



Greece

Building on solid foundations

After years of economic instability, Greece has put into place policies paving the way for entrepreneurs. Yet although the country has high-skilled graduates and low barriers to starting new businesses, companies aren't being launched at a rate anywhere near that of most other European countries. Compounding the problem, the government still has onerous laws on drones, ridesharing and self-driving vehicles, which make it even harder for Greece to build an innovation economy.

Nearly 40 percent of Greek graduates earn degrees in STEM fields. And just over 33 percent of the Greek workforce is highly-skilled.

Drone users have been hit hard by anti-innovation rules. Even in designated “free-flying” zones, drones can't go farther than 50 meters — about 160 feet — away from their operators without a permit from the Greek Civil Aviation Authority. Commercial operators need €1 million in bodily injury insurance and €150,000 in property insurance.

The country earned a “B” in Short-Term Rentals thanks to policies that allow them without many restrictions — no great surprise for a tourist destination. Short-term rentals are growing in popularity among both tourists and rental owners seeking extra income. Aside from limits on the number of days owners can rent out their property in some parts of the country, short-term rentals are allowed to function across Greece.

Sources: (YPA) (YPA) (Greek Reporter) (Tornos News)

WHAT DID WE DO RIGHT?

Greece has a relatively large share of skilled workers, and 38 percent of graduates earn STEM degrees.

WHAT CAN WE DO BETTER NEXT YEAR?

Greece can implement common-sense drone rules, reduce restrictions on self-driving vehicles and ridesharing services, and remove taxes on digital streaming services.

Diversity	C+
Freedom	B-
Broadband	B-
Human Capital	B+
Tax Friendliness	D+
R&D Investment	C
Entrepreneurial Activity	C+
Drones	D
Ridesharing	D
Short-Term Rentals	B
Self-Driving Vehicles	F
Environment	A-



R&D Investment

Greece spends less than one percent of its GDP on research and development, landing it in the middle of the pack.



Entrepreneurial Activity

Startups in Athens have boomed in recent years, but following years of economic strife, Greece's new business entry rate is less than one for every 1,000 people.



Broadband

Among the European countries graded, Greece has the second-slowest fixed broadband speed and expensive mobile broadband service, at \$21.50 for one gigabyte.



Freedom

Greece performs relatively well in measures of personal and political freedom, which include freedom of movement, religion, association and expression.

ATHENS

Years of economic trials and tribulations during the global financial crisis have given rise to a wave of Greek entrepreneurs who are used to innovating around problems.

Athens has found growing success in attracting investment into locally grown ventures, and hometown venture capital is bolstering entrepreneurs, as well. Many startups have attracted investment funding to the city in recent years, and a new crop of companies is continuing the trend.

Marathon VC, founded in the capital city, has pumped millions into funding Greek tech entrepreneurs in its inaugural year.

Among its investments was TaxiBeat, a ride-hailing service designed to compete with Uber in Athens. Like other competitors looking to hold their own against Uber's global ride-sharing expansion, TaxiBeat aimed to capitalize on its local market share, and it grew its user base to a reported 850,000 customers in Athens.

TaxiBeat was acquired by Daimler, owner of Mercedes-Benz, for roughly €40 million in early 2017. And Persado, another Athens native that applies artificial intelligence to marketing functions, also netted capital from a global player, with a \$30 million influx of cash from Goldman Sachs.

Sources: (TechCrunch) (TechCrunch) (TechCrunch) (The Next Web)

Athens has attracted an influx of investment capital in recent years, and some homegrown companies are continuing to pump funds into Greek startups. Marathon VC, based in the capital city, invested millions into domestic tech companies like TaxiBeat, a ride-hailing service designed to compete with Uber.

