



Portugal: A destination for your fintech

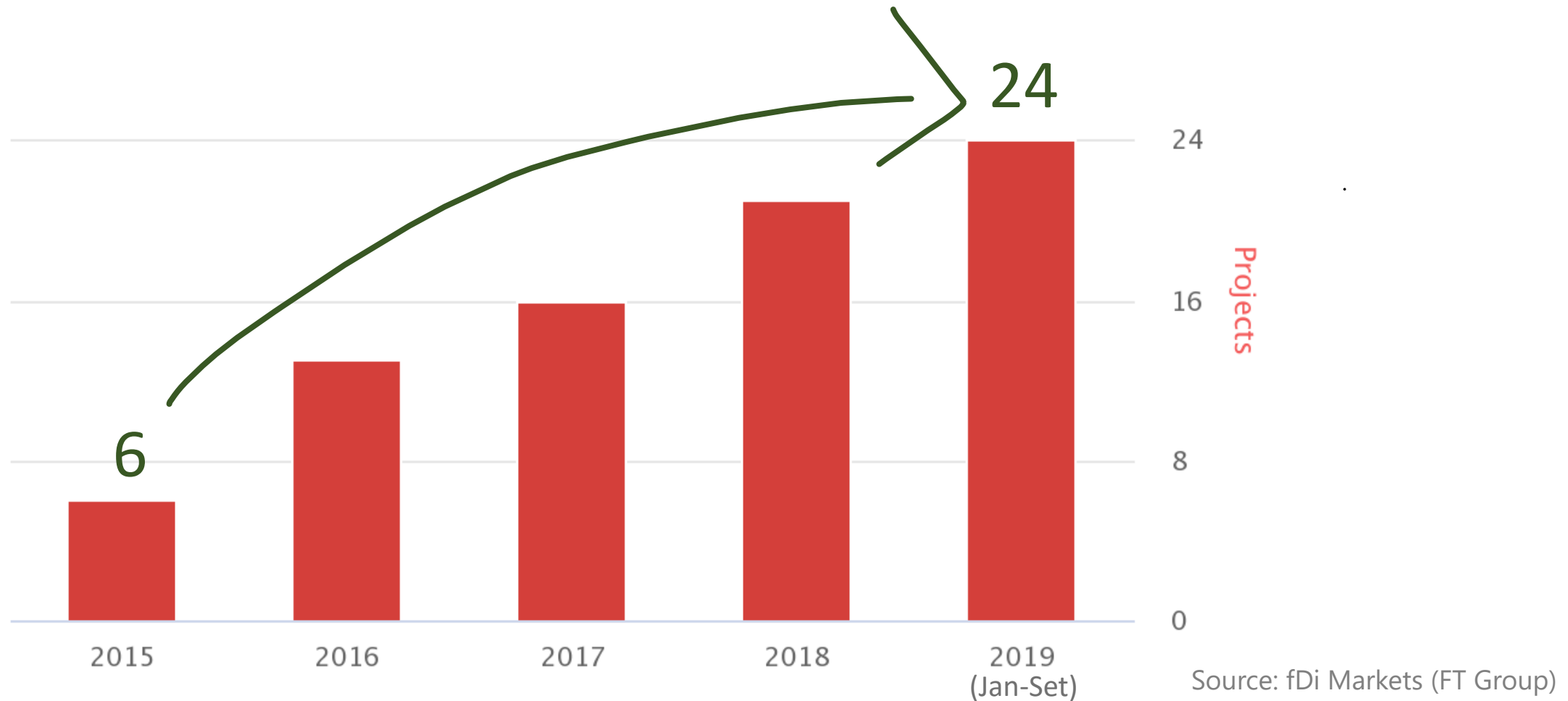
by João Leitão, Portugal IN

Web Summit,
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Some of the world's most innovative tech firms are increasingly choosing to set up in Portugal

FDI announcements – financial services & IT sectors



Some of the world's most innovative tech firms are increasingly choosing to set up in Portugal



*"Portugal is quickly emerging as a **key fintech hub in Europe**, and we're incredibly proud to be playing our part in that movement by creating hundreds of new jobs"*

- Nik Storonsky, founder & CEO, Revolut.



*"Lisbon is one of the top locations in Europe for tech and there's a huge amount of potential when it comes to attracting, recruiting and working alongside Europe's brightest **tech talent**"*

- Norris Koppel, founder & CEO, Monese



*"Lisbon, a **well-connected international hub** brimming with **strong local engineering talent**, seemed like a clear choice,"*

- Matthew Prince, co-founder & CEO, Cloudflare

And many others



...

What's under the hood?

(5 reasons to choose Portugal for your fintech business)

A high **quality of life** & ease of feeling at home for expats

- Portugal is the **top choice by expats** worldwide

[InterNations Expatriate Insider, 2019 | 20.259 respondents | 182 nationalities]



Picture credit: Turismo de Portugal

Social, political and economic **stability**

- Portugal is the **#3 most peaceful** country in the world [[Global Peace Index](#) | of 163 countries]
- It **exists since 1143**, with stable continental borders since the 13th century
- **Symbol of EU Recovery**, with 2,4% GDP growth in **2018**, 1,0% inflation and 7,0% unemployment [[BdP](#)]
- Sovereign credit rating is back to **investment-grade** [DBRS, Fitch, Moody's and S&P]



Picture credit: Turismo de Portugal

Strong local **talent** in tech & foreign languages skills

- Worldwide ranks **#8** in **skilled labour**, **#5** in **language skills** [[IMD](#), 2018]
- Globally **competitive labour rate** (52% of the UK) [[Eurostat](#), 2018]

- **22.412 STEM graduates** in 2017 [[DGEEC/MEd](#)]
- Has **2** of the top 30 European Business Schools [[FT](#)]



Photo credit: Nova SBE



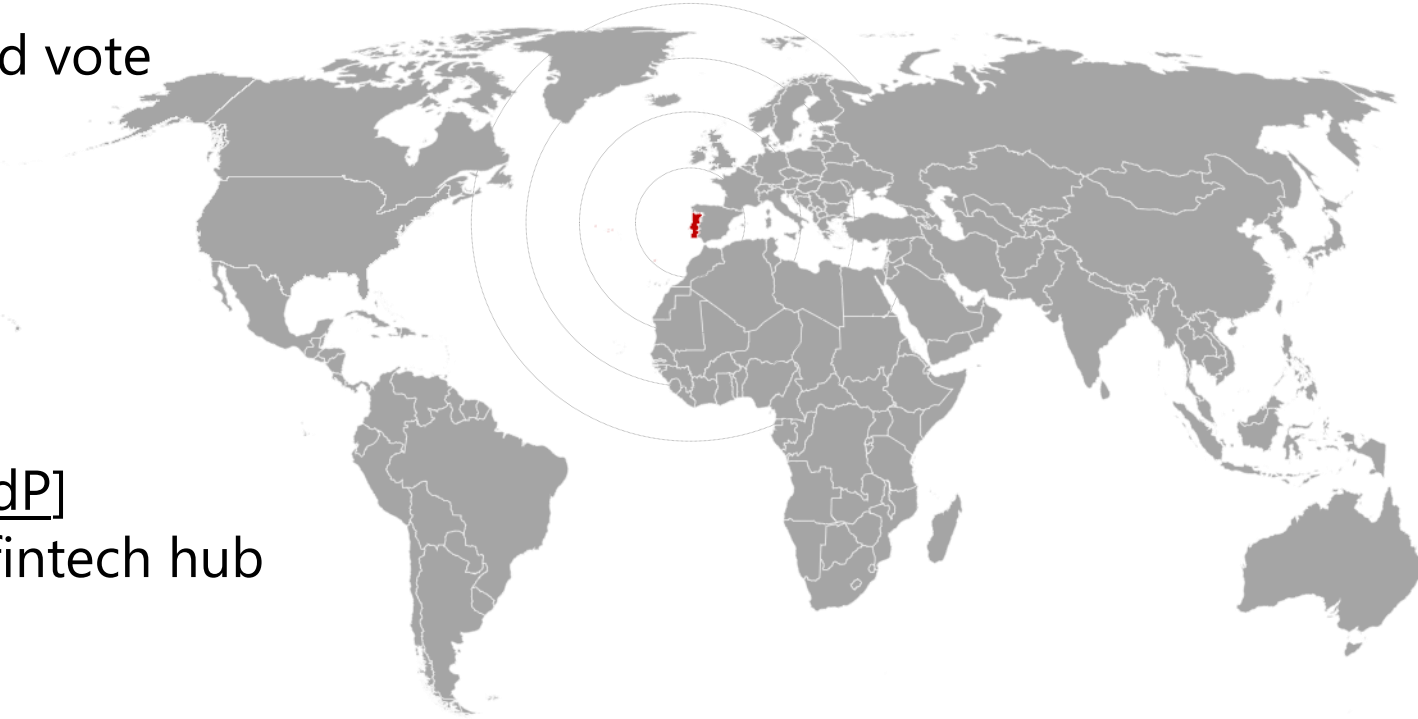
Photo credit: AICEP

A door to the **European market** (>500 M people) and the **Portuguese speaking countries** (>220 M people)




- **#2 most open country to foreign direct investment** (FDI) [[OECD](#)].

In 2018, won **99 FDI projects**, a new high, creating >10.700 jobs (#1 sector was IT w/ 19 new projects) [[FT-fDi Markets](#)]

- Fully **committed to the EU** – 72% would vote Remain [[European Parliament](#), 2018]
- In the same **time zone** as the **UK**, with whom Portugal has the **oldest active alliance** in the World
- **>300 weekly regular flights** yearlong, between Portuguese and UK airports [[TdP](#)]
– half of which w/ **London**, the world's fintech hub



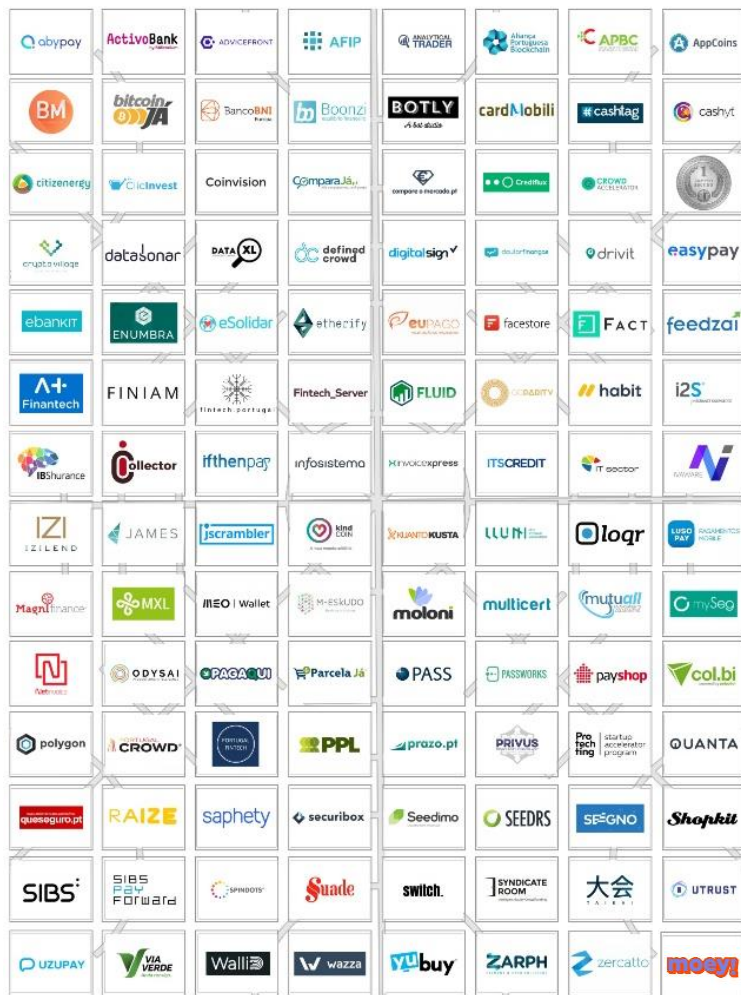
A startup ecosystem that has already produced an **impressive number of big names**

-  **FarFetch** (2007 | IPO | **\$702M** | An online luxury fashion retail platform)
-  **OutSystems** (2001 | PE | **\$422M** | Low-code platform where users can build enterprise apps)
-  **Talkdesk** (2011 | Venture | **\$125M** | Enterprise cloud-based contact centre)
- **Unbabel** (2013 | Venture | **\$91M** | Translations powered by AI and refined by a global community of translators)
- **Feedzai** (2011 | Venture | **\$78M** | Risk management platform powered by AI to make banking and commerce safe)
- **Seedrs** (2009 | Venture | **£49M** | A crowdfunding platform for investing in the equity of startups in Europe)
- **Uniplaces** (2011 | Venture | **\$29M** | Service for booking student accommodation online)

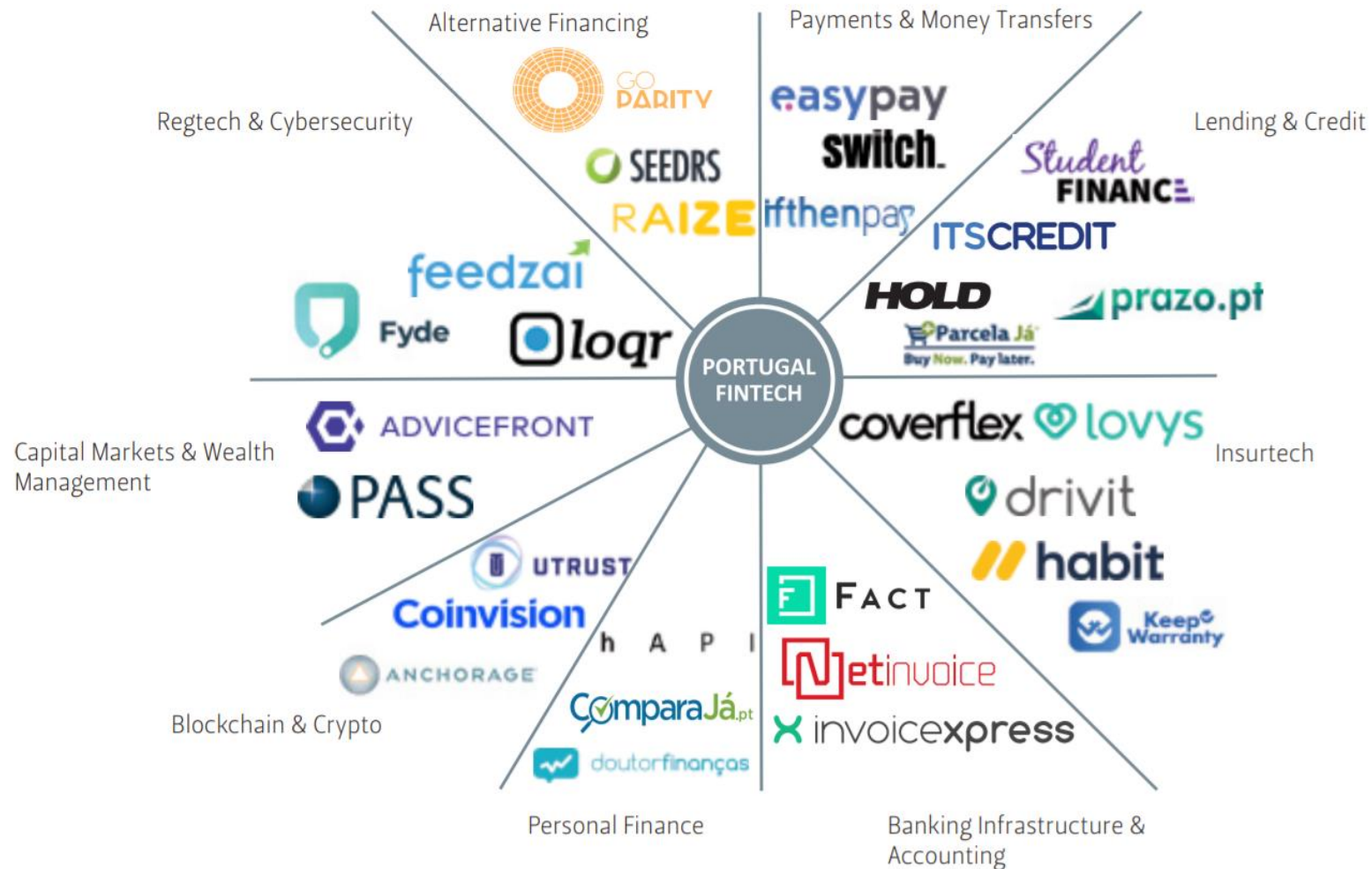
- **Veniam** (2012 | Venture | **\$27M** | An intelligent networking platform for connected cars and autonomous vehicles)
- **360 Imprimir** (2014 | Venture | **€22M** | B2B Marketplace for made-to-order Products)
- **Aptoide** (2011 | Venture | **\$22M** | An independent Android app store that allows businesses to create their store)
- **Codacy** (2012 | Venture | **\$14M** | An automated code review tool that helps developers save time)
- **Raize** (2013 | IPO | **€6M** | a P2P lender for SMEs in Portugal)
- **Infraspeak** (2015 | Seed | **\$5M** | A customisable maintenance platform managing >25k buildings)
- **Casafari** (2015 | Seed | **\$5M** | Tracks the real estate market by aggregating properties from different sources)
- **Hole19** (2014 | Seed | **€4M** | Mobile app for golfers with a community of over 1.2M golfers worldwide)

Source: Crunchbase

A startup ecosystem that has already produced >100 fintechs



Source: fintech.portugal, 2019



Source: Portugal Fintech, 2019 (top 30 Portuguese fintech)

Quality of Life

Stability

Talent

European Gateway

Ecosystem



>12 000 potencial partners in its financial institutions

Financial Institutions (1/2)		#
Central bank		1
Deposit taking corporations, (except the CB)	Banks	61
	Mutual agriculture credit banks	86
	Savings banks	3
Money market funds (MMF)		3
Non-money market funds investment funds	Securities investment funds (except MM funds)	152
	Real estate investment funds	226
	Venture capital funds	125
Other financial intermediaries except insurance corporations and pension funds	Central counterparty clearing houses	1
	Venture capital corporations	49
	Factoring corporations	1
	Financial dealers	3
	Investment corporations	1
	Securitization corporations	7
	Mutual guarantee corporations	4
	Credit financial institutions	18
	Securitization funds	13
	Other	404

Financial Institutions (2/2)		#
Financial auxiliaries	Insurance auxiliaries	5 510
	Exchange offices	10
	Brokers	5
	Investment funds managing corporations	48
	Securitization funds managing corporations	2
	Pension funds managing corporations	10
	Wealth managing corporations	11
	Group-purchase managing corporations	4
	Foreign exchange and MM mediating corporations	1
	Financial head offices	9
Captive financial institutions and money lenders (holding corporations, SPE obtaining financing for parent companies, money lenders, trusts, etc)	Payment institutions	25
	Other financial auxiliaries	306
Insurance corporations		73
Mutual entities		24
Pension funds		234
Total number of Financial Institutions		12 274

Source: Banco de Portugal "List of institutions for statistical purposes" (Set 2019)

A few of the top **financial institutions** in Portugal

▪ **61 banks**

Largest in number of branches in Portugal:



659 branches



573 branches



...

▪ **25 payment institutions**



...



▪ **73 insurance corporation,**

Largest in overall market share:



35%



11%



...

▪ **5.510 insurance auxiliaries** (e.g. brokers)



...

Source: [Associação Portuguesa de Bancos, 2018](#); [Banco de Portugal, 2019](#); [ASF, 2018](#); [EcoSeguros, 2019](#)

A few of the top **innovation programs** and **co-working**

Business incubators (> 130 countrywide [RNI])

- **Startup Lisboa** (Lisbon | >400 startups supported, including Uniplaces, 360 Imprimir & Codacy)
- **Instituto Pedro Nunes** (Coimbra | >200 startups, including Feedzai & Critical Software)
- Soon-to-open: **Fintech House** (Lisbon)

Accelerators

- **Portugal FinLab** (communication channel between innovators and the Portuguese Financial Regulators)
- **Lisbon Challenge** (by beta-I)
- **Building Global Innovators** (ISCTE & MIT Portugal)
- **Road 2 Web Summit** (by Startup Portugal & WS)

Innovation labs

- **SIBS Pay Forward** (with SIBS, the largest payment solutions player in Portugal, w/ >300 million users)
- **Protechting** (with Fidelidade, the largest insurance group in Portugal w/ over 200 years of existence)

Co-working

- **>40 in Lisbon region** (e.g. Second home, beta-i, Rocket Hub, NOW, Cowork Lisboa, Canopy)
- **>20 in Porto region** (e.g. Porto i/o, OPO Lab, Typographia, Facts, Cool.Office, Java)

...and **Web Summit**, until 2028!

Source: EU-Startups ([Lisbon](#) & [Porto](#) co-working), 2018

A few of the top BAs & VCs in Portugal

- **Armilar Venture Partners** | www.armilar.com
Early investor of [Outsystems](#), [Feedzai](#) and [Codacy](#). Focus on deep tech on IT, HealthTech and CleanTech space. >€250M assets under management. Its €60M new multi-stage fund is focused on tech transfer from universities
 - **Big Start Ventures** | www.bigstart.vc
Early-stage VC from BIG, a Portuguese bank. Investing across Europe in B2B fintech, insurtech and cybersecurity. Investor of [Switch](#) and [Countingup](#)
 - **Bright Pixel** | brpx.com/investment
Part of Sonae group, a Portuguese conglomerate. Seed investor in Retail, Telecom, Cybersecurity & IoT with a particular interest in B2B. Investor of [Probe.ly](#) & [Eat Tasty](#)
 - **Bynd** | busyangels.co
VC group (former "Busy Angels"), investing in Life Sciences and IT. Investor of [Defined Crowd](#) and [Probe.ly](#). Recently created a €10M fund for startups in iberia
 - **EDP Ventures** | www.edpventures.vc
Corporate VC from EDP, Portuguese based utility. Current priority on Clean Energy, Smart Grids, Client-Focused solutions, Energy Storage and Digital Innovation
 - **Indico** | www.indicocapital.com
>€40M first fund. Focused on seed and post seed startups, in blockchain, AI, big data, enterprise SaaS, fintech, marketplaces. Led [Attentive.us](#) recent round
 - **Kibo Ventures** | kiboventures.com
Pre-series A and Series A Spanish Venture Capital fund. Investor on [Hole19](#) and [Defined Crowd](#)
 - **LC Ventures** | www.lcventures.pt/
Fund behind [Beta-i](#) team. Invests in the startups of the Lisbon Challenge Accelerator program, and in pre-Seed and seed opportunities. Investors of [Landing.jobs](#) and [Sparkl](#)
 - **Pathena** | www.pathena.com
Focused on life sciences and information technology companies. €70M assets under management. Investor of [360imprimir](#).
 - **Portugal Ventures** | www.portugalventures.pt
State own fund investing in Digital, Engineering & Manufacturing, Life Sciences and Tourism sectors. With over 75 portfolio companies, including [Aptoide](#) & [Outsystems](#)
 - **Red Angels** | www.redangels.pt
Jointly with Busy Angels and Shilling, one of the most active BAs group in Portugal
 - **Semapa Next** | www.semapanext.com
VC and fund of funds arm of [Semapa](#), one of the largest Portuguese industrial groups. Investing mostly on Series A & beyond stages
 - **Shilling** | www.shillingcapital.com
Business Angel group. Early investors of [Uniplaces](#) and Best Tables
 - **Sonae IM** | sonaeim.com
Tech investment arm of [Sonae](#). Focus on Telco Technologies, Retail and Cybersecurity. Commitment to invest €200M over 5 years. Over [35 portfolio companies](#).
- For the full list of registered firms, check the CMVM site [\[link\]](#)

Source: [Pedro Almeida](#) (early stage investor), adapted by Portugal IN

Financial supervisors and other authorities

Financial supervisors:

- **ASF**: insurance and pension funds
- **Banco de Portugal**: central bank
- **CMVM**: securities market

Non-financial authorities

- **AT**: tax authority
- **CNPD**: data protection authority
- **IRN**: registration & notary affairs
- ...

Looking for an Electronic Money Institution or Payment Institution licence? What to expect?



SMOOTH AUTHORISATION

3 months to obtain an electronic money or payment institution licence with BdP (14 licences issued)



ACCESS TO PAYMENT INFRASTRUCTURE

Full SEPA reachability
(34 countries)
SEPA Service Package (credit and instant transfers, direct debits)



GUIDANCE AND COOPERATIVE ATTITUDE

FinLab, a direct channel with the three financial supervisors (ASF, BdP & CMVM)

Wrap-up:

5 reasons to choose Portugal for your fintech business

Portugal offers a high **quality of life**
social, political & economic **stability**
is brimming with strong tech **talent**
is a well-connected **European gateway**
and has a welcoming fintech **ecosystem**



Picture credit: AICEP

Connect with the Portuguese ecosystem

ASF (insurance and pension funds supervisor)

Av. da República, 76
1600-205 Lisboa
T: +351 808 787 787
W: www.asf.com.pt
@: asf@asf.com.pt

Banco de Portugal (central bank)

R. do Comércio, 148 (1100-150 Lisboa)
T: +351 213 130 000
W: www.bportugal.pt
@: info@bportugal.pt

CMVM (securities market supervisor):

Rua Laura Alves, 4
1050-138 Lisboa
T: +351 800 205 339
W: www.cmvm.pt
@: fintech@cmvm.pt

Portugal Fintech (fintech association)

W: www.portugalfintech.org
@: info@portugalfintech.org

AICEP (national investment promotion agency)

R. de Entrecampos, 28,
Bloco B – 12º, 1700-158 Lisboa
T: (+351) 217 909 500
W: www.portugalglobal.pt
@: aicep@portugalglobal.pt

IAPMEI (institute to support SMEs investment)

Rua Salazares, 842
4100-442 Porto
T: (+351) 808 201 201
W: www.iapmei.pt
@: info@iapmei.pt

Startup Portugal (government program)

W: startupportugal.com
@: contact@startupportugal.com

AFIP (fintech and insurtech association)

T: + 351 211 309 726
W: afip.pt
@: admin@afip.pt

Other contacts:

- ▶ [Invest Lisboa](#) (Lisbon investment promotion agency)
- ▶ [Invest Porto](#) (Porto investment promotion agency)
- ▶ [Company IN](#), a one-stop shop to register a business
- ▶ [AT](#) (tax authority)

- ▶ [ANI](#) (state agency promoting R&D and innovation)
- ▶ [Portugal Ventures](#) (state-owned VC investor)
- ▶ [IEFP](#) (institute for employment and vocational training)
- ▶ [ANJE](#) (national association of young businessmen)

Obrigado!

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