

Migrant Founders Monitor

Germany's Competitiveness as a
Global Startup Hub

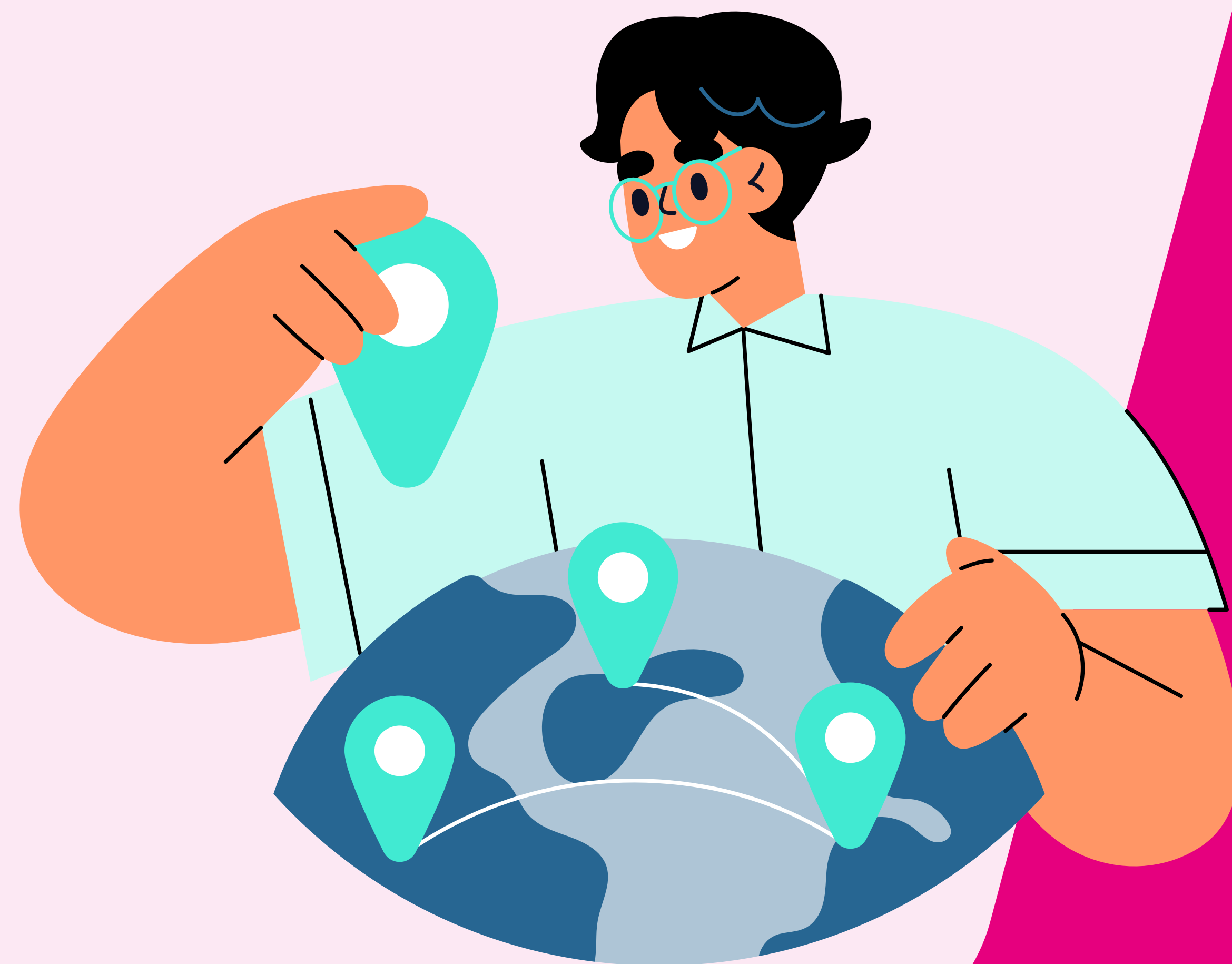


Die Unternehmen
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20
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Key Insights

① Immigration meets innovation

14% of startup founders in Germany were born abroad – among unicorns, startups valued at a billion dollars or over, the share rises to 23%.

④ Improve ecosystem access

Migrant founders are less likely to rate their networks in Germany positively (46% vs. 57% for founders overall). It is essential to lower access barriers in the startup scene.

② Know-how drives startups

91% of migrant founders hold a university degree and 56% in STEM subjects – compared to 47% of founders in Germany overall.

⑤ Competing with leading startup hubs

Two thirds of founders (66%) view the US startup environment as more attractive than Germany's – citing language and tax rates as disadvantages.

③ Strong mindset enables growth

Migrant founders more often see themselves as resilient (57% vs. 51%) and willing to take risks (44% vs. 36%) – this is critical for entrepreneurial success.

⑥ An inclusive society is key

The openness of local communities is only rated positively by 55% of founders in Germany – at the same time, the quality of life is considered attractive for international talent.

Migration and startup entrepreneurship in Germany – key indicators



of startup founders were born abroad.



of Unicorn founders were born outside Germany.

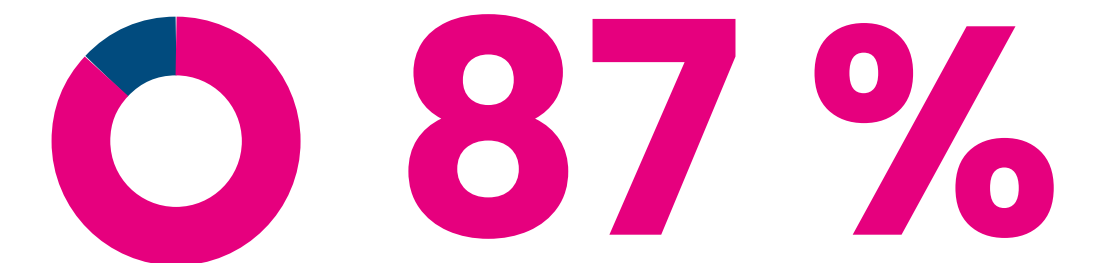
What distinguishes Migrant Founders?



have a university degree.



have graduated in STEM subjects.



of their startups have internationalized or are planning to do so.



Internationals work in their startups – working language is English.

Qunomedical

Qunomedical is a Berlin based health tech company that approaches medicine from the patient's perspective. With its software solution, Qunosuite, Qunomedical enables clinics and medical practices to handle medical inquiries efficiently, digitize internal processes, and accompany patients seamlessly throughout their entire treatment journey. Its customer base includes healthcare facilities both in Germany and abroad.



“Diversity and an international perspective are not just part of our corporate culture – they are a genuine economic advantage. Our 50 employees from more than 20 countries contribute valuable perspectives and an exceptional drive. For Germany to remain a strong startup hub, an inclusive society is therefore essential.”

Dr. med. Sophie Chung
CEO & Founder





Startup hub Germany in global perspective

Germany still has room for improvement as a startup hub

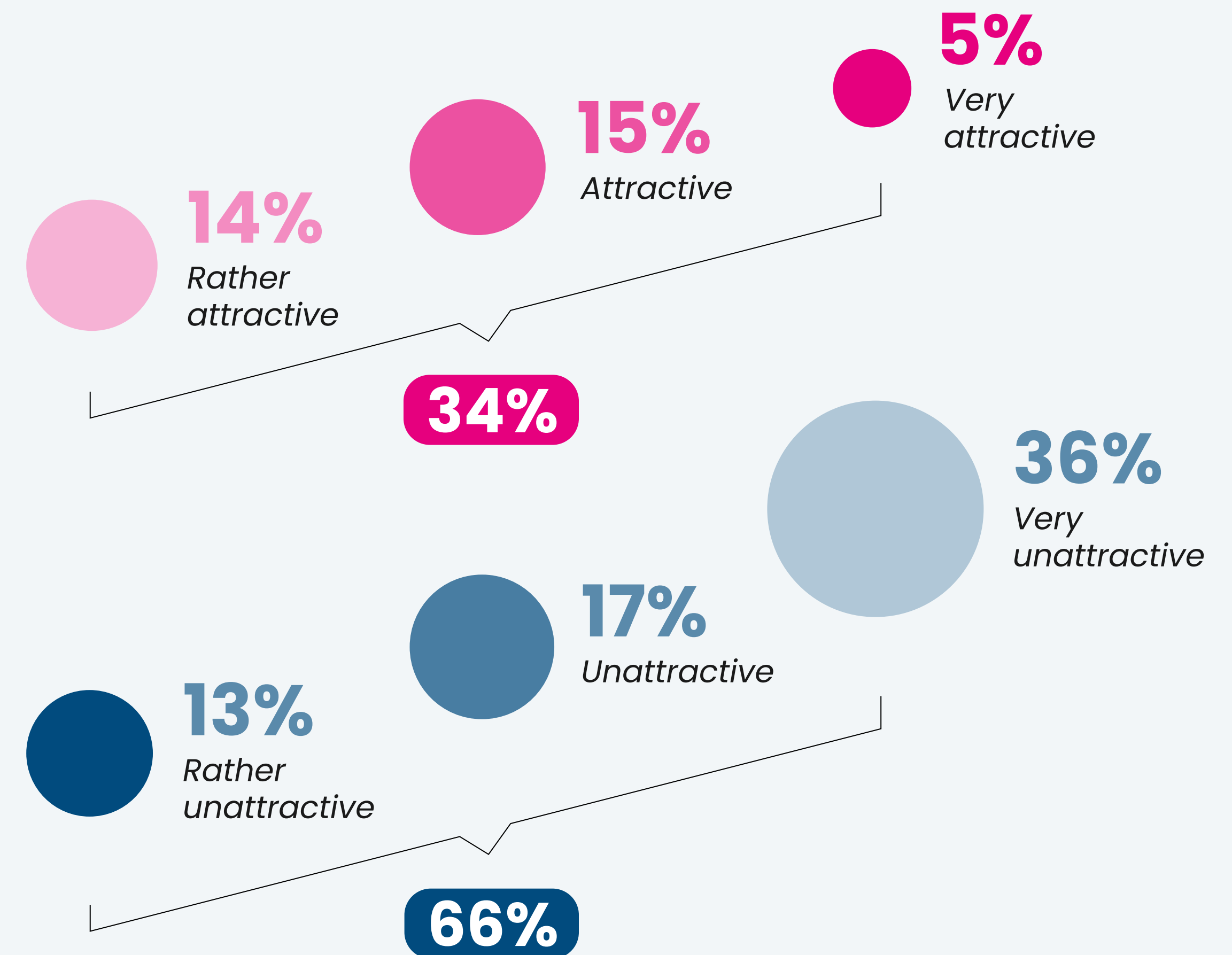
Compared to the US, as the leading startup nation, the majority of founders see **a need for Germany to catch up.**

In mid-2024, **two-thirds of all startup founders** surveyed in Germany said that the **US was more attractive.**

However, the **current political environment in the US** could mean a shift that Germany and the EU should take advantage of.¹

1) Startup Association (2025)

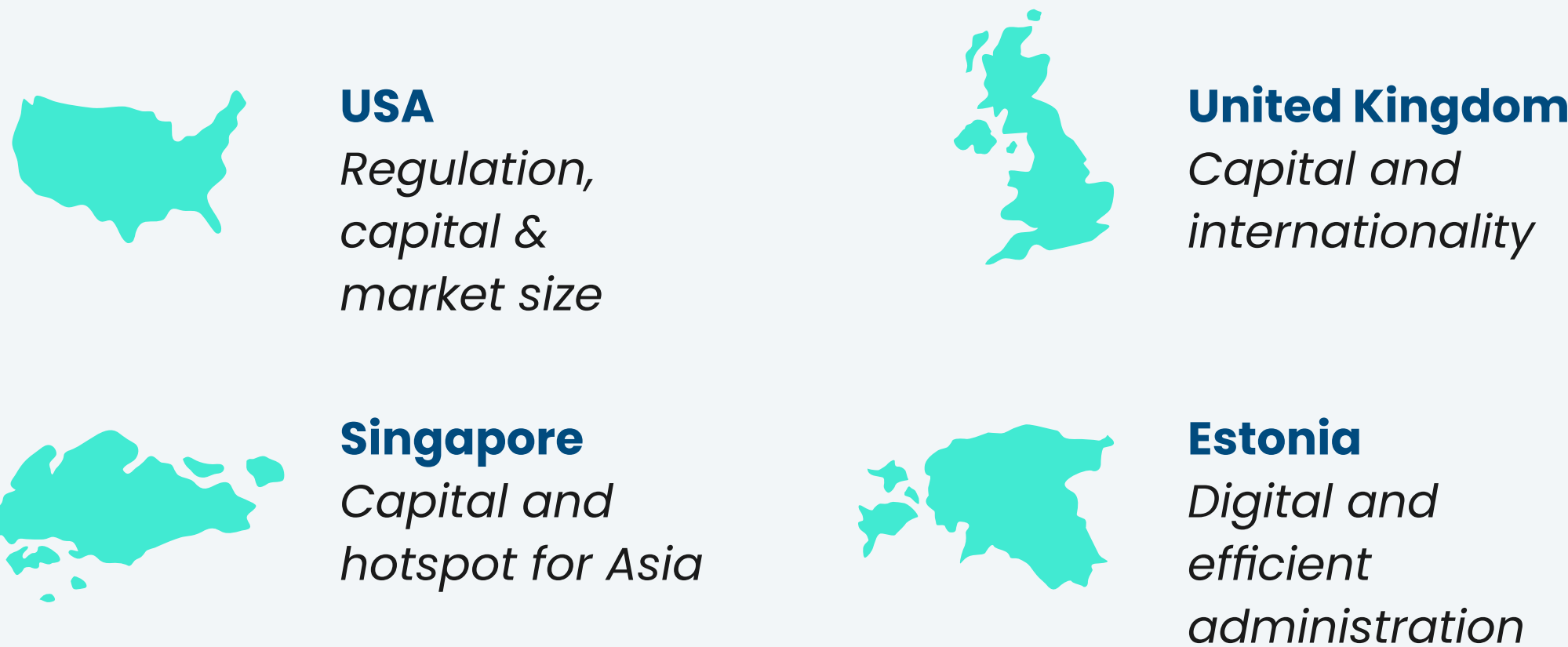
How attractive is Germany when it comes to starting a company, compared to the US?
(Survey period: June/July 2024)



Would rather build their next startup abroad:



Overview of countries mentioned and key features:



One in four founders considers going abroad for their next startup

The vast majority is highly committed to entrepreneurship: **84% of startup founders would set up a company** again.

But **more than a quarter** say that **other places are more attractive** – in an OECD comparison, Germany holds a mid-level position.¹

Location factors such as capital and regulation are important: the USA, but also the UK, Estonia and Singapore are mentioned.

¹) OECD (2023)

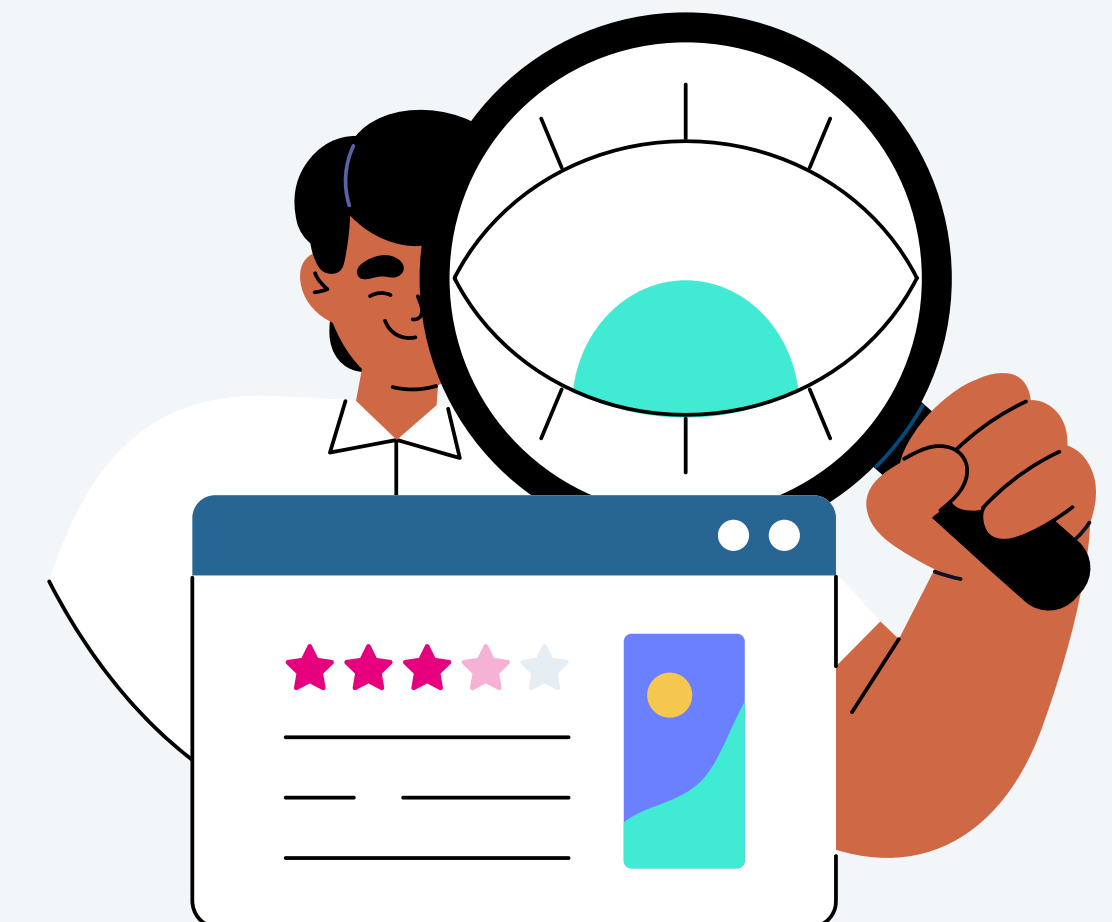
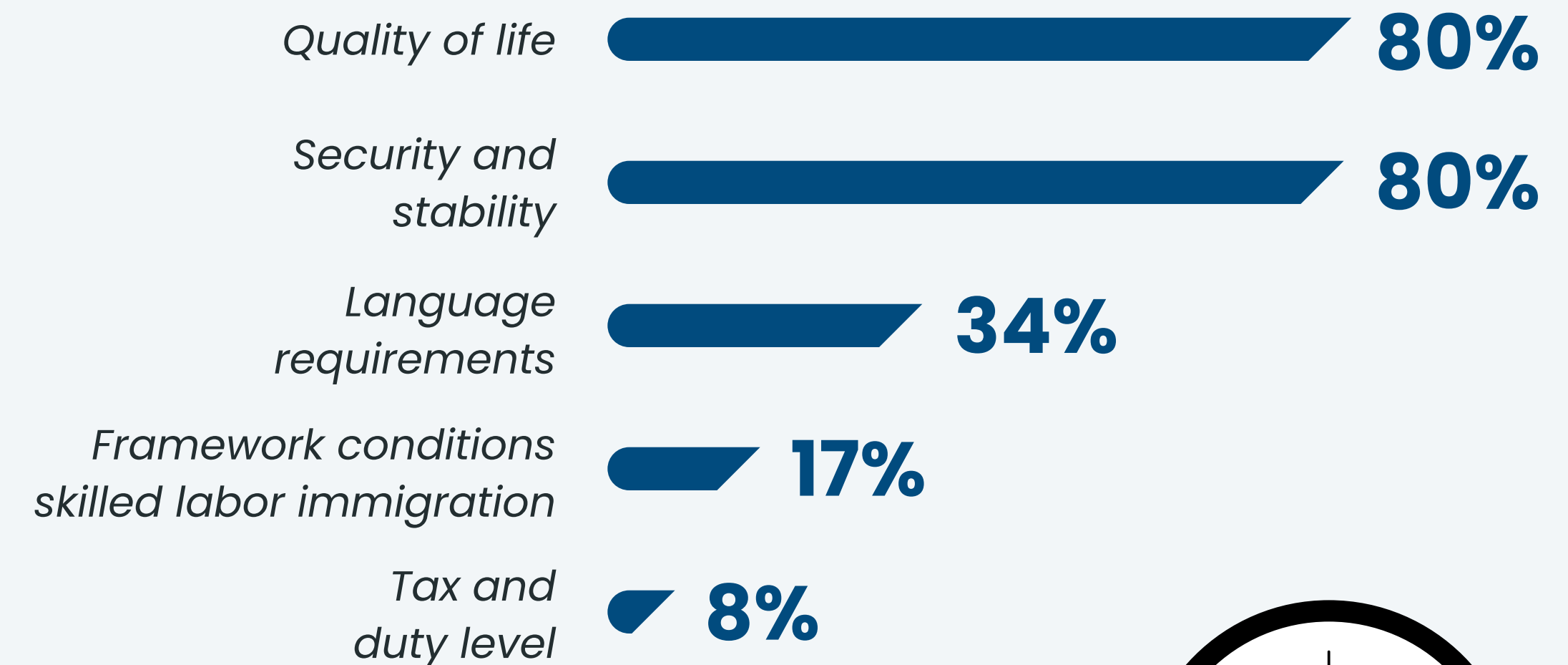
In terms of attractiveness there are strengths and weaknesses

What makes **Germany attractive for talent**?
Here we asked the founders in detail about key factors.

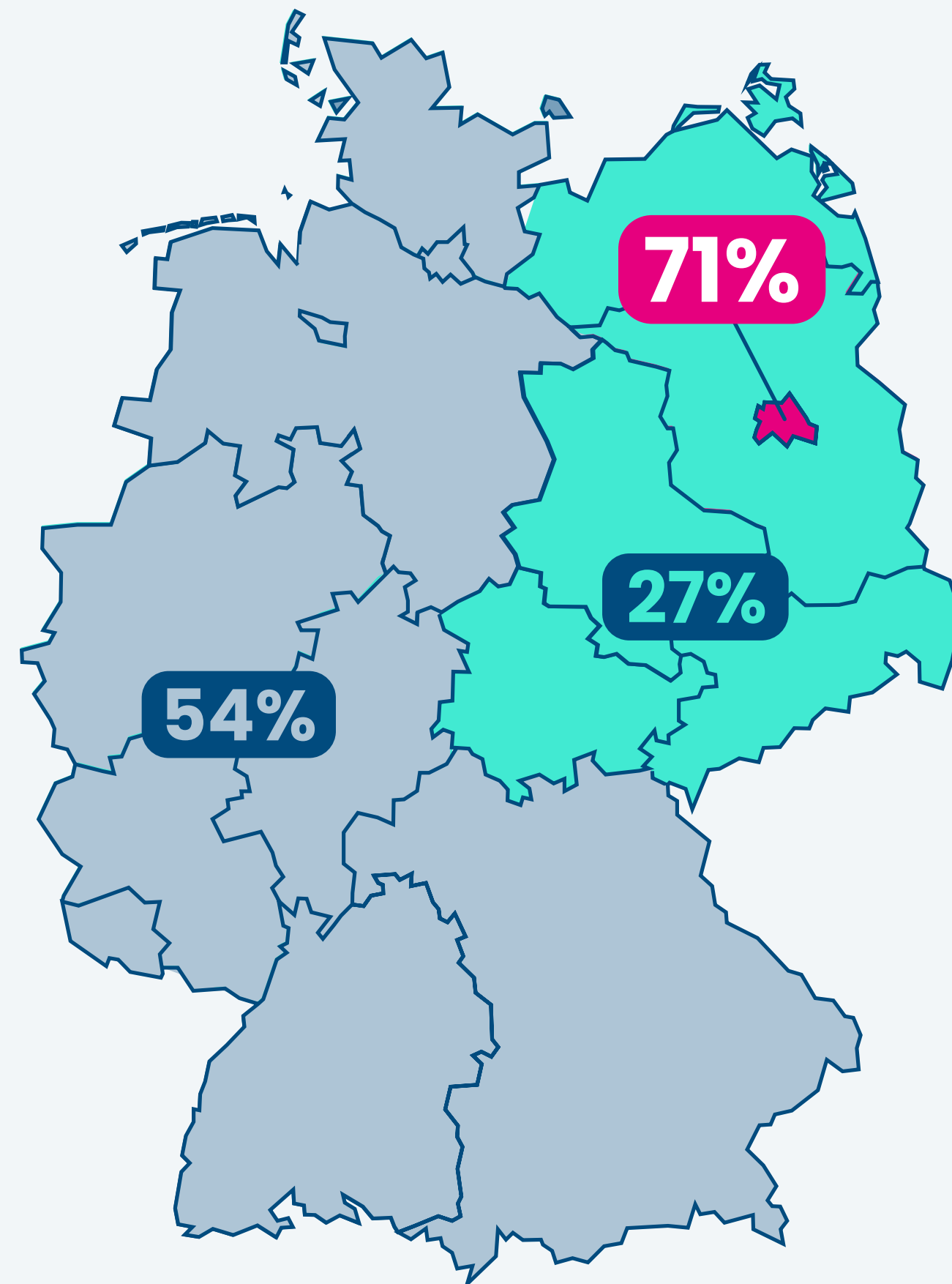
The **quality of life, as well as security and stability** are rated positively by the vast majority.

By contrast, **language requirements, migration policies and tax levels** are rated rather poorly.

Attractiveness of Germany in key areas share of positive assessments



The openness of local communities share of positive assessments



Many large cities are
above the average:
(selection)

- Hamburg: 59%
- Munich: 61%
- Cologne: 74%
- Frankfurt: 55%
- Leipzig: 62%

Germany excluding the
10 most populous cities:
46%

Openness of local communities is another key factor

On average, just over **half of startup founders** rate **the openness of their local communities** regarding internationals positively (55%).

Location is the key factor at play here – **regional differences are evident and metropolitan areas stand** out positively.

Eastern Germany is clearly lagging behind, which makes it more difficult to attract and retain talent – but there are regional differences visible as well.

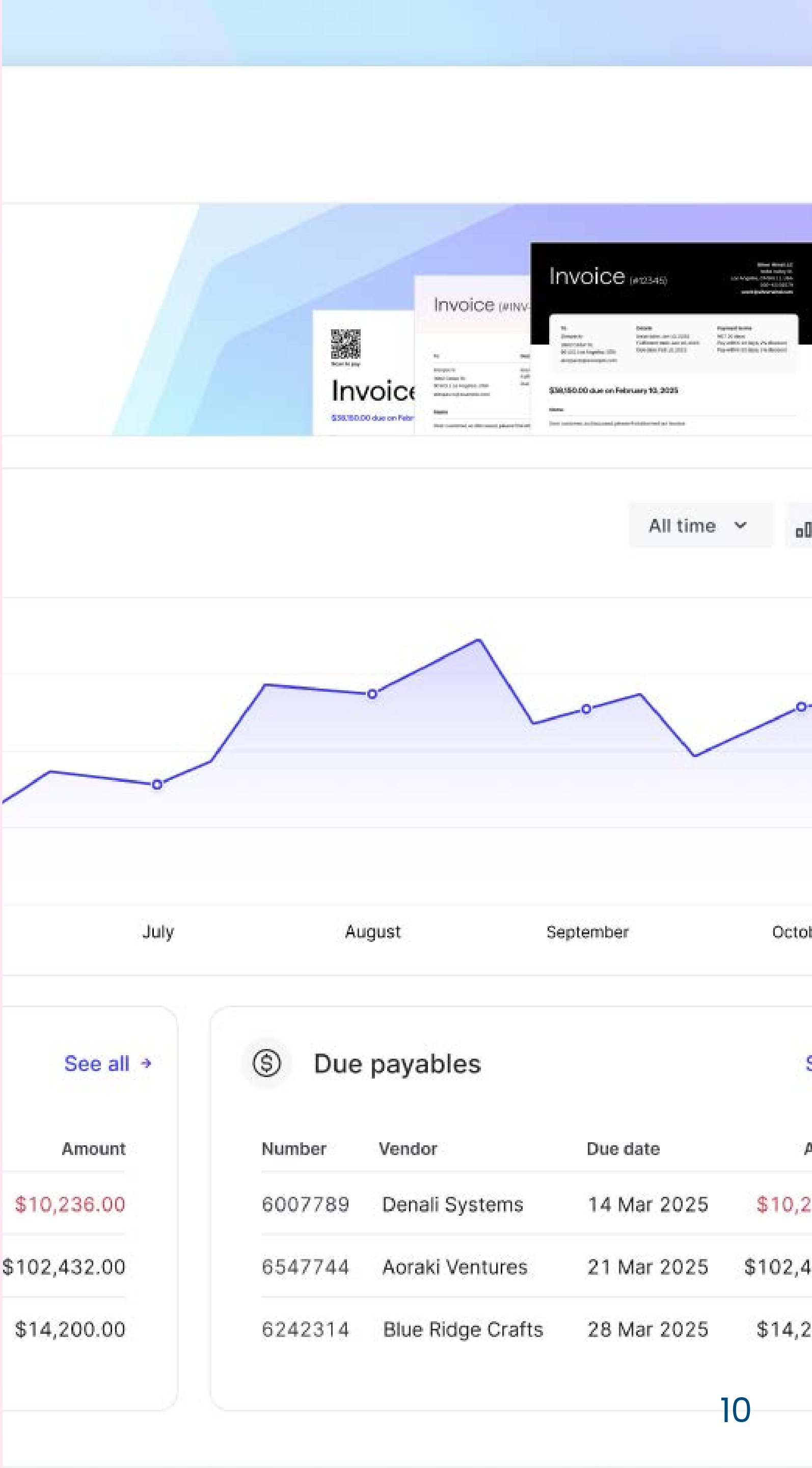
Monite

Monite is a Berlin-based fintech company founded in 2020, specializing in embedded finance automation for B2B platforms. It enables neobanks, SaaS providers, and other B2B platforms to integrate invoicing, accounts payable, and expense management features directly into their products. By automating these financial workflows, Monite helps small and medium-sized businesses reduce reliance on manual processes, thereby minimizing revenue loss and enhancing operational efficiency.

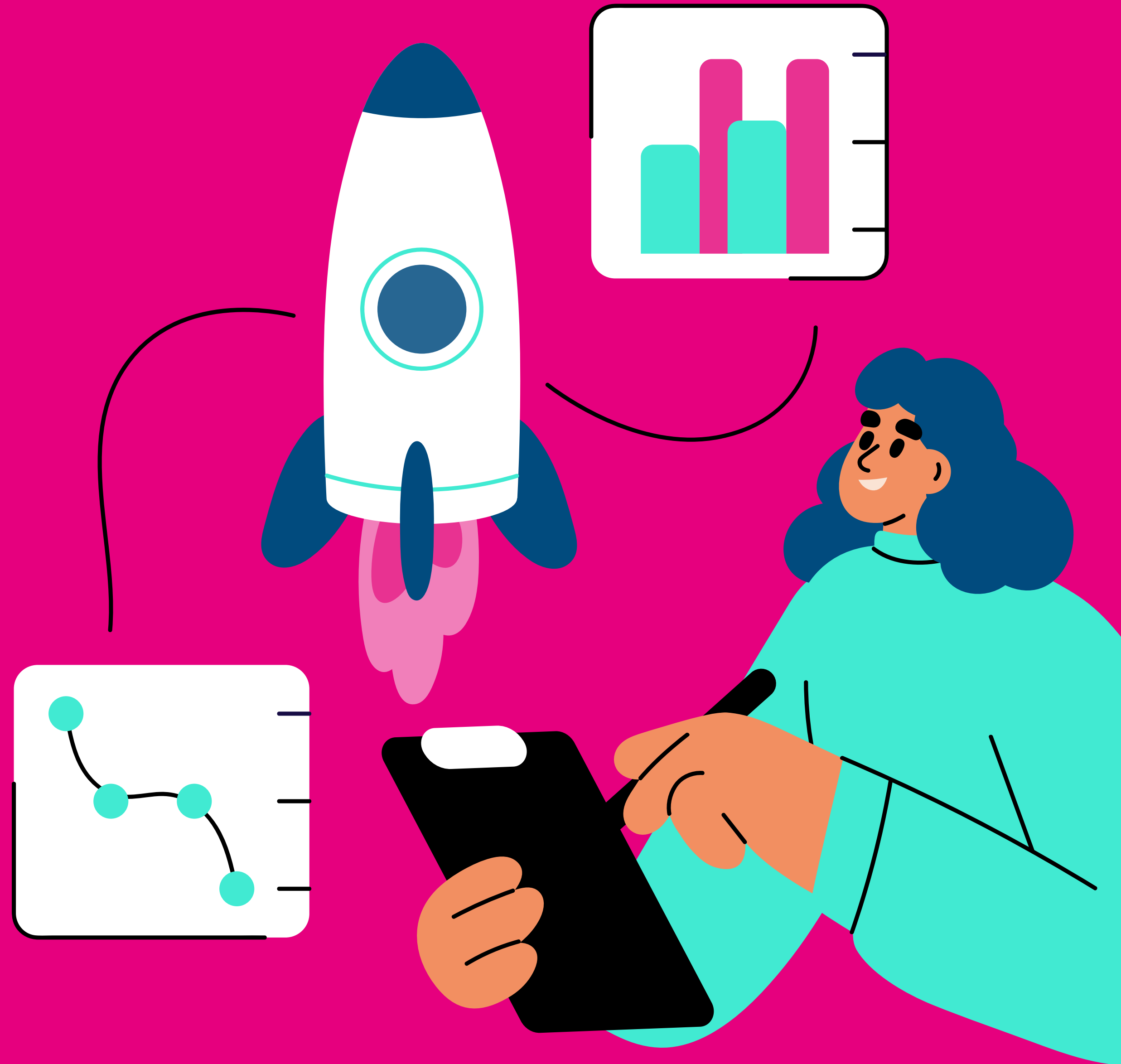


“ Any startup hub that attracts founders from around the world is bound to win. Having lived and worked abroad, I know first-hand how valuable it is to gain these perspectives, build international networks, and see things from different angles. I think it’s great that the Migrant Founders Monitor is highlighting this topic and promoting the German startup ecosystem in the process.”

Ivan Maryasin
Co-Founder & CEO



Migrant Founders in Germany



Migration is an essential building block of the startup ecosystem

18% of founders have an “immigration history” – a new definition was applied to characterize this group.¹

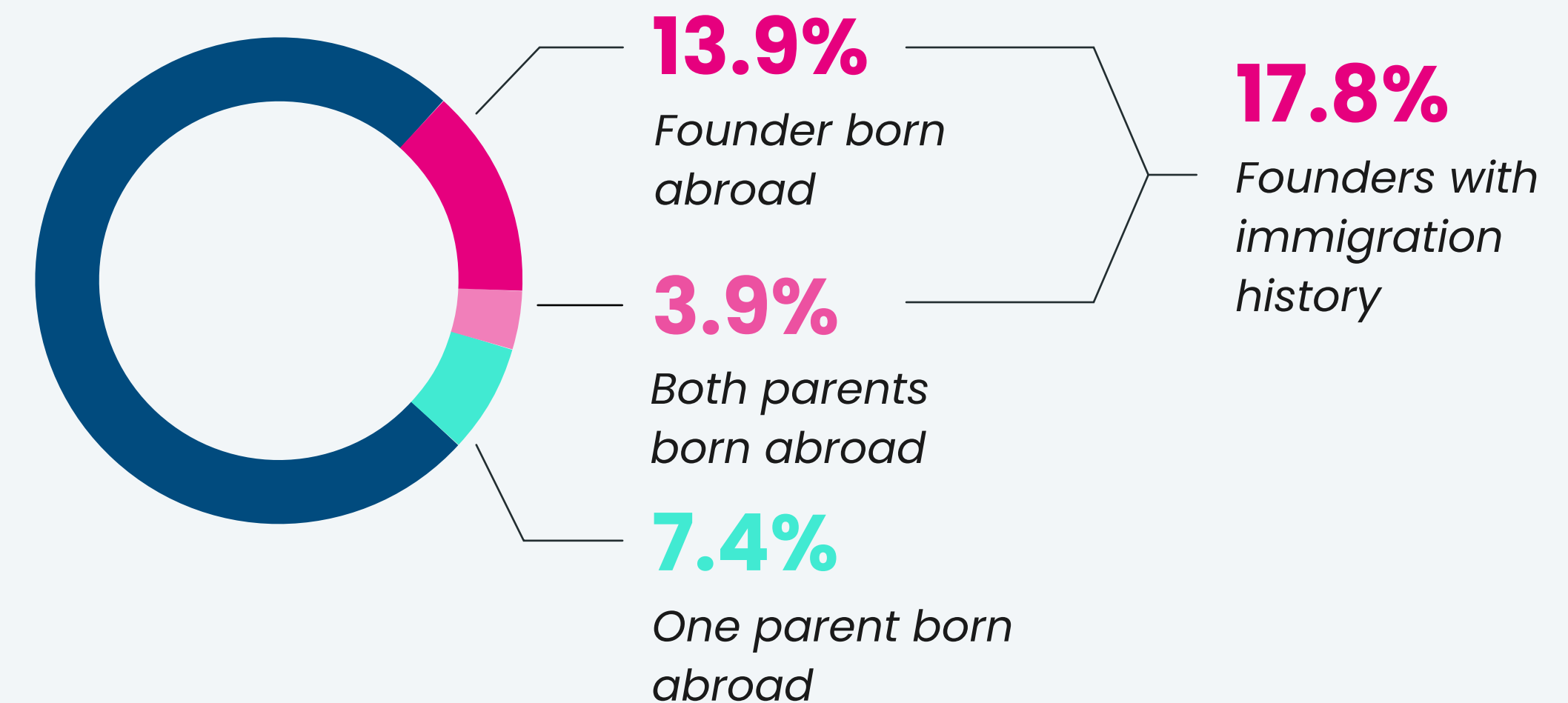
This **share is lower than among the general labor force in Germany** (25%) as well as self-employed (22%).²

In addition to **Europe as the most common region of origin**, the birthplaces of migrant founders are **widely distributed**.

1) Further information in the methodology section

2) DESTATIS (2024)

Share of startup founders with immigration history



Share of migrant founders in the German ecosystem



Migrant Founders
(founders born abroad)



14% of startup founders were born abroad

One in seven startup founders in Germany is born **abroad**, which is on par with previous years (2021: 14.1% & 2022: 14.2%).

These migrant founders **face distinct characteristics and challenges**, making a focused analysis essential.

But even more importantly, **their innovative contributions underscore the potential** they bring to Germany's startup ecosystem.

Migrant Founders often start out in universities and research as well

As part of the startup sector, migrant founders make an **important contribution to economic innovation in Germany**.

They are often founded in the **context of research and universities – as are startups in general** (55%).

Often, **new technologies** are launched on the market; **14% can be classified as DeepTech**, compared to 11% in general.

Startups of Migrant Founders in Germany



are founded out of universities or research



hold patents on their own technology



can be classified as DeepTech





Porelio

Porelio is a Berlin based deep tech startup that develops novel functionalized silica adsorbents for removing pollutants such as PFAS from industrial wastewater. Its patented technology enables cost efficient, scalable purification—even of hard to eliminate substances like TFA – while delivering significantly lower operating costs than conventional solutions. Porelio supplies the core materials for water treatment systems and collaborates closely with filter manufacturers and system integrators.



“ We need scalable solutions to truly tackle the greatest challenges of our time. With strong partners from research and industry – here in Berlin and across Germany – we are taking a completely new process from the lab into real world application. Our goal: to make green chemistry not just imaginable, but achievable – efficient, economical, and future proof. After all, anyone who wants to shape the chemistry of tomorrow must have the courage to rethink it today.”

Dr. Rhea Machado
Co-Founder & CEO



Expertise & Mindset



Academic backgrounds of migrant founders



*of Migrant Founders have
a university degree
(87% in general)*



*hold a degree in STEM
(47 % in general)*

There is a strong STEM focus among Migrant Founders

The **share of academics** among migrant founders is even **higher than among startup founders in general**.

With 58%, the majority of migrant founders studied in Germany – they migrated for their studies or earlier.¹

Many of the founders have a STEM degree – this is where specialized know-how comes into the startup ecosystem.

¹) Hirschfeld et al. (2023)

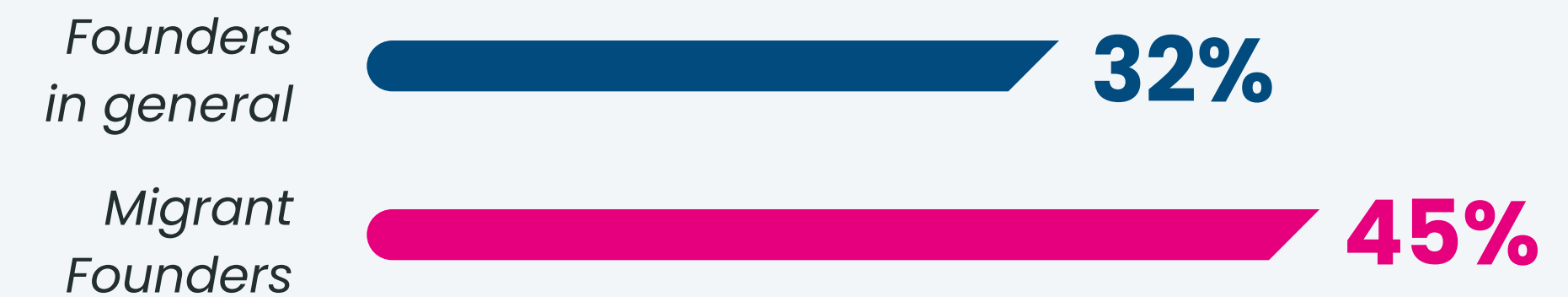
International networks are more developed

Migrant founders rate **their international network more often positively** than startup founders in general.

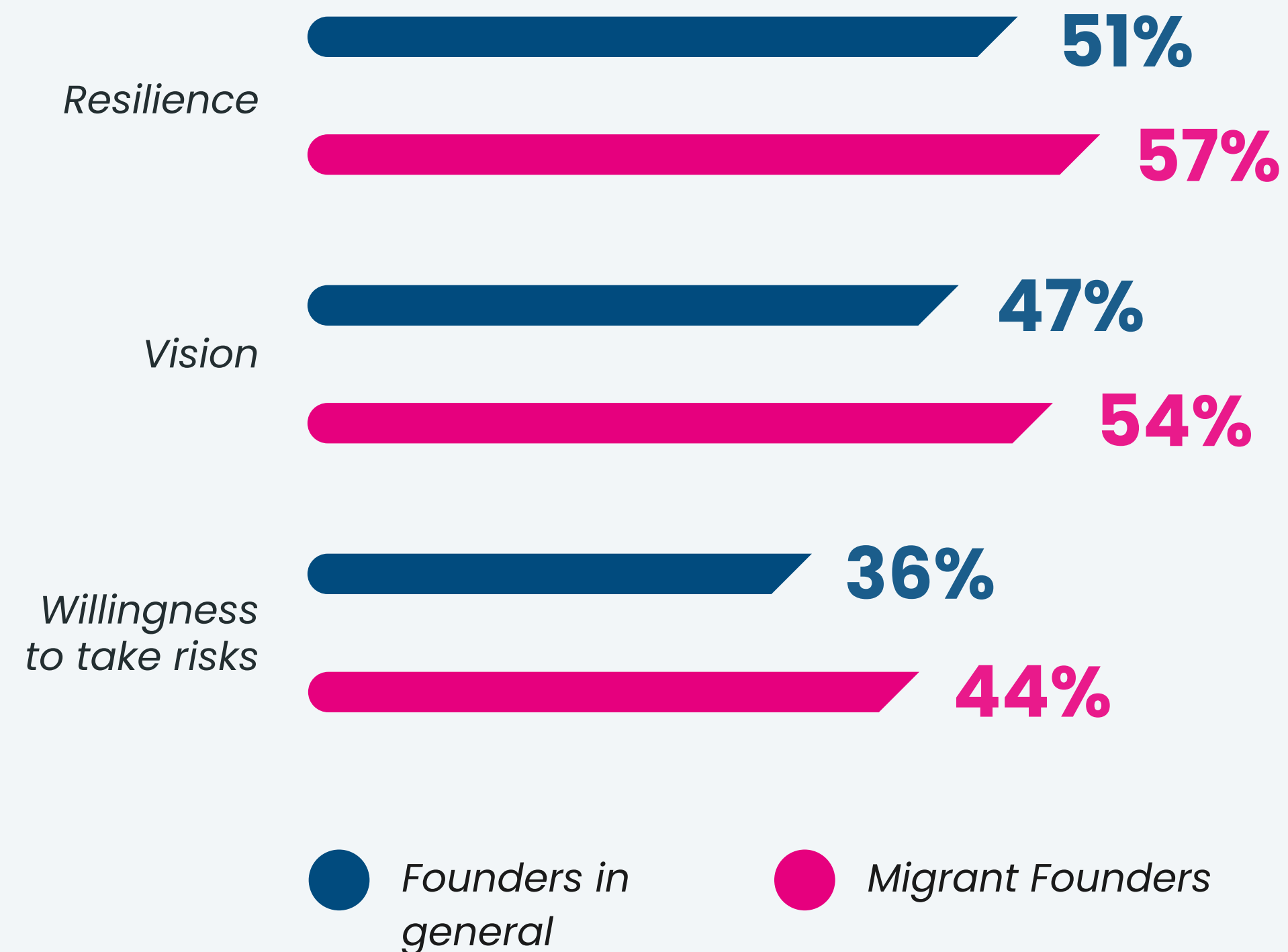
In addition, with **87%** (vs. 79% in general), a larger share **is already** generating **sales abroad or is planning to do so**.

This is also reflected in their teams: the **share of internationals is 50% compared to 31%** for startups in general.

Share of positive assessments of the international network



Self-assessment: Strengths as a founder



Self-assessed strengths reflect startup mindset

The strong startup mindset of migrant founders is **reflected in their companies' ambitious growth plans**, among other factors.¹

This also shows when looking at **self-assessed strengths: the willingness to take risks and vision** are mentioned more frequently.

Also, **resilience plays an important role** and underlines an often-cited characteristic of migrant founders.

¹) Hirschfeld et al. (2023)

Migrant Founders think big and build Unicorns

When it comes to unicorn startups – with a valuation of at least one billion dollars – migrant founders are strongly represented.¹

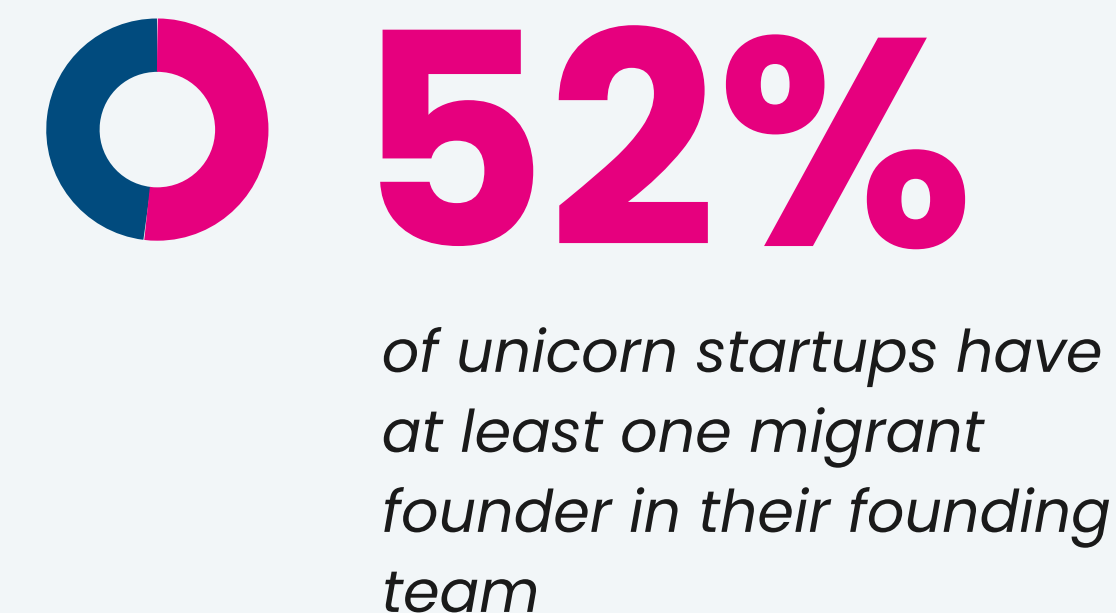
These insights underscore how the **startup mindset of migrant founders drives innovation and growth** in Germany's startup ecosystem.

In the US, for comparison, the share of migrant founders among Unicorn founders is **as high as 44%**.²

1) Own analysis, April 2025

2) Strebulaev (2022)

Share of Migrant Founders in Unicorn Startups





2hearts

The 2hearts initiative is passionately committed to making the tech industry more diverse, inclusive, and future oriented. As Europe's largest community of its kind, it supports talent with migrant backgrounds through mentoring, networking, angel funding, and enhanced visibility – thereby opening doors to the European tech world. 2hearts stands for the power of cultural diversity and the conviction that innovation thrives on varied perspectives.



“ The Migrant Founders Monitor is incredibly important because it shows how important founders with migration backgrounds are to our startup ecosystem and highlights their distinct strengths: they think big, operate internationally, and are willing to take risks. That is exactly what we need here in Germany. Diversity, internationality, and innovation belong together.”

Gülsah Wilke

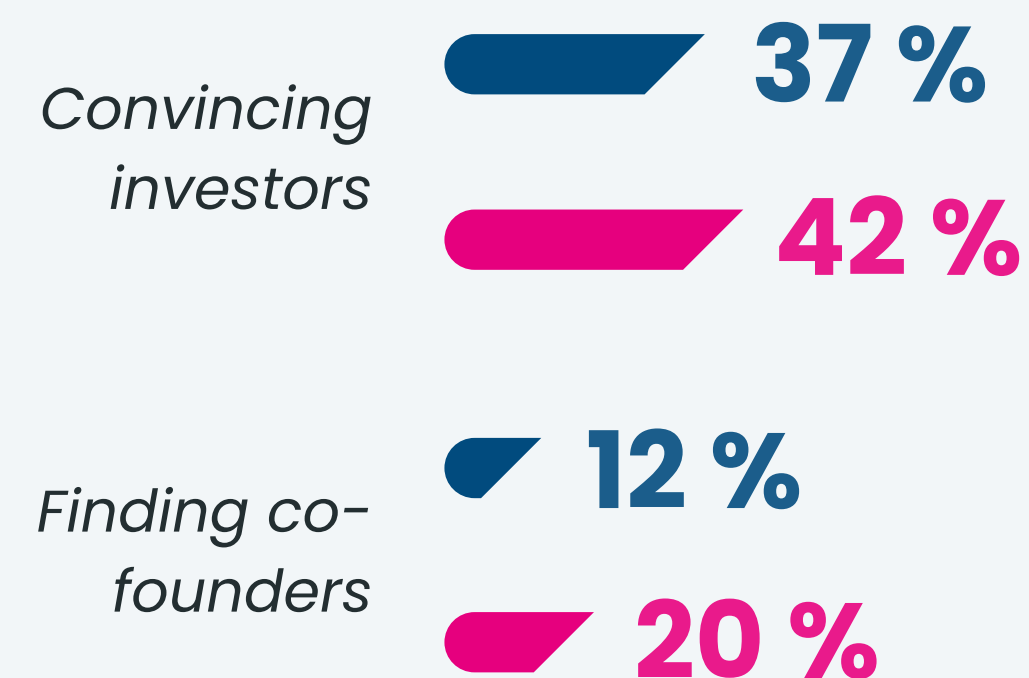
Co-Founder & Managing Director
2hearts and Head of German Office
DN Capital



Key challenges networking & funding

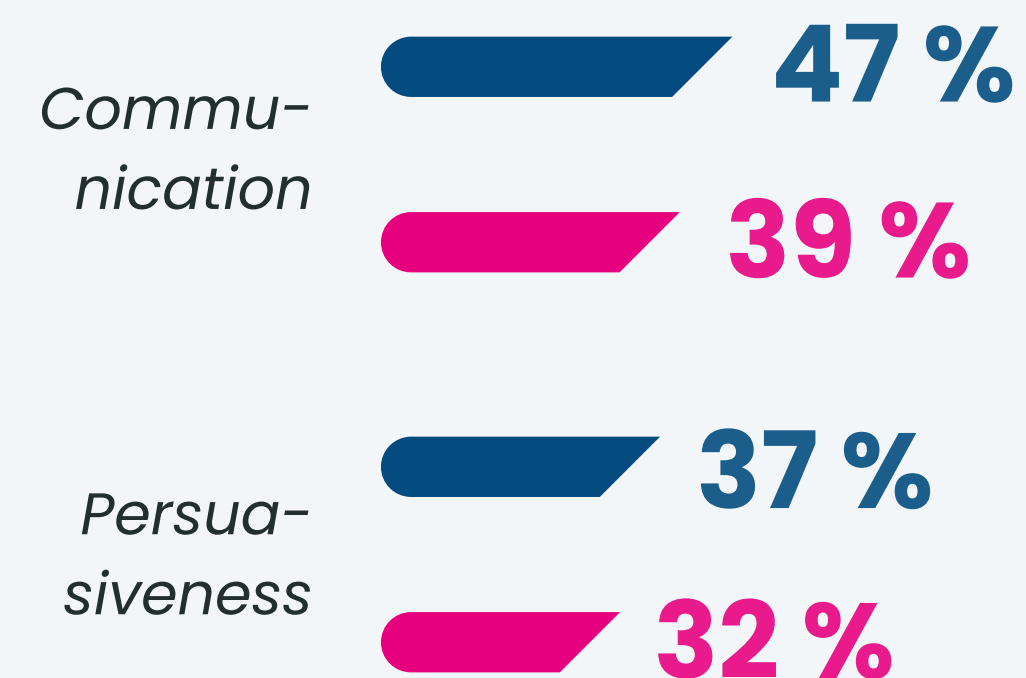


Key challenges in the founder journey



● Founders in general ● Migrant Founders

Self-perceived strengths as a founder



Access to the startup ecosystem is a key challenge for migrant founders

Migrant founders often face characteristic challenges - especially in terms of **access to the ecosystem and networking**.

„**Convincing investors**“ is mentioned more frequently as a key obstacle in their startup journey, as is „**finding co-founders**“.

Communication and persuasiveness are less frequently cited as strengths - which also points to **access barriers**.

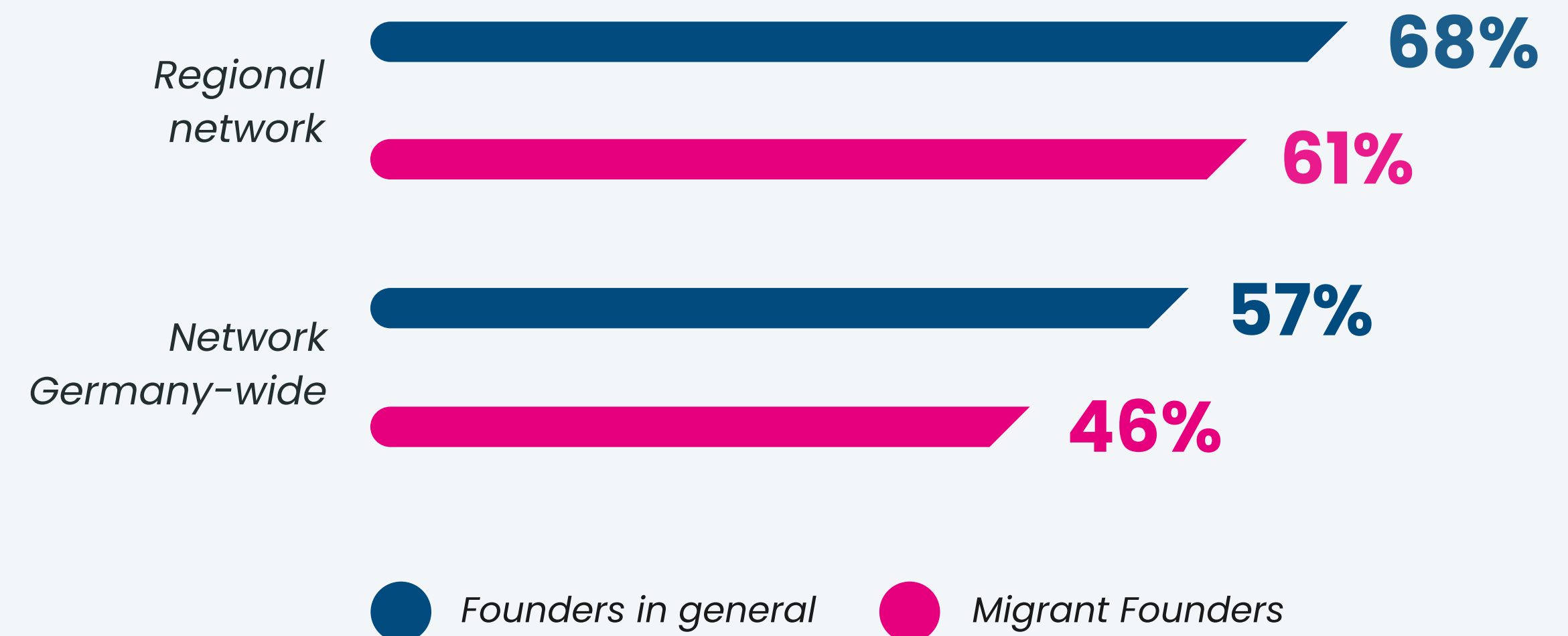
Networks in Germany need to be strengthened

Unlike their international network, migrant founders **less often rate their networks in Germany positively**.

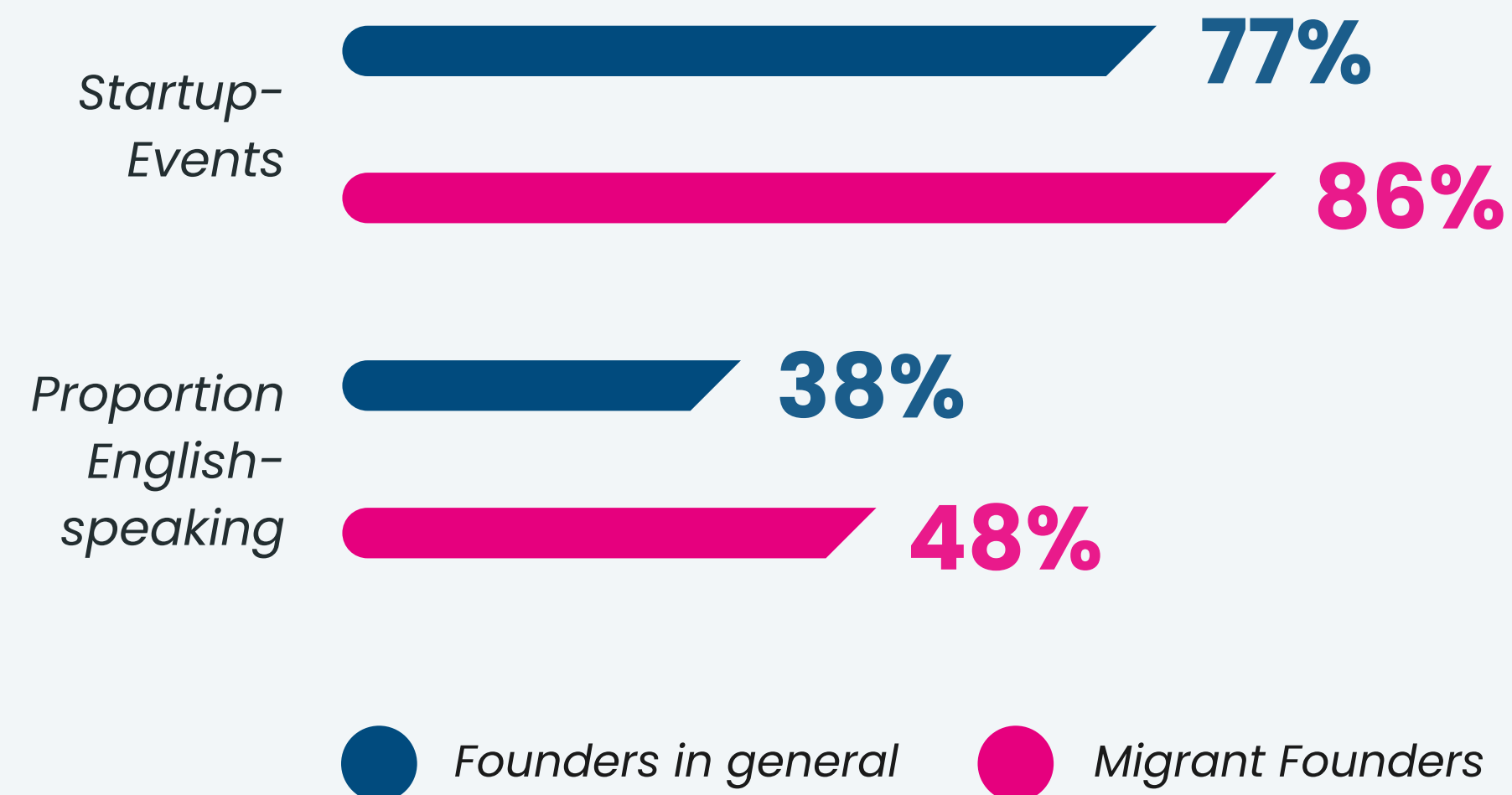
This suggests that **there is untapped potential** and a need to involve migrant founders more in existing communities.

One visible effect: **migrant founders** are currently less likely to rate **opportunities for cooperation** positively.

Share of positive assessments of own networks



Startup events attended & proportion in English



More internationally oriented events are the first step

The need for and importance of networks is also clear to migrant founders: **they attend networking events more frequently.**

Events in English are particularly important – they create openness and lower barriers to get involved.

This also contributes to the German ecosystem becoming more **attractive internationally.**

Access to capital is another key challenge

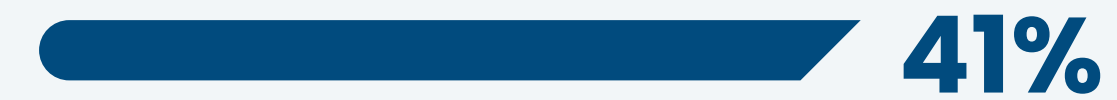
Migrant founders have or plan to **get external investors on board more often** (70% vs. 65% for startups in general).

They also **seek venture capital more frequently**: 42% compared to 35% for startups in general.

At the same time, however, **financing** and growth **are more likely** seen as a **key challenge**.

Raising capital as one of the top-3 challenges

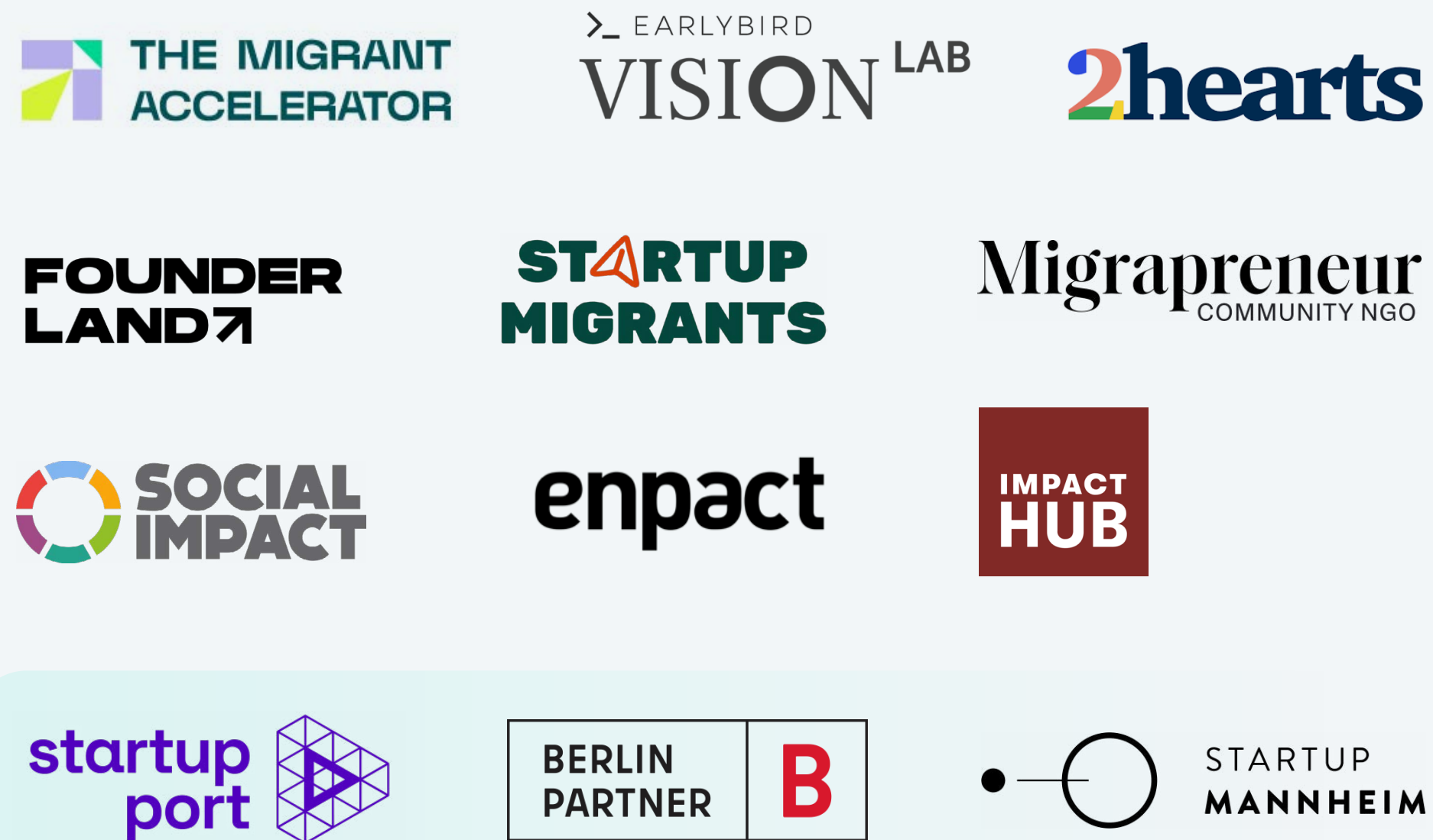
Founders in general



Migrant Founders



Migrant Founders Support Ecosystem



Exemplary selection with particularly present English-language offers

Other organizations with growing offers for Migrant Founders

- Chambers of industry and commerce
- Chambers of crafts
- (Regional) economic development agencies

The support landscape is growing

The number of **networks and organizations** that support migrant founders has notably increased in recent years.

In addition to these targeted initiatives, **awareness** of offers for migrant founders has grown **across the board in business promotion agencies**.

Things have also changed in terms of information and access – **but many important (online) services are still only available in German**.

In light of the results, we are focusing on specific fields of action

Fields of action and goals for strengthening Germany as a startup hub

1 Highlight the attractiveness of Germany as a startup hub:

Germany not only offers quality of life, security and stability, but also all prerequisites for successfully building startups in all sectors – we can and must promote this proactively and multilingually.

is essential — along with fast, efficient, and digital public services that also operate in English.

2 Further develop the business environment for startups:

To elevate the startup ecosystem to a leading position, better access to financing and exit markets in Germany and Europe

3 Visa process must no longer be a brake in recruitment:

German startups need global talent and on paper the immigration of skilled employees has been simplified – but in the practical implementation, more speed and digitization are necessary.



Specific proposals can be found in the startup association's [innovation agenda](#).



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” The digital economy functions globally – and so does GetYourGuide. Internationalization isn’t just our market strategy, it’s how we build our team: we aim to attract the world’s top talent and bring them to Germany. Europe’s quality of life is a draw, but to compete with the United States and other regions we must improve our policy framework. We need faster administrative processes around migration and stronger incentives. That should include temporary tax breaks for highly skilled professionals choosing Germany for the first time.”

Tao Tao

Co-Founder & COO



Methodology & contacts



Methodology

Underlying data

The Migrant Founders Monitor 2025 is based on data from the German Startup Monitor 2024, the largest survey of startups in Germany, in which 1,828 founders took part last year. Information on immigration history was collected from 1,432 participants, resulting in 255 founders with immigration history who are the subject of this study.

With the high number of participants and the broad regional coverage through its partner network, the German Startup Monitor provides a highly representative picture of the startup ecosystem in Germany. In addition, the annual survey enables continuous monitoring of key developments in the German startup landscape.

Definition of Migrant Founders & immigration history

The study follows the Federal Statistical Office's definition of "immigration history". This definition differs from the concept of "migration background" previously used in the Migrant Founders Monitor.

The main difference is that citizenship at birth is no longer the deciding factor; instead, it's the place of birth of an individual and their parents. The query in the German Startup Monitor was adapted accordingly. ***The term migrant founders is used in the study to refer to all founders who were born abroad and have migrated themselves (1st generation).***

Previous definition of migration background

"A person has a migration background if **they or at least one of their parents were not born with German citizenship.**"

New definition of immigration history

"Persons who were **born abroad** and moved to Germany in 1950 or later **and persons for whom this applies to both parents.**"

Further information on the definition of immigration history can be found on the website of the [Federal Statistical Office](#). (in German)

Contacts

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Sources

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(<https://www.destatis.de/DE/Themen/Gesellschaft-Umwelt/Bevoelkerung/Migration-Integration/Tabellen/einwanderungsgeschichte-beteiligung-erwerbsleben.html>)

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