-up and SME innovation.[84]

According to a **2024** report, North Macedonia's start-up ecosystem is home to approximately **43 start-ups**, translating to a density of around 30 per million inhabitants. While this is a modest figure, North Macedonia is ranked 78th globally for its ecosystem, and it is higher than some WB6 peers but still far behind EU benchmarks. Major challenges remain limited access to capital, the need for internationalisation due to a small domestic market, and talent retention issues.[85]

75. StartupBlink's 2025 Index
76. OECD, WB6 Competitiveness Outlook 2024: North Macedonia
77. Swiss EP, What investors face in North Macedonia's start-up market
78. The World Bank, North Macedonia - Pre-Feasibility Study: MSME Hybrid Fund 2021
79. FITD, Connecting Macedonian start-up Ecosystem 2021; MeOut, Single research on North Macedonia 2021
80. MeOut, Single research on North Macedonia 2021
81. UNDP, Digital Readiness Assessment DRA: North Macedonia 2023
82. StartupBlink's 2025 Index
83. StartupBlink's 2025 Index
84. EC, Qualitative analysis of economic, innovation and scientific potential in North Macedonia 2022
85. MeOut, Single research on North Macedonia 2021; XYZLab, Top 4 Venture Capitalist Funds (VCs) in North Macedonia

EIT Community Hub in North Macedonia[86] was one of the pioneers in the EIT RIS-hubs network. It is dedicated to nurturing innovation to drive economic prosperity and societal well-being. It acts as a catalyst for local innovators, offering support and resources to boost businesses' competitiveness and attract foreign investment.

4.6 Serbia

Serbia ranks 52nd globally in the Global Innovation Index (2024), with best performance in Infrastructure (29th globally), followed by Market sophistication (40th) and Knowledge & technology outputs (41st). Conversely, its weakest areas are Creative outputs (85th), Institutions (67th), and Business sophistication (63rd), indicating systemic gaps in innovation governance and commercial value creation.[87]

Serbia has adopted a comprehensive set of strategies to foster innovation and digital transformation, including the Smart Specialisation Strategy (2020-27), the Strategy for Scientific and Technological Development (2021–25), the AI Strategy (2021), and the start-up Ecosystem Strategy (2021–25). These are supported by institutional reforms, signalling strong policy commitment despite challenges in coordination.[88]

Serbia's start-up and innovation ecosystem is supported by a robust physical and institutional infrastructure, including 4 science and technology parks, 23 start-up centres, 5 IT clusters, and over 20 co-working hubs. These figures are based on data from the OECD's WB6 Competitiveness Outlook 2024.[89]

Complementing these structures, the **EIT Community Hub in Serbia** acts as a local access point to European innovation networks. By uniting entrepreneurs, researchers, corporates, investors, and public institutions, the Hub provides access to programmes, funding opportunities, and pan-European partnerships across all EIT Knowledge and Innovation Communities (KICs). It accelerates the validation and scaling of local innovations, fosters cross-sector collaboration, and connects Serbian talents with international value chains. In 2024, the Hub also established an **EIT Food Hub** in Serbia, with a strong focus on agri-food innovation, female entrepreneurship, and missions such as healthier lives through food and building a fair, resilient food system.

Serbia ranks 56th globally in StartupBlink's 2025 Index, slipping 3 spots from the previous year due to a −1.5% ecosystem growth rate. Belgrade dropped 16 places to 197th globally, while Novi Sad and Niš also fell to 502nd and 908th, respectively. Total start-up funding in 2024 reached **EUR 42 million**, and Belgrade remains the core of the ecosystem, scoring nearly 6× higher than Novi Sad.[90] The ecosystem is still in the "late activation phase," with a large share of start-ups in ideation and pre-seed stages. Data from a **2023** report reveals that nearly 73% of start-ups were early-stage, with only 6.5% actively raising Series A/B rounds at the time. This highlights a critical pipeline issue where start-up creation is slowing down, and a declining number of high-growth start-ups are entering the ecosystem, especially those targeting international markets.[91]

Access to financing remains a key bottleneck. Most start-ups rely on grants (52.3%) and self-financing (93.4%). Venture capital participation rose from 7.9% to 13.4% in 2024 but remains modest. [92]

Only 12% of start-ups report monthly recurring revenue (MRR) growth above 10%, and 83% of them have secured external investments. Among them, 62% are already selling internationally. In contrast, 45% of start-ups have no MRR, and 96.6% of those did not grow their team in 2024, illustrating weak sales execution and low scalability.[93]

AI-related innovation is growing – 41% of Serbian start-ups develop products involving artificial intelligence, while 24% are innovating in BioTech, MedTech, AgriTech or FoodTech.[94]

86. https://eit-ris.eu/north-macedonia/
87. Serbia ranking in the Global Innovation Index 2024
88. OECD, WB6 Competitiveness Outlook 2024: Serbia
89. OECD, WB6 Competitiveness Outlook 2024: Serbia
90. StartupBlink's 2025 Index
91. GIZ, The WB6 start-up Ecosystem Report Assessment and Development Roadmap; DSI, start-up Scanner 2025
92. Tenderly Garaža, Why Investors Say "No" 2024
93. DSI, Start-up Scanner 2025
94. DSI, Start-up Scanner 2025

AI adoption in Serbian companies remains limited – only 34% report experience, mostly larger firms with clear strategies. Usage is highest in the ICT and innovation sectors (60%), while manufacturing lags behind. Still, over one-third are open to experimenting, showing growing awareness of AI's strategic value. [95]

Corporate-start-up collaboration is improving, led by programmes like Start Me Up, which has organised 7 events, 330 B2B meetings, 443 participants, and 9 published case studies, all focused on start-up-corporate matchmaking.[96] A key ecosystem enabler in this area is the ICT Hub, which plays a central role in connecting start-ups with established companies and designing programmes that bridge innovation and industry needs.

The Serbian start-up ecosystem is backed by a growing network of public and private players, led by the Innovation Fund, which provides critical early-stage financing. TS Ventures, launched by Telekom Srbija in 2021, is the region's first corporate VC fund. In 2023, Omorika Ventures and The Fifth Quarter joined the landscape, reflecting rising investor interest. Serbia is also gaining visibility in blockchain and Web3, with start-ups like Tenderly (raised EUR 37 million in Series B) and venture studio Attic42 at the forefront.[97]

ICT remains Serbia's strongest export sector, contributing 5.1% of GDP in 2021 and employing over 95,000 people. In 2022, Serbia exported EUR 2.7 billion worth of ICT services – a 45% year-on-year increase. The upward trend continued in 2023, with projected exports exceeding EUR 3.6 billion, confirming ICT as Serbia's largest net export industry.[98]

In the table bellow is presented a snapshot of the start-up ecosystem rankings for 2025, offering a comparative view of each WB6. The goal is to benchmark their performance against global standards and identify the varying levels of maturity, from emerging to regional leaders. It also highlights the key challenges and dominant industry trends in each WB6.

Table 3: WB6 Start-up Ecosystem Rankings (2025)

From	Global Rank	Rank Change (YoY)	Annual Growth Rate (2024-2025)	Total Start-ups	Leading City	Leading Industry
Albania	83	-11	-19.1%	40	Tirana	N/A
Bosnia and Herzegovina	91	+5	+27.8%	57	Sarajevo	Fintech
Kosovo*	97	+2	+4.9%	29	Pristina	Software & Data
Montenegro	N/A	N/A	N/A	10	N/A	N/A
North Macedonia	N/A	N/A	N/A	N/A	N/A	N/A
Serbia	56	-3	-1.5%*	242	Belgrade	Social & Leisure, IT

Source: http://startupblink.com/startup-ecosystem

Table 4 Key WB6 Funding Rounds (2024)

Start-up Name	From	Funding Amount	Stage	Key Investors	Vertical
Leanpay	Serbia	EUR 10M	Series B	Black Peak Capital, Catalyst Romania, Lead Ventures, South Central Ventures	Fintech
Gjirafa	Albania/Kosovo*	EUR 5M	Series B	U.S. International Development Finance Corporation (DFC)	E-commerce
Lupa Technology	Serbia	EUR 1.7M	Seed	South Central Ventures, World Bank/EU Commission	SaaS, Construction & Legal
Bpacks	Serbia (founded by a Russian team)	EUR 1M	Pre-Seed	Founders, private investors	Clean Tech, Sustainability
Baby Boo	Serbia	EUR 500K	Seed	Angel investor	Cosmetics, HealthTech

Source: https://start-uphub.unwe.bg/; https://tech.eu/2024; https://therecursive.com/; https://www.icthub.rs/

95. ICT Hub, Application of Artificial Intelligence in Companies in Serbia: Current State, Challenges, and Opportunities 2024
96. ICT Hub, Corporate start-up collaboration
97. Radosavljević N. et al (2024). Emerging trends in the development of the Serbian start-up innovation ecosystem
98. OECD, WB6 Competitiveness Outlook 2024: Serbia

5. Primary Research Findings – Stakeholder Perspectives

This section presents key insights from primary research, including start-up surveys and interviews, to provide empirical evidence on ecosystem dynamics and challenges. The following interview framework is proposed to collect and analyse primary research, providing qualitative depth and validation for the data presented in this report. By conducting interviews with a diverse group of stakeholders (start-ups -180, Business support organisations - 13 and investors - 16), the analysis will move beyond quantitative data to capture the lived experiences, motivations, and strategic outlooks of key players in the ecosystem.

The findings reveal a vibrant, dynamic, and evolving landscape characterised by a high rate of new company formation, a focus on digital business models, and a significant reliance on local and regional support systems. Key challenges, particularly in accessing foreign markets and securing advanced funding, highlight critical areas for future development and strategic intervention.

5.1. Methodology

This study aimed to analyse the current state of the start-up ecosystem in the WB6 (WB6)—comprising Albania, Bosnia and Herzegovina, Kosovo*, Montenegro, North Macedonia, and Serbia—and to identify the main challenges faced by start-ups in the region. To achieve this, a **mixed-methods research design** was adopted, combining quantitative and qualitative data collection and analysis.

Research Design

The research was conducted through three complementary components:

- **Desk Research:** A review of recently published local ecosystem reports, analyses on entrepreneurship, and regional innovation studies from international organisations was carried out. This included a review of data and information from key regional ecosystem builders, investors, and companies to provide a broad overview of market maturity and stakeholder activity. This research laid the groundwork for the primary research.
- **Online Survey:** A survey was deployed targeting start-ups from all WB6. The questionnaire collected data on various aspects of start-up development, including company stage, funding sources, growth barriers, market access, talent availability, and regulatory challenges. Efforts were made to ensure balanced geographical representation to allow for meaningful cross-regional comparisons.
- **Qualitative Interviews:** Semi-structured interviews were conducted with key ecosystem stakeholders, including start-up founders, investors, and representatives of support organisations. These interviews provided deeper insights into how different actors perceive the current state of the ecosystem and the strengths and weaknesses of existing support structures.

This design allowed for a broad overview of ecosystem trends as well as a deeper understanding of the underlying dynamics, perceptions, and challenges.

Data Analysis and Triangulation

The findings from both quantitative and qualitative components were triangulated to enhance validity and reliability. Quantitative data provided measurable indicators of ecosystem performance, while qualitative data offered contextual information and interpretation of the underlying causes behind observed trends. Desk research served to validate and expand these findings by situating them within broader regional trends. This combination allowed for a comprehensive and nuanced understanding of the start-up ecosystem.

Limitations of the Study

While the mixed-methods approach provided valuable insights, several limitations should be acknowledged. The sample size of start-ups, though balanced across all WB6, may not fully capture the diversity of the entire regional start-up population. Participation was voluntary, and a potential bias towards more active or better-connected start-ups is present. The qualitative interviews, while rich in depth, were conducted with a limited number of stakeholders whose views may not represent the full spectrum of perspectives, especially those of less visible actors. Finally, the research provides a snapshot in time of the ecosystem, and findings may evolve as new policies, funding opportunities, and market dynamics emerge.

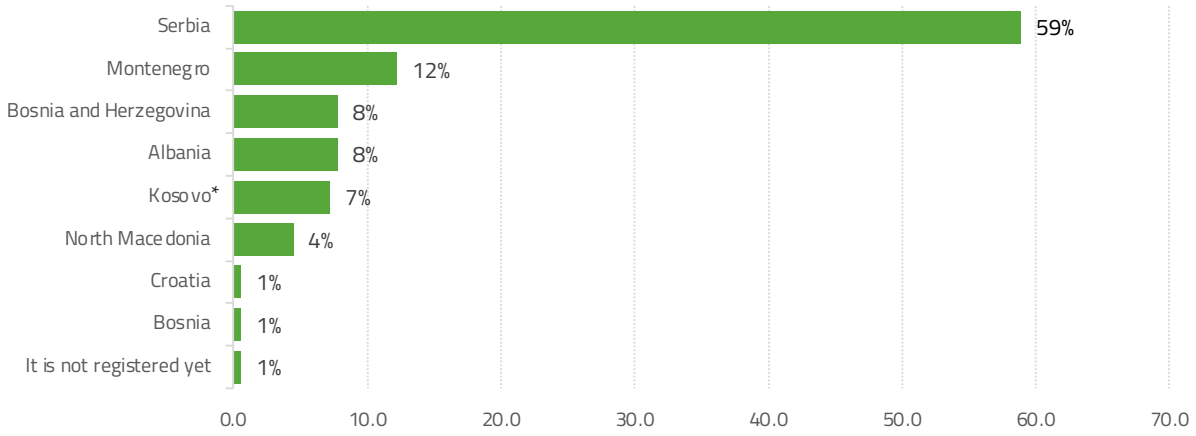
To mitigate these limitations, the study ensured cross-regional coverage in the survey sample, incorporated diverse stakeholder groups in the interviews, and triangulated findings from different data sources to strengthen the validity and robustness of the conclusions.

5.2 Key Data Insights – start-up survey

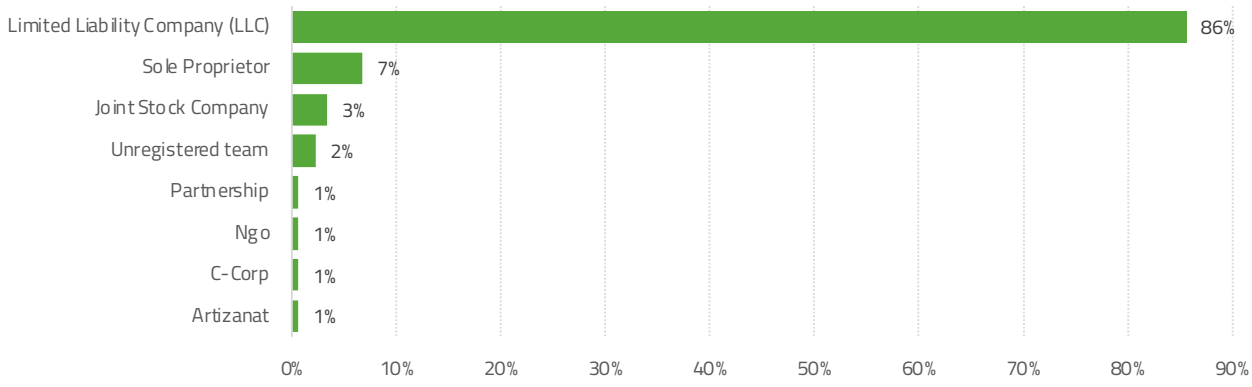
The data presented below is based on a quantitative survey of 180 start-ups across the WB6. It highlights important aspects such as geographic distribution, legal structures, start-up maturity, team composition, financial performance, funding sources, market presence, and founder demographics. Additionally, it includes insights on participation in European programmes like EIT initiatives. These findings offer a clear overview of the start-up ecosystem's current state, revealing key strengths, challenges, and opportunities for growth.

Geographic and Legal Landscape

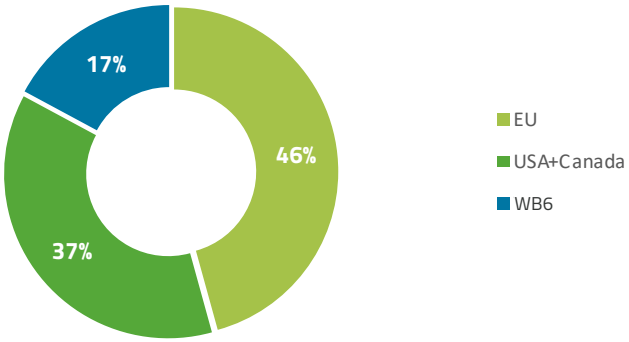
Start-up Registration: The data indicates a significant concentration of start-ups in Serbia, which accounts for 58% of all registrations. Montenegro follows at 12%, with Albania and Bosnia and Herzegovina each at 8%. This suggests a centralised entrepreneurial hub within the region.



Legal Form: The Limited Liability Company (LLC) is the preferred legal form, utilised by 85.6% of start-ups, indicating a strong preference for a formal, legally structured business entity from the outset.



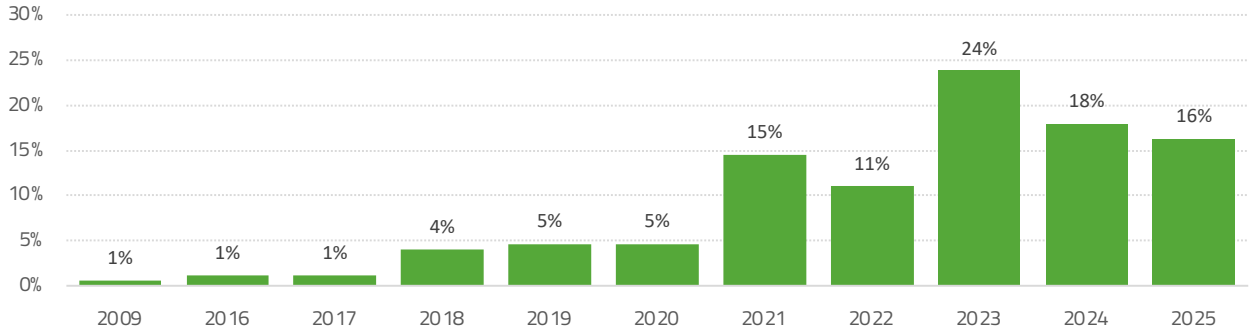
International Presence: The vast majority of start-ups (**80%**) do not have a sister or mother company registered outside their domicile. For the **20%** that do, the primary locations are the European Union (**46%**), followed by the USA and Canada (**37%**), highlighting a strong outward-looking trend toward these key markets.



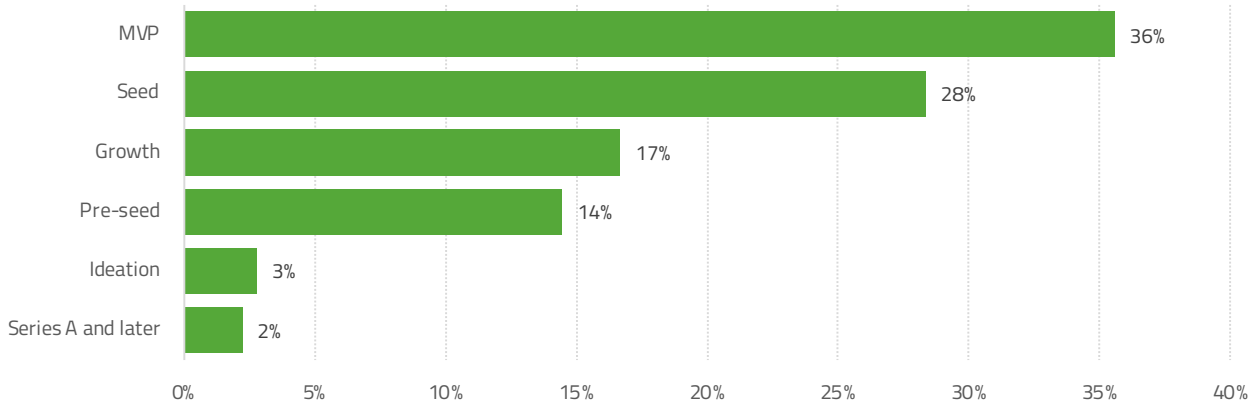
Start-up Maturity and Team Composition

Age of Start-ups

In our survey of start-ups in the ecosystem, the findings show a young and rapidly growing landscape, with over half of the ventures (58.1%) founded in the last three years (2023-2025). The peak year for new formations was 2023, at 23.8%, signifying a period of rapid acceleration.



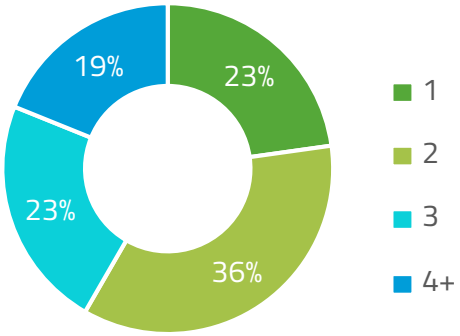
Development Stage: The ecosystem is in an active build-and-validate phase. The largest concentrations of start-ups are at the **MVP (35.6%)** and **Seed (28.3%)** stages, demonstrating a collective focus on product development and early market validation.

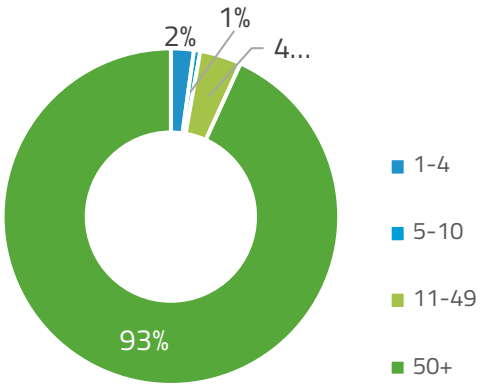


Software development is still the **dominant** industry (38%), **followed** by **AI** (18%), **hardware solutions** (12%), **biotech and IoT** (4%) **and blockchain** (3.5%)

Team Structure and Size: The most common team structure is a small co-founding team, with 81.2% of start-ups having two or three founders, suggesting that start-ups often emerge from collaborative partnerships

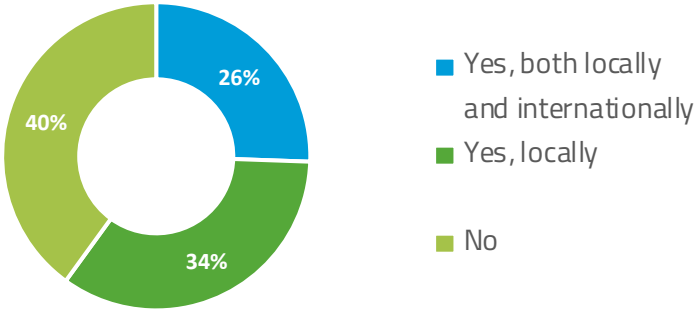
The data presents a notable trend of large teams, with **93.2%** of start-ups reporting a team size of **50+ members**. This is an unusual finding that may require further investigation for context.



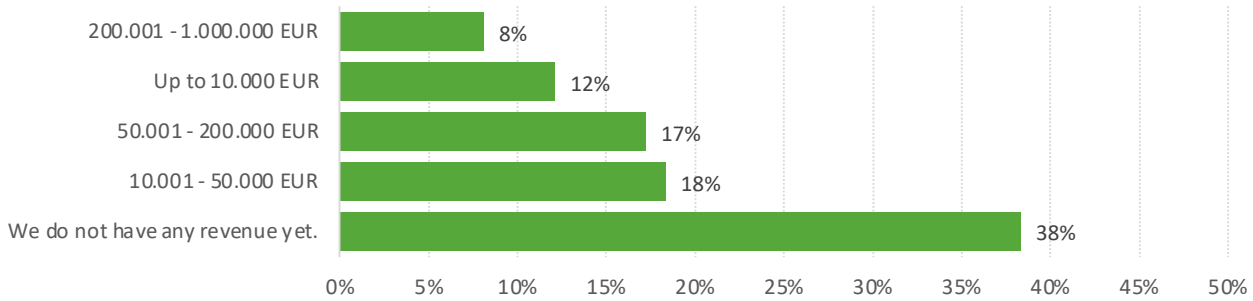


Financial and Market Performance

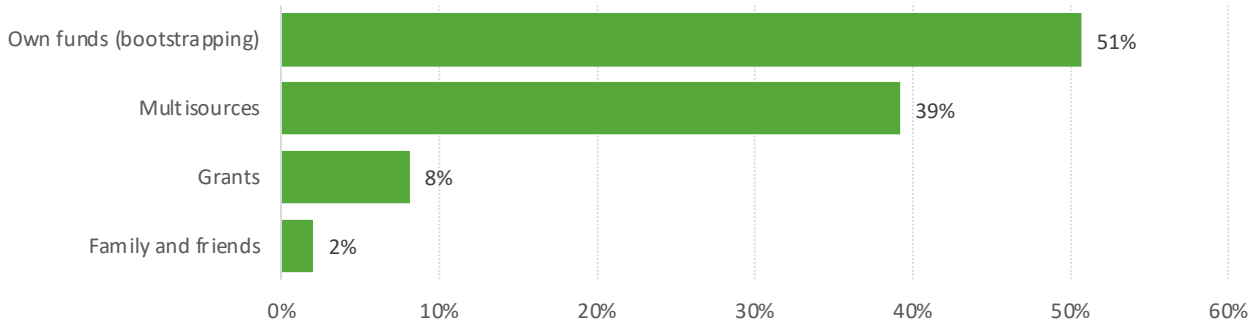
Revenue Generation: A majority of start-ups (**60%**) are revenue-generating. They either generate revenue locally or locally and internationally, with a significant portion (**34.4%**) focused on the domestic market.



Annual Revenue: While over a third of start-ups (**38.3%**) are pre-revenue, the largest group of revenue-generating companies falls within the **EUR 10,001 -EUR 50,000** range (**18.3%**). This confirms that a majority are still in the early stages of monetisation.

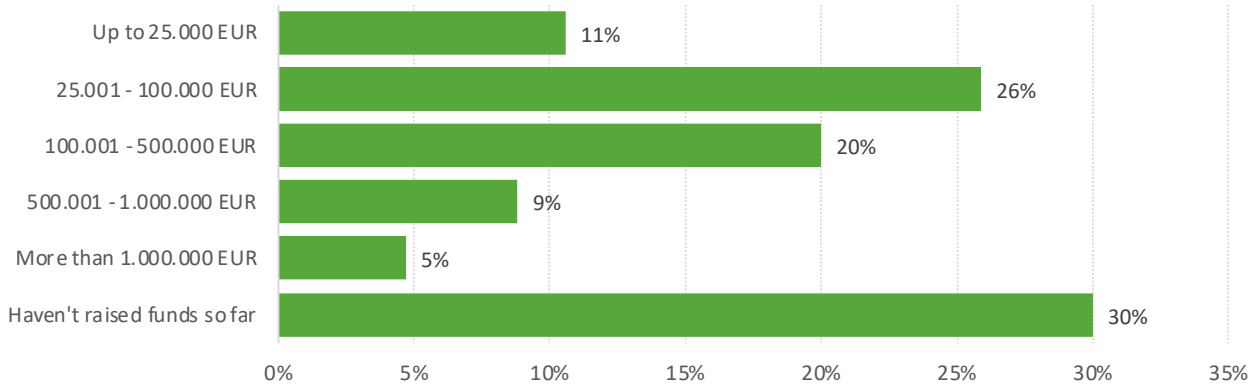


Funding Sources and Amounts: start-ups primarily rely on a combination of their **own funds (bootstrapping, 50.7%)** and **multiple sources (39.2%)**. Only **23.9%** have raised investment from private investors.

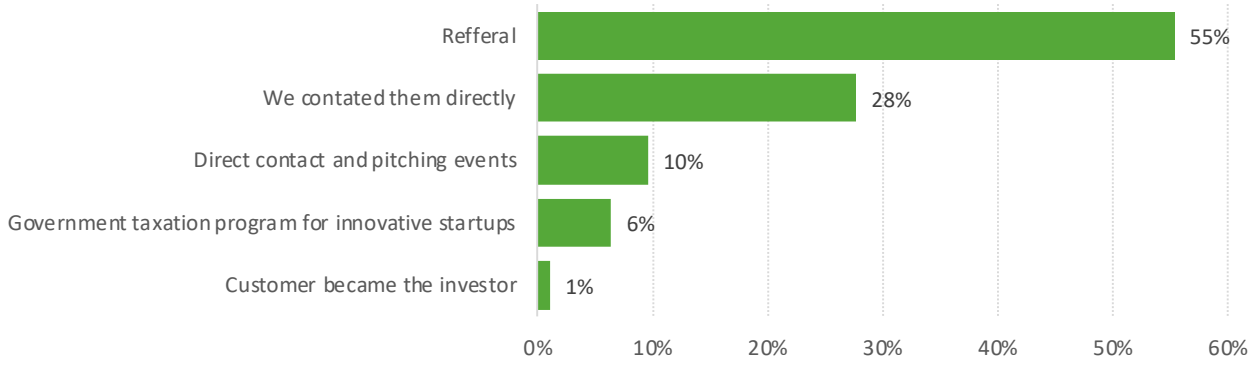


One third of the start-ups haven't raised any funds from private investors or public grants. Almost another third raised between **EUR 25,001 and EUR 100,000** (**25.9%**).

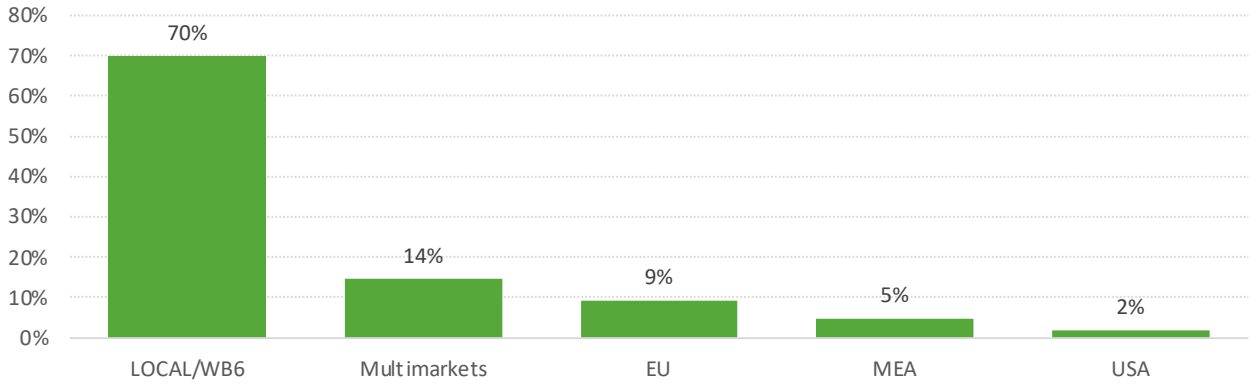
How much total investment (private investors & public grants) have you raised so far?



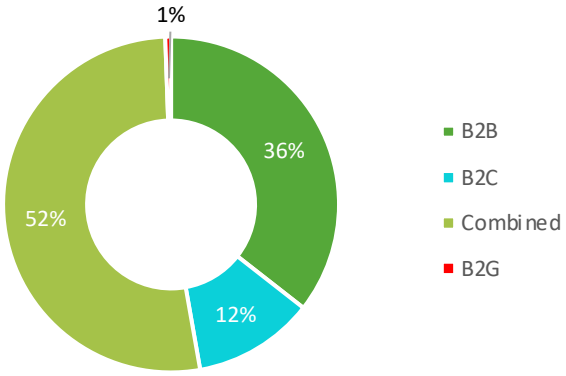
Investor Outreach: The most effective method for connecting with investors is through **referrals** (**55.3%**), followed by **direct contact and pitching events** (**27.7%**). This highlights the importance of networks and personal connections in securing funding. Heavy reliance on referrals (55.3%) suggests that start-ups without established networks face significant disadvantages in reaching investors. That is why the EIT and EEN presence is so important in the region. The dominance of referrals may indicate that the ecosystem is still relationship-driven rather than systematised (e.g., structured VC pipelines, accelerators with standardised intake). The WB6 urgently need greater interconnectedness and increased density both in the region and with the European scene.



Market Presence and Business Model: Nearly **70%** of start-ups are active in their **local/WB6** markets.

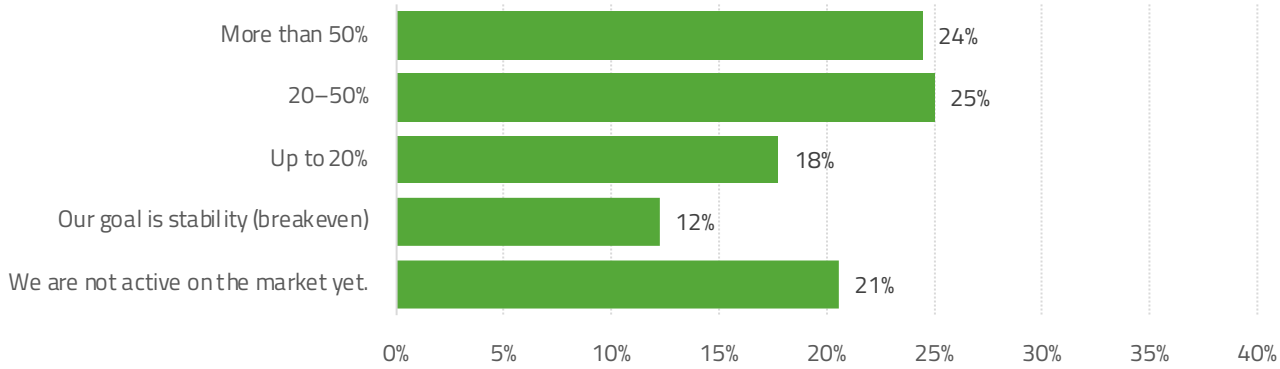


The **dominant business model** is a **combined** (B2B/B2C) approach at **52.2%,** followed by a **pure B2B** model at **35.6%.** The dominance of a **hybrid model** may suggest that the customer's diversification strategy is helping to diversify risk and revenue streams, and/or it may reflect that start-ups are still experimenting to find the most sustainable go-to-market path.



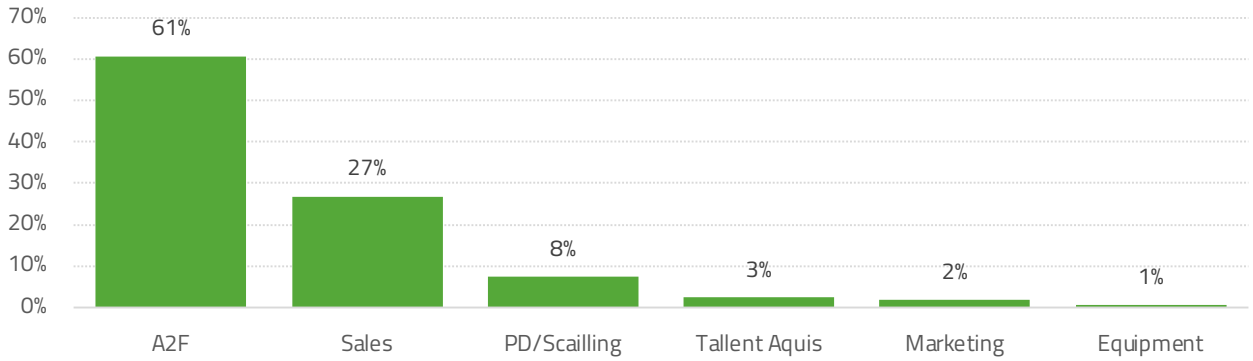
Growth Projections: The majority of start-ups are highly optimistic, with over **67%** projecting growth in the next 12 months. Nearly half of these anticipate growth of **20%** or more, with **24.4%** projecting growth of over **50%**.

This high level of optimism is likely driven by several factors unique to emerging ecosystems. Unlike larger, more mature ecosystems, the WB6 tech sector is in a rapid acceleration phase. This means that even small market gains can translate into significant percentage growth for early-stage companies. Furthermore, many start-ups are built with a "global-first" mindset, and they are not tethered to the slower growth rates of their local markets. Their confidence is often tied to securing a few key clients abroad or validating their product in a larger market, which can dramatically alter their growth trajectory.



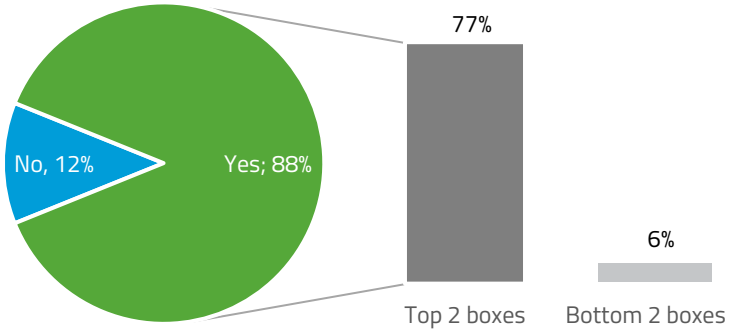
Challenges and Community Value

Biggest Challenges: Access to capital and **sales** remain the **biggest challenges** for start-ups, while only 8% face challenges in product development and scaling.



Access to **funding** (79%), **access** to **international markets** (50%), and **regulatory** and **legal** support (40%) are the most commonly cited gaps in the local ecosystem that slow down start-up growth.

Support programmes and Community: An overwhelming **87.8%** of start-ups have used support programmes, and the value of these community-driven networks is highly regarded, with over **77%** rating it as a 4 or 5 out of 5.



Founder Demographics

Gender: Among the surveyed start-ups, the gender gap is still noticeable, with **69.4%** of main founders being male. However, **30.6%** are female, a notable presence that underscores the importance of continued support for female entrepreneurship.

Age and Education: The average founder is experienced and highly educated. The largest age group is **30-39** (**48.9%**), and nearly **90%** hold a college degree or higher, with **60.3%** holding at least two Master's degrees or working on a Ph.D..

EIT and EU programme participation

There is a growing interest in the EIT and EU-funded opportunities, and the beneficiaries include such start-ups as Deltahes DOO, Traken, Digital Radiography Technologies DOO (DIRATECH), Bifrost Bioplastics, Simple Mobile Solutions LLC, Pillbie, and Neofunction, using opportunities from **'EIT Manufacturing', 'Climate KIC', 'EIT Health', and EIT Cross-KIC projects**.

EU programme participants include **Chocolab Albania** ('**Challenge Fund by EU4INNOVATION'**), **VrapOn Taxi App** ('**EU4Innovation**'), and **Orqa FPV** ('**EU Funded Grants'**). These programmes enhance innovation, market access, and funding.

Although only 5.7% of WB6 start-ups currently participate in EIT/EU programmes, evidence from those that do, such as strong YoY growth, positive mentor evaluations, and growing international presence, suggests that these initiatives provide meaningful added value. Expanding access could therefore help unlock funding, talent, and market opportunities, thereby strengthening the innovation ecosystem and supporting closer EU integration. However, further data would be needed to confirm these trends at scale.

Insights from start-up Interviews

Interviews with the 10 start-ups reveal critical insights into their experiences with funding and support mechanisms:

- **Grants**: Grants are **perceived** as a **high-effort, high-uncertainty endeavour**. Founders often express frustration with the process, describing it as a 'time killer' and a source of 'way too much bureaucracy,' with long review processes (3–6 months) and unclear application procedures. This lack of agility makes grants impractical for fast-moving startups that cannot afford to wait several months for a decision.
- **Venture Capital**: Venture capital is **seen** as **more agile** and **effective for growth**. Founders explicitly state that VC deals can close in as little as 30 days, which aligns with a start-up's need for speed. They prioritise direct introductions and warm referrals from their network as the most successful way to engage with VCs, highlighting the importance of personal connections over formal, bureaucratic processes.
- **Programme Awareness**: **Information** about **support** programmes like **EIT** and **EEN**.

Founders reported that limited awareness and time constraints have hindered their ability to fully engage with support programmes such as EIT and EEN. While they acknowledged the potential benefits of these initiatives, they noted that the information environment and application procedures remain fragmented and not sufficiently tailored to the needs of start-ups. This indicates a gap between the availability of support instruments and their effective accessibility for early-stage companies.

- **Networks**: The **value** of **networks** is **paramount**. The consistent theme across all responses is the crucial role of personal and professional networks. Start-ups rely on their network of "stakeholders/friends" to be "pinged" about opportunities and to receive "formal"

Start-up survey Summary Recap

The WB6 start-up ecosystem is a story of dynamic ambition, driven by highly educated founders, predominantly in their 30s, leading collaborative teams that demonstrate early commercial success, with a significant majority generating revenue and projecting strong growth.

Primary research highlights common **concerns** regarding the **lack of later-stage funding**, with both **investors** and **start-ups** noting that while pre-seed funding up to EUR 50,000 is available for MVP development, **raising subsequent rounds** (Series A) remains **challenging**. **Early-stage support** is **robust**, but **high-end consultants** and **mentors** for growth start-ups, particularly in **international sales**, **go-to-market strategies**, and **fundraising**, remain **few** and far between.

AI enables resourceful MVP development, with more solutions integrating AI into products or processes, though a limited number of start-ups build proprietary tech. Biotech and MedTech start-ups are emerging, reflecting innovative trends.

Only **5.7%** of **175 surveyed start-ups** engage with **EIT/EU programmes**, deterred by cumbersome and slow grant processes, described as a "time killer" with "way too much bureaucracy" and 3–6 month review times. Founders rationally "chase the money" through agile venture capital deals, often closed in 30 days via direct introductions and warm referrals from networks, which are paramount for funding and opportunity discovery. **Limited awareness** of "cacophonic" EIT/EEN programmes and their complex **application procedures** creates a **significant disconnect** between **resource availability** and **access**. Founders prefer agile VC deals via trusted networks. Support organisations must simplify processes and engage founders on their terms to bridge funding, talent, and market access gaps, fostering a scalable, EU-integrated innovation ecosystem.

The ecosystem's fragmented local strengths require transformation into a unified, outward-facing force to address market access challenges (81%) and enable global scaling, with only 2% of start-ups reaching scale-up stage.

5.3. Insights from WB6 Business Support Organisations' Interviews

Introduction

This section provides key findings from interviews and desk research with local ecosystem support organisations in the WB6. The goal was to understand their role in bridging gaps between stakeholders and fostering collaboration.

Based on the data provided, the start-up support ecosystem in the WB6 is characterised by a strong focus on early-stage development and a shared set of challenges, primarily related to funding and internationalisation. The organisations are largely aligned on the types of support needed to mature the ecosystem, emphasising collaboration and increased access to global networks and capital.

Support Services and Sector Focus

Most organisations offer a comprehensive suite of services, including **financial support (grants or investments)**, **training** and **mentorship** programmes, **incubator/accelerator** services, **networking** events, and **access** to **funding** opportunities. This indicates a holistic approach to nurturing start-ups from the ground up.

A **significant majority** of the organisations focus on providing support across multiple development stages, with a heavy emphasis on **early-stage start-ups**. This is evident in the data, which shows high level of support for ideation (77%), pre-seed (85%), and seed-stage (77%) companies.

Many of the organisations describe themselves as **industry agnostic**, with a common **emphasis** on sectors that include **software**, **creative** industries, and **green/sustainable** projects. This approach allows for a wide range of innovative ideas to be supported. According to the data, 62% of organisations are open to start-ups in green and sustainable products and creative industries, while 46% support MedTech and 39% support social entrepreneurship.

Key Challenges

From the organisations' viewpoint, a consistent set of challenges hinders the ecosystem's growth:

- **Lack of Funding**: Cited by nearly every organisation, with 62% noting insufficient access to venture capital and a shortage of funding opportunities, particularly from angel investors and local VCs.
- **Limited start-up Pipeline**: 69% report a limited pipeline of later-stage start-ups reaching Series A and beyond, with smaller ecosystems like Montenegro and North Macedonia struggling with an insufficient number of quality start-ups to support.
- **Talent and Skills Gaps**: 31% cite a lack of access to specialised mentors and expertise, with a recognised need for specialised skills in sales, marketing, and scaling expertise, and a lack of experienced professionals to help start-ups grow.
- **Insufficient Internationalisation**: The ecosystem lacks strong connections to international hubs, hindering start-ups' access to global markets and exacerbating market access challenges (81% in broader surveys).

Priorities and Training Needs

From the interviews, there is a strong consensus on actions to improve the regional ecosystem, with key priorities including:

- **International Networking and Access to Investors**: Organisations seek to facilitate connections with international investors and build a stronger regional network to enhance global visibility. This is the most frequently mentioned priority.
- **Capacity Building**: Training and capacity-building programmes are seen as essential for both start-ups and support organisations to strengthen ecosystem capabilities.
- **Training for Organisations**: Specific needs include:
  - Donor funds application processes.
  - Financials and monitoring and evaluation (M&E).
  - Start-up due diligence.
  - Learning from established international ecosystems to professionalise operations and better serve clients. The interviews also explored organisations' biggest successes and failures, their approaches to regional branding to attract international investment, and strategies to overcome the fragmentation of WB6, highlighting the need for a unified ecosystem to address market access and funding challenges.

Summary of Interviews with Business Support Organisations

Interviews with local support organisations across the WB6 highlight a committed **ecosystem focused** on **early-stage** start-up development, yet **constrained** by a **lack** of **funding**, **limited international** connectivity, and **talent shortages**. While most organisations offer a wide range of services (from mentorship and training to networking and funding access), the challenges of scaling start-ups and building a strong pipeline remain.

There is a **broad consensus** on the **need** to **enhance international exposure**, strengthen **investor networks**, and **build capacity** within both **start-ups** and **support institutions**. Organisations also express a clear desire to learn from mature ecosystems, apply best practices, and collaborate more effectively across the region to create a unified and investable regional start-up landscape.

5.4 Insights from CEE and Regional Investors interviews

Introduction

Brief survey of the European and regional investors/accelerators/support agencies, actively working in the region**.** A survey was conducted in a way to get quick responses from the relevant investors in the region and CEE.

Key challenges

Interviews with investors highlight several persistent challenges that continue to limit the growth and international competitiveness of the Western Balkan start-up ecosystem. While investor interest in early-stage ventures is increasing, structural and market-level barriers remain a significant concern.

- **Limited connectivity to developed markets:** 86% of investors identified the lack of connectivity to more developed markets as the most glaring challenge facing the region. This issue is largely attributed to underdeveloped market activity and limited access to broader network opportunities.
- **Local market focus and lack of global vision:** A vast majority of new ventures concentrate primarily on local or regional markets. Investors are aware of this trend, with 73% citing the lack of a global vision for problem-solving as one of the top challenges in the region's start-up landscape.
- **Insufficient fundraising knowledge among founders:** More than half of the interviewed investors (53%) believe that start-up founders lack adequate understanding of the fundraising process, which can hinder their ability to secure investment and scale effectively.
- **Lack of accessible market data and success stories:** Investors also pointed out the scarcity of reliable information on market trends, deal flow, and successful start-up cases. This lack of visibility poses a barrier not only for investors but also for start-ups looking to benchmark, learn, and grow.
- **Weak core business and commercial skills:** A recurring concern among investors is the limited business acumen—particularly in areas like sales, marketing, and customer acquisition—among start-up leadership. This skills gap can inhibit growth, reduce competitiveness, and undermine otherwise promising ventures.

Translating to skill level, investors find that business acumen among founders is still not at the desired level (73% cite it as a challenge), as are marketing and sales abilities (60%). The provided data reveals several key themes and consensus points among investors and support organisations regarding the Western Balkan start-up ecosystem.

Deal Sourcing Strategies in the Region

Effective deal sourcing remains a critical success factor for investors operating in the WB6 and wider CEE region. Insights from interviews suggest that building and leveraging strong local networks is far more effective than remote or passive approaches. The strategies outlined below reflect the methods most commonly cited by investors and ecosystem actors.

- **"Boots on the ground" is key:** A strong majority of respondents—particularly investors—highlighted the importance of having a physical presence or trusted contacts in the region to source quality deals effectively.
- **Network-driven sourcing:** Leveraging recommendations from founders, local partners, and support organisations is one of the most widely used and successful sourcing strategies.
- **Conferences and matchmaking events:** Though used less frequently, in-person events remain valuable for making new connections and identifying potential investments.

Bridging Gaps: Regional Agencies' Role in Start-up Support

Regional agencies have a unique and vital role to play in strengthening the WB6 start-up ecosystem. By addressing critical challenges identified by investors—such as limited market connectivity, insufficient founder skills, and a lack of shared resources—these agencies can act as key facilitators of growth and international integration. The following outlines the primary ways in which regional agencies can effectively support start-ups and contribute to a more vibrant, connected ecosystem.

- **Facilitate Connections:** Respondents strongly believe regional agencies can help by creating a bridge between local start-ups and more established players in Central and Eastern Europe (CEE) and other developed markets. This includes organising delegations to international events and creating matchmaking platforms.

- **Improve Quality over Quantity:** While deal flow is generally considered sufficient in terms of size, many feel the quality of the deals is lacking. More mentoring and training are needed to help founders improve their skills and develop more robust, investor-ready companies.

- **Centralise Information and Resources:** Several respondents suggested creating a shared platform for deal flow, a network of local experts, and standardised investment documentation. This would streamline processes and increase efficiency for all stakeholders.
- **Support Capacity Building:** The consensus is that agencies should focus on joint training programmes, knowledge sharing, and promoting regional success stories to build a stronger, more capable ecosystem.

Summary of Interviews with Regional Investors

To conclude, here is a summary of the key investor insights highlighted throughout this section, capturing the main challenges and perspectives shared by respondents:

- **Connectivity and Market Access:** The most pressing challenge, identified by 86% of investors, is the lack of connectivity to more developed markets. This is primarily due to underdeveloped market activity and limited networking opportunities.
- **Global Vision:** A significant concern for 73% of investors is the local or regional focus of most start-ups. The absence of a "global-first" mindset and limited ambition for solving problems at scale remain key barriers to growth.
- **Skill Gaps:** Many investors pointed to the need for stronger business skills among founders. Approximately 73% noted insufficient business acumen, while 60% highlighted gaps in marketing and sales capabilities.
- **Fundraising Knowledge:** More than half of the investors (53%) believe that founders lack sufficient understanding of the fundraising process, affecting their ability to attract capital.
- **Data Scarcity:** A recurring theme is the lack of accessible, reliable market data. Limited information on deal flow, success stories, and market trends continues to hamper informed decision-making for both investors and start-ups.

6. Recommendations for the WB6 start-up Ecosystem

This section consolidates recommendations to strengthen the WB6 start-up ecosystem, addressing specific barriers and outlining a strategic vision for long-term growth. Based on primary research (surveys of 180 start-ups and 16 investor interviews), it is divided into two subsections: **targeted solutions** for **immediate challenges** and **strategic priorities** for ecosystem development. All recommendations leverage the European Institute of Innovation & Technology (EIT) and Enterprise Europe Network (EEN) to drive progress.

6.1. Targeted Solutions for Specific Challenges

This subsection addresses seven key challenges identified through primary research, pairing each with a specific recommendation to deliver immediate impact.

The following recommendations are proposed by the study producers as a basis for further discussions based on the study's findings and stakeholder input. They do not represent any commitments on behalf of the study producers or any other Parties, including the European Commission and the EIT. The implementation of the recommendations is fully subject to resource availability and any necessary formal approval processes in line with established rules and regulations.

Challenge 1: Limited Investment Readiness and Scale-Up Support

A significant number of start-ups are not prepared for later-stage investment, primarily due to weak business fundamentals and a lack of structured mentorship. This problem is particularly acute for seed-stage start-ups in WB6 that lack a developed innovation culture. The ecosystem often operates on donor-dependency models, which, while providing initial support, can fail to prepare ventures for the rigorous demands of private venture capital.

Recommendation: Deploy EIT/EEN-backed Investment Readiness programmes

It is recommended launching structured programmes with tailored mentoring, go-to-market coaching, financial modelling, and legal/IP advisory. The key to the success of these programmes, however, is a strategic partnership with **experienced foreign accelerators, experts, and mentors with a proven track record of success in developed markets**.

This approach ensures start-ups gain direct access to the networks, expertise, and customer focus of Western countries, which is essential for scaling. This model avoids the common pitfall of relying on local accelerators that may lack the direct, hands-on experience of navigating complex international markets. It enables start-ups to learn to pitch to international investors, develop robust fundraising strategies, and understand the investment terms that are standard in global markets. The focus must be on sector-specific readiness, for example, helping gaming start-ups understand monetisation and publishing, or B2B companies build sales pipelines and enterprise channels.

Challenge 2: Scarcity of Private Sector Investment (Series A)

Only ~2% of start-ups reach Series A; early-stage capital exists, but scale-up funding is nearly absent.

Recommendation: Establish a Regional VC Co-investment Mechanism

It is recommended to partner with regional IFIs and local funds to launch a WB6-dedicated co-investment vehicle. The Enterprise Europe Network can serve as a sourcing and due diligence partner by helping match EU-based VCs with WB6 start-ups. Provide early de-risking instruments (e.g., convertible notes [flexible investment loans], guarantees) to attract first-time private investors.

Challenge 3: Fragmented Ecosystem and Low Regional Integration

The start-up support landscape is uneven across WB6 and lacks structured regional collaboration.

Recommendation: **Foster Cross-Regional and Global Connectivity**

To improve international visibility and cooperation, we propose a strategic effort to strengthen existing regional platforms. Rather than creating a new standalone network, the focus should be on leveraging the **FINNO – South-East Europe Innovation & Business Collaboration Platform**. This will avoid duplicating past initiatives and mitigate the risk of further fragmentation in the ecosystem.

By using platforms like FINNO, the EEN can provide its extensive internationalisation support through market research, business-to-business (B2B) matchmaking, and the organisation of company missions. The EIT's Knowledge and Innovation Communities (KICs) can then complement this by offering their specialized acceleration and "soft-landing" style programmes. This cooperation demonstrates a unified approach to supporting the international growth of Western Balkan start-ups.

Challenge 4: Lack of International Visibility and Market Access

Start-ups struggle to connect with EU/global customers, partners, and investors. WB6 is not widely recognised as an innovation region.

Recommendation: **Foster EU and International Market Access**

Instead of creating new "soft-landing programmes," the focus should be on leveraging the existing strengths of both the EEN and the EIT. We recommend a joint EEN–EIT effort to provide tangible EU and international market access opportunities.

The Enterprise Europe Network can provide its extensive internationalisation support through **market research**, expert B2B matchmaking, and the organisation of company missions. The EIT's Knowledge and Innovation Communities (KICs) can then complement this by offering specialised acceleration and "soft-landing" style programmes for those start-ups seeking to enter overseas markets. This strategic cooperation avoids duplicating past initiatives and demonstrates a coordinated approach to supporting the international growth of Western Balkan start-ups.

Challenge 5: Weak Academia-Industry Linkages

Academic institutions are isolated from start-ups and have limited paths towards research commercialisation.

Recommendation: Launch Innovation Fellowships and Campus Start-up Labs

Support "entrepreneurial scientist" tracks where researchers commercialise innovations with EIT coaching. Fund university-affiliated incubators with EEN advisory services for IP protection and early licensing. Foster legislation and activities aimed at the University/Faculty spin-offs. Introduce funding programmes that will enable industry use cases and pilot testing (technology validation). Offer WB diaspora returnee incentive programmes with grants and EIT mentorship.

Challenge 6: Limited Sales/Entrepreneurial Knowledge and Brain Drain

Insufficient talent with sales experience and top entrepreneurial talent emigrate.

Recommendation: Implement Talent Retention and Returnee programmes for Founders and Digital Youth

Launch dedicated grants for diaspora entrepreneurs who return to build in WB6. Include matching capital from EIT/EEN and the local funds to reduce relocation risk. Partner with Embassies and diaspora tech groups to run targeted outreach (e.g., Balkan Founders in DACH, UK, USA). Collaborate with EIT HEI Initiative to co-develop dual-track education models blending digital skills (data, coding, AI basics) and start-up project-based learning. Support teacher training, start-up internships, and youth entrepreneurship challenges. Invite successful diaspora founders to act as temporary "entrepreneur-in-residence" mentors at WB6 accelerators.

Challenge 7: Regulatory and Policy Gaps

Legal frameworks do not clearly support start-up growth (e.g., no start-up definitions, rigid taxation, poor IP frameworks).

Recommendation: Support Regional Start-up Policy Alignment via EIT/EEN Taskforce

Facilitate an EIT/EEN-led WB6 start-up Policy Taskforce with ministries and innovation funds. Develop a "Model start-up Law" for harmonisation across WB6 (covering start-up definitions, tax reliefs, sandboxes [testing environments]). Advocate for IP reform, crowd-funding regulation, and simplified bankruptcy laws to reduce founder risk.

6.2. Strategic Priorities for Ecosystem Growth

This subsection outlines seven strategic recommendations to build a globally competitive WB6 start-up ecosystem, extending the targeted solutions above with a long-term vision. These priorities address systemic gaps identified in primary research (e.g., 79% of start-ups citing funding gaps, 81% market access issues, 26.9% sales challenges, 55.3% relying on referrals, 30.6% female founders).

1. **Strengthening the Start-Up Pipeline and Investment Readiness**

   The current pipeline is heavily skewed toward early-stage ventures that often lack the maturity to attract later-stage funding. To address this, it's crucial to deploy structured programmes that prepare start-ups for investment. The EIT and Enterprise Europe Network (EEN) should launch targeted Investment Readiness programmes. These would provide tailored coaching on business fundamentals, go-to-market strategy, financial modelling, and intellectual property advisory. By partnering with experienced EU accelerators and founders, these programmes can teach start-ups how to pitch to investors, develop a sound fundraising strategy, and understand investment terms. Furthermore, it's vital to launch innovation fellowships and campus start-up labs to foster academia-industry linkages and help researchers commercialise their innovations. This includes supporting local spin-offs and introducing funding programmes for pilot testing and technology validation.

2. **Catalysing Private Capital and Facilitating Scale**

   The region's most significant challenges are the scarcity of private capital and market fragmentation. To overcome this, the EIT should lead the establishment of a Regional VC Co-investment Mechanism. This vehicle would partner with international financial institutions and private funds to provide a dedicated source of capital for the WB6. The Enterprise Europe Network (EEN) is a key instrument of the European Commission. As the world's largest support network for small and medium-sized enterprises (SMEs) with international ambitions, the Network helps businesses in the WB6 to innovate and grow. It is important to note that EEN is **not a financial institution** and does not provide direct funding. Instead, the Network's role is to facilitate SMEs' access to finance by connecting them with relevant investors (VCs, business angels, banks, EU funding programmes) and by supporting them with investment readiness, coaching, and advisory services. This function is complementary to the financial instruments offered by the EIT KICs and other EU initiatives. This function is highly complementary to the financial instruments offered by the EIT's Knowledge and Innovation Communities (KICs) and other EU initiatives, helping to prepare start-ups to secure capital successfully. To complement this, governments must prioritise the implementation of the Common Regional Market, with a specific focus on regulatory harmonisation in key sectors like fintech, which will directly de-risk the ecosystem.

3. **Fostering Cross-Regional Integration and Global Visibility**

   The lack of an integrated ecosystem and international visibility must be addressed pro-actively. The EIT and EEN should jointly create a WB6 Regional start-up Platform and network. This platform would provide an annual agenda of joint events, shared funding calls, and exchange programmes across the WB6. Initiatives like joint demo days and talent mobility programmes would not only build cohesion but also improve the region's brand as an innovation hub. Additionally,

it's essential to enable soft-landing programmes and EU market access readiness. These programmes, facilitated by the EEN, would create partnerships with established EU innovation hubs to provide market intelligence and B2B matchmaking [business-to-business introductions] services.

4. Addressing the Talent Drain and Cultivating Entrepreneurial Skills

The emigration of skilled professionals is a serious threat to the ecosystem. To combat this, comprehensive Talent Retention and Returnee programmes should be implemented. This includes launching grants for diaspora entrepreneurs who return to build ventures in the WB6, providing matching capital from public and private funds to mitigate relocation risk. Collaboration with EIT's Higher Education Institution (HEI) Initiative is also key to developing dual-track education models that blend digital skills with entrepreneurial project-based learning. Furthermore, inviting successful diaspora founders to act as temporary "entrepreneurs-in-residence" can provide invaluable mentorship and inspiration for the next generation.

5. Address the Funding and Internationalisation Gap

Given the fragmented funding landscape and the low percentage of start-ups raising private investment, a regional fund-of-funds should be established to invest in local and regional venture capital firms. This would stimulate a more robust and professional investor ecosystem, directly addressing the core challenge of access to capital and incentivising later-stage investments. To mitigate the critical challenge of accessing foreign markets (a pain point for 81.1% of start-ups), structured programmes should be designed to support market entry into the EU and the USA. These initiatives should provide targeted mentorship, legal guidance, and connections to local partners to facilitate a seamless transition and reduce the risk of international expansion.

6. Enhance start-up Capabilities

Recognising that sales are a significant challenge (26.9%), a specialised training curriculum should be developed for start-ups at the Seed and Growth stages. The curriculum should focus on international B2B sales, go-to-market strategy, and product development to equip founders with the skills needed to scale effectively beyond local boundaries. Given that 87.8% of start-ups have a B2B component, a dedicated regional platform or marketplace could be created to facilitate collaboration and business opportunities between WB6-based companies. This would strengthen internal supply chains and foster a more integrated regional economy, serving as a powerful stepping stone for international expansion.

7. Leverage the Power of Community and Demographics

Capitalise on the fact that referrals are the most effective way to connect with investors (55.3%) by creating a formal, cross-regional referral network. This platform would enable trusted introductions between founders and investors, significantly improving the efficiency of the fundraising process and reducing friction. With 30.6% of start-ups led by female founders, and a significant portion with an inclusive approach (46.7%), targeted programmes should be developed to support and showcase these ventures. This can help to close the gender gap and create a more equitable and diverse ecosystem that attracts a wider pool of talent and investment.

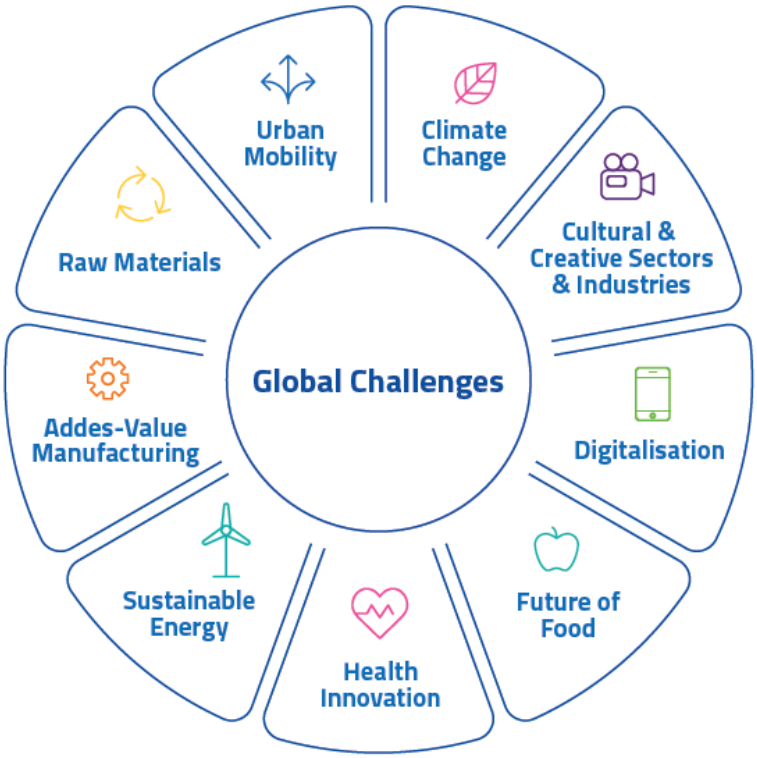
7. Strategic Role of EIT, RCC and EEN

This section details the complementary roles of the EIT, RCC and EEN in addressing ecosystem challenges, emphasising their contributions to innovation and regional cooperation.

7.1 The European Institute of Innovation & Technology (EIT)

The European Institute of Innovation and Technology (EIT) is the EU's flagship body for boosting innovation across Europe. Founded in 2008, its core mission is to bring business, education, and research together — a model known as the Knowledge Triangle — to solve real-world challenges, create jobs, and drive sustainable economic growth.

Unlike traditional funding agencies, the EIT does more than hand out grants. It builds large-scale innovation ecosystems, called Knowledge and Innovation Communities (KICs), that unite universities, start-ups, research labs, corporations, and policymakers across Europe. As of 2025, the EIT supports nine KICs, each dedicated to a major societal challenge:



EIT initiatives have helped launch over 9,900 companies, supported the development of more than 2,400 new products and services, and trained over 1.3 million[99] learners in entrepreneurial and tech skills.

Start-ups backed by EIT have collectively raised close to EUR 10 billion and reached a combined valuation exceeding EUR 71 billion.[100]

EIT's mission aligns directly with key EU goals: boosting competitiveness, closing regional innovation gaps, building a skilled workforce, and achieving digital and green transitions.

The EIT is an integral part of Horizon Europe, playing a central role in strengthening Europe's capacity to innovate and compete globally. Its mission directly contributes to the EU's strategic priorities, from fostering competitiveness to driving green and digital transitions. As of late 2024, the participation rate of Western Balkans economies in EIT activities was approximately **3.65%**, compared to just **0.64%** in other Horizon Europe instruments. This demonstrates both the attractiveness of the EIT model and its unique added value in engaging and empowering emerging innovation ecosystems.

99. https://www.eit.europa.eu/library/eit-strategic-vision-paper-factsheet
100. https://www.eit.europa.eu/library/eit-future-vision-paper-2025

The EIT's primary vehicle for its work in the WB6 is the **Regional Innovation Scheme (RIS)**. The RIS provides tailored support to regions with lower innovation performance, directly connecting local innovators and partners with Europe's largest innovation ecosystem. This place-based support approach is designed to enhance regional innovation capacity and foster collaboration with local and regional smart specialisation strategies.

To operationalise this strategy, the EIT has established Community Hubs across the region. Hubs are already active in North Macedonia and Montenegro, with Bosnia and Herzegovina to follow by the end of 2025. The EIT Community Hubs serve as one-stop access points for local stakeholders, connecting innovators, entrepreneurs, researchers, and policymakers with opportunities across the EIT Knowledge and Innovation Communities (KICs). They bring together the full power of the EIT Community to support innovation, entrepreneurship, and education, while strengthening integration into Europe's wider innovation ecosystem.

Looking ahead, the EIT also plans to expand its network further, intending to launch an EIT Community Hub in Kosovo* by 2028. This step will ensure that the entire WB6 is fully covered, enabling equal access to EIT support structures and reinforcing Europe's commitment to narrowing regional innovation gaps.

The European Institute of Innovation and Technology (EIT) is an integral part of Horizon Europe, playing a central role in strengthening Europe's capacity to innovate and compete globally. Its mission directly contributes to the EU's strategic priorities, from fostering competitiveness to driving green and digital transitions. Importantly, the participation rate of WB6 innovators in EIT activities is significantly higher than in other Horizon Europe instruments — 0.64% compared to 3.65% (as of June 2024). This demonstrates both the attractiveness of the EIT model and its unique added value in engaging and empowering emerging innovation ecosystems..

Kick-off event of the EIT Community Hub in Skopje, North Macedonia


Kick-off event of the EIT Community Hub in Tirana, Albania

Table 5: EIT's Flagship Initiatives and Their Impact on the WB6

Program Name	Objective	Description	Key Outcomes & Examples
EIT Community Hubs	To serve as physical gateways to Europe's innovation ecosystem.	Hubs in North Macedonia, Montenegro, and soon in Albania, Serbia, and Bosnia and Herzegovina represent all EIT KICs to support local innovators.	Supports local entrepreneurs in scaling innovations and launching new products by facilitating cooperation among key stakeholders.
EIT Jumpstarter	To identify and nurture talented innovators from emerging European countries.	A flagship pre-accelerator offering mentorship, training, and prize money to help turn innovative ideas into prosperous start-ups.	Additional seats and a special cash prize were provided for Western Balkan teams. Notable success stories include Neo Pill (Serbia) and WellscanPro (Kosovo*).
EIT Infrabooster	To unlock the innovation potential of public research infrastructure by creating business opportunities.	Supports universities and research organisations in transforming their infrastructure and research capacities into services for industry and society.	Helped Western Balkan institutions identify marketable services and collaborate with industry partners; strengthened links between research and business actors to foster local innovation-driven growth.
EIT Girls Go Circular	To empower schoolgirls with digital and entrepreneurial skills through the lens of the circular economy.	An online learning programme combining hands-on modules in STEM, circularity, and leadership.	Engaged schoolgirls from WB6 in developing entrepreneurial mindsets and digital literacy, directly addressing gender gaps in STEM and aligning with EU gender equality priorities.
EIT Deep Tech Talent Initiative	To build Europe's workforce of the future by equipping learners with deep tech skills.	A pan-European skills development programme mobilising stakeholders to provide training in advanced technologies (AI, biotech, advanced materials, etc.).	Western Balkan participants have joined deep tech training opportunities, boosting regional competitiveness and helping local innovators integrate into EU-wide talent pipelines.
EIT HEI Initiative	To strengthen the innovation and entrepreneurial capacity of higher education institutions (HEIs).	Provides HEIs with tailored support, mentoring, and funding to implement institution-wide innovation strategies.	Enabled Western Balkan universities to become more entrepreneurial and outward-looking; supported capacity building and fostered stronger academia–industry cooperation.

EIT Jumpstarter (https://eitjumpstarter.eu) is a flagship pre-accelerator programme that acts as a crucial quality filter for the WB6 start-up pipeline. The programme's core focus is to "unveil talented innovators" from emerging European countries, and it has a "special radar on the WB6," offering additional prizes and opportunities for teams from the region. The programme addresses a core systemic problem identified by venture capitalists: the lack of a consistent pipeline of high-potential start-ups and a perceived inconsistency in team quality.

The programme provides a comprehensive set of benefits designed to transform raw ideas into investment-ready ventures. It offers guidance in refining business concepts, provides financial aid of up to EUR10,000 for promising ideas, and facilitates crucial networking opportunities with experienced professionals, mentors, and fellow innovators. By focusing on idea validation and providing a structured methodology based on the "lean start-up" model, Jumpstarter acts as a **de-risking mechanism** for later-stage investors. The programme provides the training, methodology, and validation that a raw idea needs to become a professionally developed start-up.

Tangible examples demonstrate the success of the programme. **Neo Pill, a Serbian start-up**, and **WellscanPro from Kosovo***, which **won** the **WB6 Special Award**, are clear cases of the programme's ability to identify and nurture high-potential ventures. This creates a powerful, symbiotic relationship: the EIT invests the time and resources to develop the talent and ideas, making them significantly more attractive to private investors who can then provide the larger, scale-up capital. This function is vital for a maturing ecosystem and underscores EIT's strategic value in building a sustainable and robust innovation pipeline.

7.2 The Regional Cooperation Council (RCC)

The Common Regional Market (CRM) initiative directly addresses market fragmentation by working to create a single, contiguous market of 18 million people. This serves as a vital proving ground for small and medium enterprises and start-ups before they expand to the larger EU market. The CRM also facilitates

workforce mobility, allowing founders to recruit from a broader regional talent pool.

Table 6: RCC's Key Initiatives and Benefits for start-ups

Initiative Name	Objective	Direct Benefits for Start-ups
Common Regional Market (CRM)	To consolidate and enhance regional economic integration and dismantle barriers.	Allows start-ups to access a combined market of 18 million people, enabling them to test and scale their business models regionally before expanding to the EU.
Digital Agenda for the WB6	To support the region's transition into a digital economy and bring the benefits of digital transformation.	Focuses on improving broadband connectivity and strengthening cybersecurity, which are fundamental prerequisites for tech start-ups.
Butterfly Innovation Award	To praise the region's creative individuals and organisations for innovative, scalable, and market-based solutions and to promote an innovation culture in the region through showcasing successful innovative achievements and empowering sensitive groups such as youth and women.	The best solutions in each of the six categories receive a prize of up to 5,000 EUR, including promotion via the RCC's official channels and a chance to access potential investors.
Balkathon Competition	To find and promote innovative, business-oriented digital ideas from young people in the WB6.	Fosters a grassroots entrepreneurial spirit and showcases viable solutions for real-world problems. Winners receive funding and networking opportunities.
WB Women Entrepreneurs of the Year initiative	To recognize, promote, and empower women who have founded and successfully grown their businesses.	This initiative serves as both a powerful marketing tool and a pathway to a wider support network, which are essential for a start-up's growth.

The Common Regional Market (CRM) policy framework is a foundational pillar for enabling the start-up ecosystem in the WB6 to thrive and scale. It directly tackles one of the region's most pressing challenges: the limited size of individual domestic markets. By reducing trade barriers and administrative friction, the CRM aims to transform the region into a unified market of 18 million people. This integrated landscape offers start-ups a vital proving ground and a more accessible launchpad for growth, far less daunting and resource-intensive than an immediate leap to the European Union's market of over 450 million consumers.

Beyond market integration, the CRM is reshaping the region's human capital dynamics. Investors frequently cite "inconsistent team quality" and difficulties in talent acquisition as major obstacles. The CRM addresses these concerns by promoting workforce mobility and mutual recognition of professional qualifications. This enables founders to tap into a broader, regional talent pool rather than being restricted to their local labour market, an essential shift for building diverse, skilled, and resilient teams.

The RCC's commitment to fostering grassroots innovation is embodied in the regional Butterfly Innovation Award (BIA) and Balkathon competition. The BIA is designed to promote a culture of innovation across the WB6 by recognising scalable, market-ready solutions. Its main goals are to support digital transformation and green transition by empowering innovators from researchers to youth and women. The Regional BIA celebrates six dynamic categories (Industry, Green, STEM, Youth, University and Women Innovation) and provides EUR5,000 award to each winning team, regional media exposure, and recognition across Western Balkan innovation networks, helping winners scale their ideas and attract future investment.

The Balkathon competition is designed to uncover fresh, innovative, and business-oriented digital ideas from young people in the WB6. Its distinctive value lies in promoting digital solutions to real-world challenges while actively encouraging participation from high-school teams, helping to foster an entrepreneurial mindset from an early age. The calibre of winning projects clearly demonstrates Balkathon's success in nurturing commercially viable solutions. Notable examples include *EcoPoint*, which uses AI-powered recognition to sort recyclable materials and incentivises eco-friendly behaviour through rewards such as cash, store credits, or loyalty points, and *DARN*, a smart waste collection app that optimises routes to reduce fuel consumption and improve efficiency.

7.3 The Enterprise Europe Network (EEN)

The Enterprise Europe Network (EEN) helps businesses innovate and grow on an international scale. It is the world's largest support network for small and medium-sized enterprises (SMEs) with international ambitions. The European Commission launched the Enterprise Europe Network in 2008. It is funded through the Single Market Programme (SMP)[101] and implemented by the European Commission's European Innovation Council and SMEs Executive Agency (EISMEA)[102].

The Network is active worldwide, within and outside the European Union. It brings together experts from member organisations that are renowned for their excellence in business support. Member organisations include: chambers of commerce and industry, regional development organisations, universities and research institutes and innovation agencies.

Client-centric

We place the client's needs at the heart of the Network's mission.

Tailored Services

We can tailor our services and provide support to businesses at any stage of their growth path.

Expertise

The Network's international advisers have the experience and resources to help businesses thrive.

Teams of Network experts in each member organisation offer personalised services to businesses. They know the local business environment and have contacts for business opportunities worldwide.

The Enterprise Europe Network can also offer a targeted approach aimed notably at specific business sectors. Its groups of experts cover all key economic sectors, from healthcare, agri-food and intelligent energy to fashion and textiles. In addition, the Network will help companies increase their resilience and support SMEs in their transition to more sustainable and digital business models. For information and advice, entrepreneurs can find a local Network contact point[103] in their region.

Advice & support

The Network's international business experts have the experience and resources to help your business grow. Whatever your business, we can advise on the best market opportunities to help you expand internationally.

Partnering opportunities

The Network manages Europe's largest online database of business opportunities. Search for business or academic partners to manufacture, distribute, co-develop and supply your products, ideas and services.

Find your local contact points

Get in touch with your local Network contact point by selecting the country and city closest to where your business is based. They can help you with advice, support and opportunities for international partnerships.

101. https://commission.europa.eu/funding-tenders/find-funding/eu-funding-programmes/single-market-programme/overview_en
102. https://eismea.ec.europa.eu
103. https://een.ec.europa.eu/local-contact-points

In the WB6, the Network has a strong presence in all WB6, with partner organisations working closely with SMEs to offer services such as innovation advice, internationalisation support, market intelligence, and B2B matchmaking. The Network also facilitates company missions, trade fairs, sectoral workshops, and access to EU funding opportunities, thereby helping start-ups and scale-ups to connect to EU value chains and investors.

The Enterprise Europe Network is a founding partner in the FINNO platform[104]

104. www.finnosee.eu

8. Start-up Landscape and Success Models: Insights, Positioning and Lessons for the WB6

Positioning the WB6 within the Regional Innovation Landscape

A review of key start-up metrics reveals that the WB6 are still in the early stages of developing a competitive and sustainable innovation environment. The starkest evidence of this is the significant investment gap, with the total capital raised in the region in **2024** being just **EUR 29.5 million**. This is in sharp contrast to neighbouring EU countries, where individual countries like Croatia (EUR123 million), Romania (EUR78 million), and Bulgaria (EUR38 million) are attracting considerably more investment.

This gap is further widened by differences in R&D investment. While Serbia, the leading ecosystem in the region, allocates around **0.9%** of its GDP to research and development, this is still well below the EU average of 2.24%. It's important to add context by noting that the **WB6 average expenditure on R&D amounts to a much lower 0.45% of GDP**, making Serbia's investment a significant outlier within the region. More advanced markets like Romania and Croatia also benefit from established start-up success stories and unicorns, which create a positive feedback loop: proof of success attracts further capital, policy focus, and talent.

These trends underscore the importance of addressing the systemic challenges that are slowing the development of a similar momentum in the WB6.

The following table provides a clear, quantitative visualization of the WB6 position relative to its more mature neighbours and a successful small-market model. It highlights that while a small population may be a shared challenge, a strategic approach to funding and innovation can lead to vastly different outcomes.

Table 7: Comparative Analysis of Key Start-up Ecosystem Metrics

Metric	WB6	Romania	Croatia	Estonia
Start-up Investments	EUR 29.5 million	EUR 78 million	EUR 123 million	N/A
R&D Spending (% of GDP)	0.38%-0.9% (Serbia)	N/A	N/A	N/A
ICT Contribution to GDP	~2%	N/A	N/A	N/A
Population Size (Approx.)	18 million	19 million	4 million	1.3 million
Notable Exits/Unicorns	Few (e.g., Orgnostic)	Yes (Multiple)	Yes (Multiple)	10

Sources: World Bank / OECD / Our World in Data — R&D spending and population (country stats)

9. Final Recommendations: Interplay and Collaboration

The synergistic relationship between the European Institute of Innovation & Technology (EIT) and the RCC is a core strategic asset for the WB6. The RCC's mission is to create a more conducive macro-environment by implementing high-level policy reforms like the Common Regional Market and the Digital Agenda. This work lays the essential groundwork for a unified market, reducing the friction of cross-regional operations and improving the digital infrastructure. Complementing this, the EIT provides the direct, hands-on, micro-level support that nurtures individual ventures and talent. Through programmes like EIT Jumpstarter and the establishment of Community Hubs, the EIT actively cultivates a pipeline of innovative start-ups and equips them with the skills, mentorship, and networks they need to succeed. The success of an EIT-nurtured start-up is, in many ways, dependent on the RCC's work to create a receptive and frictionless market for that start-up to scale within. This powerful interplay demonstrates that neither organisation's work is sufficient on its own, but together, they form a comprehensive and effective strategy for ecosystem development.

The strategic efforts of these two organisations are further bolstered by the involvement of other key international partners. The World Bank, in partnership with the European Union, has launched initiatives to bolster the investment readiness of innovative companies and help them expand their market beyond domestic boundaries. The EIB has also dedicated significant resources, with EUR 275 million allocated to supporting small and medium businesses in the WB6 in 2023 alone.

Future opportunities and regional potential

The WB6 are at an inflexion point, with a clear trajectory toward deeper integration with the EU and a move up the value chain. The region's close proximity to the European Single Market and important trade routes positions it as a natural hub for innovation and entrepreneurship. Furthermore, the EU's strategic push for near-shoring presents a significant opportunity. As companies seek to shorten supply chains and move operations closer to home, the WB6 can position itself as a strategic, proximal partner—a step up from the traditional outsourcing model. This trajectory is strongly supported by the EU's new Growth Plan for the WB6. This plan, which includes a new EUR 6 billion financial instrument for 2024-2027, is designed to accelerate economic convergence and integration into the EU Single Market. The plan's focus on areas like the Digital Single Market and integration into industrial supply chains will serve as a major tailwind for the start-up ecosystem. Innovative initiatives such as digital nomad visas in Montenegro and Albania also represent a strategic move to attract and retain high-value, mobile talent, transforming the challenge of talent drain into an opportunity to attract new human capital.

10. Conclusion: A Path to Prosperity

The WB6 start-up ecosystem is at a critical inflexion point. The region possesses a wealth of human capital and technological potential, particularly within its burgeoning ICT sector. However, this potential is currently unfulfilled due to a series of systemic bottlenecks, including a significant funding gap, persistent talent drains, and market fragmentation. The analysis presented in this report highlights a self-reinforcing cycle where the lack of established success stories deters private capital, which in turn prevents the emergence of future unicorns. Simultaneously, the region's substantial investment in education is not yielding the desired return, as skilled talent is continually lost to Western countries.

The future of the region's economy and its path toward EU integration hinge on its ability to transition from a service-based economy to a knowledge-based, innovation-driven one. This transformation is not a foregone conclusion; it requires a coordinated, multi-stakeholder effort and a clear, long-term vision. The strategic roadmap proposed here—focused on catalysing private capital, bridging the talent gap, fostering cross-regional connectivity, and aligning policy with practical needs—offers a path forward. By implementing these measures, the WB6, including Kosovo*, can build a resilient, competitive ecosystem that not only retains its best and brightest but also attracts the investment and partnerships necessary to achieve its full potential.

APPENDIX

Estonia as a Relevant Model for Small-Market Innovation

Estonia provides a compelling example of how a small country (1.3 million population) can transform its size into a strategic advantage. Branding itself as a "global test-bed" for innovation, Estonia has addressed many of the same challenges faced by the WB6 — including talent migration, small domestic markets, and limited initial capital.

Through government-backed initiatives, a strong digital infrastructure, and a clear "global-first" mindset, Estonia created a culture of agility and international ambition. This transformation has enabled Estonian start-ups to scale globally, attract significant investment, and become recognized leaders in sectors like digital government, fintech, and deep tech.

The key takeaway for the WB6: small markets can succeed globally when supported by strategic policy, coordinated capacity building, and targeted investment

Success Stories from the WB6 and Beyond

To complement these insights, the following case studies highlight real-world success stories from Western Balkan start-ups and EIT-backed initiatives. These examples show how programmes like EIT Jumpstarter, InfraBooster, and Deep Tech Talent Initiative are actively addressing capability gaps and enabling start-ups to grow, scale, and access new markets.

EIT Jumpstarter in WB6 – Highlighting NeoPill, WellscanPro and BeBeep
programme: EIT Jumpstarter (under the EIT Regional Innovation Scheme – RIS)
Region: WB6 (WB6)
Sector: Health & Biotech (among others)

The **EIT Jumpstarter** is a key pre-accelerator programme designed to support early-stage innovators from emerging European ecosystems, with a strong focus on the WB6. The programme acts as a crucial quality filter for the region's start-up pipeline by transforming raw ideas into investment-ready ventures. In 2023, the programme received 65 applications from the WB6, selected 25 teams, and saw two of those teams win three awards at the Grand Final. The EIT has since scaled its efforts, with nine regional teams demonstrating strong performance in 2024.

This initiative is particularly valuable as it provides a localized and accessible entry point into the broader EIT ecosystem. Its tailored training, expert mentoring, and award-based incentives are invaluable for start-ups operating in fragmented, resource-limited environments. As part of the **EIT Regional Innovation Scheme (RIS)**, the programme plays a strategic role in building long-term innovation capacity across the region by linking participants to more advanced EIT programmes, enabling a scalable pathway to commercialisation and cross-regional collaboration.

Notable successes include:

- **NeoPill:** A female-led Serbian start-up that won the EIT Health category in 2023 for its eco-friendly dental hygiene solution.
- **WellscanPro:** A digital health start-up from Kosovo* that was recognised in the 2024 cohort for its AI-based diagnostic solution.
- **BeBeep:** A Montenegrin carpooling platform that won second prize in the Urban Mobility category in 2022.

These examples demonstrate the programme's tangible impact in nurturing talent and validating the commercial viability of innovative ideas, strengthening the ecosystem's foundation.[105]

EIT InfraBooster & BioSense Institute
Programme: EIT InfraBooster[106]
Region: WB6 (WB6)
Sector: AgriTech, Research commercialisation, Digital Infrastructure

The strategic partnership between the **EIT InfraBooster** programme and the **BioSense Institute** in Novi Sad, Serbia, provides a compelling case study of how academic research can be successfully commercialised. BioSense, a leading AgriTech and digital innovation hub, was able to transform from a traditional research body into a European Centre of Excellence.

Through the EIT InfraBooster programme, which is part of the **EIT Regional Innovation Scheme (RIS)**, BioSense

105. *EIT Jumpstarter; The EIT Community in the WB6; EIT's Transformative Impact in the WB6; NeoPill; Meet the First Cohort of Start-ups Fast-Tracking Innovation with InnoStars SPICE; 7 start-ups were selected for the EIT Jumpstarter Next 2024; WellscanPro; WellscanPro's Growth Story; BeBeep Official Website*
106. *InfraBooster; Catalogue of services; Serbia: New BioSense Institute building opens for scientists and start-ups; Digital food security from Serbia; EIT's Transformative Impact in the WB6*

leveraged a significant **EUR 14 million EU grant** to commercialise its advanced research infrastructure. This funding, combined with the programme's modular training, helped the institute to design market-oriented services, engage with industry, and generate revenue. Notably, this model has also influenced other institutions in the region, with universities in Sarajevo, Belgrade, and Skopje crediting InfraBooster with enhancing their own industrial collaborations.

The programme's impact is now tangible. BioSense's **NanoSense platform** supports advanced nano- and micro-technology services for agricultural and environmental monitoring, directly benefiting over 20,000 farmers. By integrating EIT funding with capacity-building efforts, BioSense has demonstrated a powerful, replicable model for how research institutions in the WB6 can monetise their infrastructure, expand their impact, and raise their international visibility, thereby attracting global talent and investors.

The following success stories from other EU13 countries demonstrate how smaller and less mature ecosystems have leveraged EIT support to grow globally scalable ventures. These cases offer valuable insights and replicable models for the WB6.

Helixconnect Europe[107]
Programme: EIT Deep Tech Talent Initiative
Country: Romania (with regional outreach to WB6)
Sector: Deep Tech, Digital Skills, Capacity Building

Helixconnect Europe is a flagship example of how EIT-backed organisations can catalyse ecosystem development in smaller, capacity-constrained markets. Based in Romania, Helixconnect operates in an environment with challenges strikingly similar to those faced by the WB6 – limited market size, talent drain, and fragmented innovation structures. Through its engagement with the EIT Deep Tech Talent Initiative and EIT RIS, the organisation supports both individuals and institutions across the WB6.

In 2023, Helixconnect reported 800+ up-skilled and certified talents, 30+ newly supported and retained experts, and 16 ongoing projects valued at EUR 6.3 million across their network. Notably, the organisation has pledged to train 2,000+ deep tech talents by 2025 and has already delivered 32 training events and 25+ public demonstrations, reaching over 5,000 participants. Their hybrid training model, localised content, and active support for 15+ WB innovation actors (including universities and SME clusters) make them a strong, replicable model for the region.

By opening a new office in Belgrade, Helixconnect further anchored its long-term presence in the WB6 – underlining how EIT-enabled initiatives can deliver concrete, regionally-adapted impact.

Nasekomo[108]
Programme: EIT Food RisingFoodStars
Region Inspiration: EU13 – Bulgaria
Sector: AgriTech / Alternative Proteins / Circular Economy

The case of **Nasekomo**, a Bulgarian start-up, provides a compelling blueprint for how high-potential ventures from smaller markets can achieve global scale with the right support. The company, which is leading the industrialization of insect protein, was the only start-up from an EU13 Member States selected for the EIT Food RisingFoodStars 2024 cohort, outperforming peers from more mature ecosystems.

Through its engagement with **EIT Food**, Nasekomo gained access to a full suite of services that were critical for its growth, including training on Series A investment readiness, go-to-market strategies, and leadership development. This support was instrumental in helping the company secure over **EUR 24.6 million** in investment, including a key **EUR 8 million Series A funding round in 2024**, and achieve a valuation of **EUR 48 million**.

Nasekomo's success is particularly relevant for the WB6 because its innovation ecosystem shares many structural similarities with the WB6, including a small domestic market and a lack of access to later-stage growth capital. This case demonstrates that it is not necessary to be based in a large, mature market to attract international partners, raise multi-million-euro investments, and secure a place in a global industry. With the right support mechanisms, such as those provided by the EIT, similar outcomes are within reach for Western Balkan ventures.

Nanordica Medical
Programme: EIT Supernovas / EIT Health InnoStars Awards / European Prize for Women Innovators[109]
Region Inspiration: EU13 – Estonia
Sector: MedTech / Nanotechnology / Health Innovation

Nanordica Medical, co-founded and led by Olesja Bondarenko, is the only company in the world developing first-in-class wound care products based on synergistic nano-particles that both prevent infection and accelerate healing.

107. *Helixconnect Activity Report 2023 (PDF); Helixconnect – EIT Pledger; Official Website*
108. *Official website; Nasekomo: Bringing innovative insect-protein agritech to the global stage; EIT Community Strengthens Innovation in EU-13 Member States*
109. *Ten finalists selected for InnoStars Awards 2022; Women Driving Innovation: Meet the Nine Finalists of the 2025 European Prize for Women Innovators; Estonian DeepTech Nanordica Medical raises EUR1.75M to treat severe wounds; Antibacterial wound dressing based on advanced nanotechnology to improve the efficiency of wound care*

A recent randomised clinical trial with patients suffering from diabetic foot ulcers showed that Nanordica's solution healed wounds twice as fast as the standard of care – even in hard-to-heal cases.

The company's growth has been deeply supported by the EIT ecosystem. Nanordica was selected as a finalist for the EIT Health InnoStars Awards 2022, gaining access to mentorship, pitch coaching, and partnerships with hospitals and medtech advisors. In 2023, the company secured a highly competitive EIC Accelerator grant of EUR 2.4 million and raised an additional EUR 1.75 million in seed investment to advance clinical validation and CE marking.

In 2025, Bondarenko was named one of nine finalists for the European Prize for Women Innovators, awarded by the European Commission and EIT Community – recognising her leadership in translating research into scalable innovation.

Operating from Estonia, a economy with a small domestic market, a well-educated but often under-leveraged research base, and limited venture capital, much like those in WB6, Nanordica exemplifies how EIT-backed support can empower women-led start-ups in smaller ecosystems to achieve global relevance in HealthTech and deep tech sectors.

Earthbound
Programme: EIT Climate-KIC & EIT Manufacturing (via ClimAccelerator & RIS Hub Croatia) [110]
Region Inspiration: EU13 – Croatia
Sector: Sustainable Fashion / Circular Economy / Eco-Manufacturing

Earthbound is a Croatian sustainable footwear start-up that is redefining the sneakers industry with products made from 97% natural materials such as wool, hemp, cork, natural latex, and even recycled coffee bean bags. In 2024, it became the first Croatian company to receive B Corp certification – a milestone in the country's sustainability movement. The brand's mission is to reduce the carbon footprint of footwear without compromising on performance, durability, or design.

Between 2020 and 2022, Earthbound achieved an average annual revenue growth rate of 100%. By May 2022, it had secured EUR 1 million in external investment through a global crowd-funding campaign, and it is now preparing to expand internationally, including establishing a subsidiary in the United States.

The company's growth was strongly supported by the EIT Community. Earthbound was selected for the EIT Climate-KIC ClimAccelerator in 2018, which provided financing, mentoring, and sector-specific training. EIT helped the team crystallize their mission and develop the 97% bio-based product line. In 2022, Earthbound joined the "Partnership for Growth" programme through EIT Manufacturing's RIS Hub Croatia, gaining strategic connections to manufacturing networks, visibility in EU programmes, and workshops on financing innovation.

Earthbound offers a compelling example of how EIT support can catalyse innovation in sectors that are still under-represented in the WB6, such as sustainable manufacturing and consumer products. Croatia's ecosystem – marked by a strong traditional industrial base and limited access to growth capital – closely mirrors the conditions in WB6. With targeted backing from EIT Climate-KIC and EIT Manufacturing, Earthbound was able to evolve from a local start-up into an internationally recognised brand with a clear sustainability mission. This case illustrates the potential for small-market companies in the region to lead in circular economy innovation, aligning closely with the WB6 broader green transition objectives.

VRgineers
programme: EIT Digital Accelerator (with RIS relevance)[111]
Region Inspiration: EU13 – Czech Republic
Sector: Deep Tech / Virtual Reality / Professional & Defence Training

VRgineers, head-quartered in Prague, has developed XTAL, one of the world's most advanced virtual reality headsets, which is used by industries ranging from automotive to aerospace and defence. In December 2019, VRgineers became the first Czech company to join the EIT Digital Accelerator, gaining customised growth support through EIT's pan-European network.

At the time, VRgineers had annual revenues of less than EUR 1 million. Thanks to EIT Digital's Access-to-Market and Access-to-Finance services, the company saw its revenues grow by 50% within months and secured a EUR 4 million seed investment soon after. By November 2023, VRgineers completed an additional equity round of EUR 5.4 million, bringing its total funding to EUR 10.4 million and valuation to EUR 32 million. It now employs around 50 people, serves high-profile clients like the U.S. Air Force, and generates nearly EUR 2 million in annual revenues.

VRgineers demonstrates how deep-tech start-ups from smaller EU markets can scale successfully through EIT's structured support – especially relevant for WB6 with strong engineering capabilities but limited funding and market reach. The programme's combination of market access, investor introductions, and growth advisory enabled

110. *Official website; First Croatian eco-friendly sneakers; EIT Community Strengthens Innovation in EU-13 Member States*
111. *Official website; EIT Community Strengthens Innovation in EU-13 Member States; As the first Czech company, VRgineers joins EIT Digital Accelerator to gain easier access to foreign markets*

VRgineers to break through regional constraints and secure major institutional and defence sector contracts. For WB6 innovators in VR, simulation, aerospace, or security, this case provides a realistic and powerful model of how EIT intervention can trigger accelerated growth, global competitiveness, and ecosystem validation.

UP Catalyst[112]
Programme: EIT RawMaterials, EIT Climate-KIC, EIT Manufacturing, EIT Urban Mobility
Region Inspiration: EU13 – Estonia
Sector: GreenTech / CO2 Utilisation / Battery Innovation

UP Catalyst, a spin-off from the University of Tartu in Estonia, is developing a breakthrough solution that converts CO2 emissions into valuable carbon nano-materials and graphite. These sustainable materials are increasingly in demand across sectors such as electric vehicle batteries, biomedicine, and construction. Founded in 2019, the company has grown into a global leader in carbon nano-material applications.

The start-up's journey began with support from the EIT RawMaterials track of the EIT Jumpstarter programme, followed by participation in EIT Manufacturing's EVO-R and BoostUp! RIS programmes, and later the EIT Climate-KIC Clim Accelerator. This combination of EIT support mechanisms enabled UP Catalyst to refine their product, validate their market fit, secure seed funding, and scale operations.

Between 2021 and 2023, UP Catalyst achieved an annual revenue growth rate of nearly 150%, and by late 2023, had raised EUR 6.6 million in seed funding. The company also became a Core Partner of EIT Manufacturing and led several EU innovation projects. With operations rooted in a small EU13 economy, UP Catalyst serves as a concrete example of how deep-tech sustainability ventures can emerge and thrive in structurally constrained innovation ecosystems.

For the WB6, where academic R&D is often strong, but commercialisation pathways remain limited, UP Catalyst offers a replicable model for translating green innovation into market-ready industrial technologies through EIT-backed capacity building, networking, and investment instruments.

Lumen
Programme: EIT Health, EIT Urban Mobility[113]
Region Inspiration: EU13 – Romania
Sector: Assistive Technology / Robotics / AI

Lumen, based in Cluj-Napoca, Romania, is pioneering wearable technology for the blind. By combining AI, robotics, and autonomous navigation Lumen developed the world's first glasses that use autonomous driving principles to guide blind users safely through urban environments. Their product represents a breakthrough in assistive technology, improving independence, mobility, and dignity for visually impaired individuals.

Backed by the EIT Community from its early stages, Lumen participated in EIT Health's Headstart, Catapult, and Healthy Longevity Catalyst Award programmes. In 2023, the company joined EIT Urban Mobility's Better Mobility Accelerator, receiving six months of tailored mentoring and training.

The start-up's results are impressive: over EUR 13 million in funding raised, including EUR 9.3 million from the European Innovation Council (EIC), international patent protection, and partnerships with global tech leaders such as Nvidia, Intel, and Dassault Systèmes. Recognised by the Red Dot Design Award jury and backed by high-level investors, Lumen is scaling operations and preparing for EU market entry.

As a Romanian company addressing a global health and mobility challenge through deep-tech innovation, Lumen is directly relevant to the WB6. It demonstrates how start-ups from mid-sized, resource-constrained environments can successfully leverage EIT Health and Mobility support to overcome early-stage barriers, accelerate development, and enter highly regulated international markets.

Smart Learning Factory – Skopje
Programme: Learn4SMEs / EIT Manufacturing / EIT Regional Innovation Scheme (RIS)[114]
Region: North Macedonia (WB6 – WB6)
Sector: Lean Management / Industry 4.0 / Education & Research

The Smart Learning Factory – Skopje (SLFS) is the first and only learning factory in North Macedonia, established in 2023 at the Faculty of Mechanical Engineering, Ss. Cyril and Methodius University in Skopje. Developed under the leadership of the Department of Industrial Engineering and Management, the factory was created within the *Learn4SMEs* initiative, supported by EIT Manufacturing and co-funded by the European Union. The project received expert input from the Vienna University of Technology and Festo Lernzentrum.

112. *Official Website; EIT Community Strengthens Innovation in EU-13 Member States; Estonian start-up UP Catalyst selected for EU strategic raw materials initiative; UP Catalyst – EUR6M Raised to Transform CO2 into Valuable Carbon Materials*
113. *Official Website; EIT Community Strengthens Innovation in EU-13 Member States; EIT Health-supported start-up aims to make shopping easier for the visually impaired; EIT Urban Mobility Accelerator Programmes to Empower 86 Innovative Start-ups in European Mobility Sector; Winner of Red Dot Award: Luminary*
114. Learning Factory Skopje official website; Learn4SMEs – EIT Manufacturing

SLFS simulates a real-life production environment for practical training and experimentation. Its modular setup includes a **Smart Kanban supermarket**, **Poka Yoke station**, **workstations**, **conveyor system**, **2D machine vision**, and a **SCARA robot** – creating a compact yet flexible environment for hands-on learning. Backed by over 30 years of academic expertise in areas such as lean management, performance management, and simulation, SLFS bridges theoretical knowledge with applied industrial practices.

What makes SLFS a key example for the WB6?

- It serves as a **training hub for up-skilling and re-skilling** students and industry professionals in lean production and Industry 4.0, aligned with regional digital transformation goals.
- It supports **R&D and innovation** through experiment-based projects, pre-implementation testing, and support for master's and doctoral research – making it a valuable resource for both academia and industry.
- It actively leads international initiatives like **AISkills4Lean**, which is focused on creating accessible, multilingual AI and Lean 4.0 training tools across Southeast Europe, with partners in North Macedonia and Bulgaria.

Through a unique combination of **advanced infrastructure, educational impact, and industry collaboration**, SLFS demonstrates how university-led facilities can power digital competitiveness in resource-limited environments. Its integration into the EIT ecosystem offers participants access to expert networks, funding pathways, and cross-regional opportunities. By serving as both a learning environment and an innovation hub, SLFS provides a replicable model for other WB6 seeking to modernise their manufacturing sectors and build future-ready talent.

NanoPoli Center
Programme: DeepGreenInno (EIT Higher Education Institutions programme, co-led by EIT RawMaterials and implemented by EIT Manufacturing)[115]
Region: North Macedonia (WB6 – WB6)
Sector: STEM Education / Multidisciplinarity / Research Transfer

The **NanoPoli Centre** emerged as a university-based innovation hub established under the **DeepGreenInno** initiative, supported by the European Institute of Innovation and Technology (EIT), specifically through **EIT RawMaterials** and implemented by **EIT Manufacturing**. The project aimed to foster multidisciplinary collaboration among student populations across five Balkan higher-education institutions, promoting transferable skills and green innovation capacity.

Why NanoPoli Centre represents an exemplary model for the WB6:

- **Curriculum-driven innovation:** It introduces multidisciplinary student participation from sciences, engineering, and social disciplines—encouraging hands-on experimentation and real-world problem solving in sustainable materials and manufacturing.
- **Anchored in EIT networks:** Enabled by DeepGreenInno, the Centre is fully integrated into EIT's regional innovation architecture, gaining access to expertise, structured training modules, and cross-regional academic collaboration.
- **Scalable educational infrastructure:** By uniting multiple universities under a common mission, NanoPoli exemplifies how shared educational platforms can lift learning outcomes and commercial research potential, especially in resource-constrained WB6 systems.

As a dynamic educational hub inspired and partially supported by the EIT ecosystem, the NanoPoli Centre showcases how institution-led innovation can elevate multidisciplinary learning, sustainability-minded research, and student-driven ecosystem development. Its model offers a blueprint for other Western Balkan nations seeking to modernise STEM education and seed future-ready innovation clusters through strategic EIT partnership channels.

IT Vision & EvroTrust
Programme: Enterprise Europe Network (EEN)
Region: Kosovo* & Montenegro (WB6)
Sector: Digitalisation of SMEs, Cybersecurity
Objective: To accelerate the adoption of secure, eIDAS-compliant digital services by facilitating partnerships between local and international tech providers.

The EIT's model is uniquely effective in its ability to empower local institutions and connect them with European ecosystems. The case of **Barleti University in Albania** provides a compelling example of this. Faced with significant challenges in securing funding and integrating entrepreneurial education into its academic structures, the university partnered with the **Enterprise Europe Network (EEN)** in Albania to take on a new project.

115. DeepGreenInno – EIT Higher Education Institutions programme

With expert advisory from the EEN, the university's project team received crucial guidance on structuring a competitive proposal, aligning their work with EIT priorities, and developing a robust communication strategy. This support was instrumental in enabling Barleti University to become the lead partner in the EIT-funded **TRIANGLE project**. For Albania, this was a significant milestone, marking the first time a local university had led such a large-scale EIT-funded initiative.

The project is now actively working to strengthen entrepreneurship education, create innovation labs that connect students with businesses, and support the development of start-ups and spin-offs. This success story demonstrates how the EEN can serve as a vital catalyst, helping local institutions to enhance their competitiveness and achieve a leadership role in the European Research and Innovation Area. By connecting local companies with international partners and providing guidance on licensing and compliance, the EEN is helping build a foundation for a trusted digital infrastructure that benefits the entire region.

ONEX ERP
Programme: Enterprise Europe Network (EEN)
Region: Republika Srpska (Bosnia and Herzegovina)
Sector: Digitalisation of SMEs
Objective: To improve the competitiveness and productivity of SMEs by providing affordable, tailored ERP solutions and e-commerce platforms.

The digital transformation of small and medium-sized enterprises (SMEs) is a key strategic priority for the WB6, yet many struggle with the high costs and complexity of implementing integrated digital solutions. The collaboration between **Digital Innovation Hub ONEX** and the **Enterprise Europe Network (EEN) in the Republika Srpska** provides a compelling case study of how this challenge is being addressed.

Through EEN's digitalization advisory services, ONEX designed a tailored Enterprise Resource Planning (ERP) solution specifically for local SMEs. This support focused on developing a customized system, a mobile app, and a cloud solution. A key feature of the programme was the provision of a free presentation website with an integrated web shop, which allowed SMEs to establish an online presence and begin selling internationally without significant upfront investment.

The impact of this initiative has been concrete and measurable. Client SMEs reported a **30% increase in productivity** due to process automation, as well as reduced operational costs and improved profitability. Furthermore, the EEN-supported solution enhanced their competitiveness by improving risk management, streamlining financial reporting, and opening doors to a wider international customer base. This case demonstrates that targeted, practical advisory services can effectively accelerate the digital transformation of SMEs, leading to tangible business growth and market expansion.

MINEL GE
Programme: Enterprise Europe Network (EEN)
Region: Serbia (WB6)
Sector: R&D Transformation, Advanced Manufacturing
Objective: To help a local SME transform into an R&D-driven enterprise and expand its market presence by leveraging public funding and university partnerships.

The strategic partnership between **MINEL GE** and the **Enterprise Europe Network (EEN) in Serbia** provides a compelling example of how advisory services can facilitate a company's R&D transformation and international growth. Minel GE, an SME with a diverse product portfolio, partnered with the EEN to overcome its key challenges: a lack of dedicated R&D funding and a fragmented approach to innovation.

Through EEN's expert advisory, Minel GE was able to successfully design and implement a breakthrough **High-Reach Pantograph (HRP) solution**. This support was instrumental in securing crucial funding from the **Innovation Fund in 2022**. The collaboration also extended to forging a critical partnership with the **Faculty of Mechanical Engineering**, effectively linking the company with the scientific community and providing access to academic expertise.

This initiative had a significant and lasting impact, demonstrating the power of public-private partnerships. Minel GE transformed into an R&D-driven enterprise, establishing a research centre in Serbia while successfully expanding its production facilities to both South Africa and India. The company also developed a professional online presence, which improved its visibility and enhanced its international competitiveness. Today, Minel GE's clients include railway and public transport operators across the WB6 and Europe, demonstrating how targeted EEN support can help a local SME achieve global market presence by unlocking its innovation potential.

Eko Tim Loznica:
Programme: Enterprise Europe Network (EEN)
Region: Serbia (WB6)
Sector: Digitalisation of Traditional Services
Objective: To empower a traditional SME to digitalise its operations and enhance its competitiveness by leveraging intellectual property advisory and educational support.

The case of **Eko Tim Loznica**, a Serbian SME specializing in pest control and disinfection, provides a compelling example of how a traditional business can achieve profound innovation through strategic support. Through the **Enterprise Europe Network (EEN)** and its collaboration with the **Association of Business Women in Serbia**, the company's founder, Ljiljana Matković, was able to both protect her intellectual property and digitalise her operations.

The initial support from the EEN focused on vital **intellectual property advisory**, which not only helped the company safeguard its unique processes but also led to it being awarded a WIPO prize. Building on this success, and through a series of educational programmes, the founder developed a new e-platform to track pest activity in real-time for her clients. This innovative solution enabled her team to respond promptly to issues, dramatically enhancing the efficiency and competitiveness of her business.

This initiative had a significant and lasting impact. It demonstrates how targeted advisory services and networking can empower SMEs to transform their business model, even in sectors not traditionally associated with technology. The company was able to move from a reactive, manual service to a proactive, data-driven one, positioning it as a market leader. This success story underscores the EEN's role in catalysing digitalisation and driving innovation in traditional industries across the WB6.

TRIANGLE Project
Programme: EIT Higher Education Initiative
Region: Albania (WB6)
Sector: Entrepreneurship Education, Academic R&D
Objective: To empower a local university to lead a large-scale EU-funded project, strengthening entrepreneurship education and fostering collaboration between academia and business

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