

Romanian Agrifood Startups

Overview Report 2023
3rd Edition

Created by



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About this report

This report has been launched due to the growing need for innovation in the agrifood domain and for alignment with the European agenda for the future.

For governments and international organizations to achieve sustainable intensification — which is a process or system where agricultural yields are increased without negative environmental impact and without changing additional non-agricultural land — technological innovation and advancement in agriculture is essential.

With many pesticides being banned across Europe, tighter regulations on production, and the realities of working with flora and fauna under threat by fluctuating temperatures, there is a strong need to adapt.

This provides a huge opportunity for entrepreneurs to consider how to use technology and creative ideas to develop new ecosystems that will ensure sustainability.

Innovation in this area means weighing down labor-intensive activities, startups creating solutions to assist farmers in increasing crop yields, improving animal welfare and food production methods, reducing pollution, lowering carbon footprints, and increasing scalability.

We aim to showcase projects, startups and organizations involved in the sector and to contribute this way to the visibility of the innovation created by Romanian entrepreneurs.



Credits



Impact Hub Bucharest has been a catalyst for entrepreneurial action in Romania for more than 11 years. We connect entrepreneurs and innovators to large organisations, partners, investors, and the public sector.

We started our journey back in 2012, as the first coworking space launched in Romania, with the desire to create a place where ideas turned into reality, where like-minded entrepreneurs and professionals collaborate and drive innovation and change.

Today, Impact Hub Bucharest is one of the most important organizations in Romania in training and supporting a new generation of entrepreneurs: over the years, we have supported 1000+ startups and innovators in the growth process, provided access to direct financing of over 5.1 million Euros and laid the foundations of the largest online platform for entrepreneurial education - **Startarium**.

Impact Hub Bucharest is part of the largest global community of impact makers - **Impact Hub Network**. With more than 25,000 members and 100 locations on 5 continents, Impact Hub develops and connects local communities that become poles of innovation in the ecosystems of which they are a part.

www.impacthub.ro

“Launching the third edition of the Romanian Agrifood Startups Overview Report marks our continued commitment to catalyzing innovation in agriculture. In a world shaped by the challenges of climate change and the enduring impacts of the pandemic, this initiative is a crucial one. By mapping the landscape of agrifood startups in Romania, we not only spotlight the startups that drive innovation, but also foster collaboration and project development within our agritech ecosystem. This mapping serves as a compass for navigating the future of modern agriculture, unlocking opportunities and promoting a resilient agrifood sector.”

- Vlad Craioveanu, CEO & Cofounder Impact Hub Bucharest



Activize is focused on startup scouting, ecosystem mapping, acceleration programs and fundraising support. Our aim is to monitor and gather information about the startup ecosystems in Romania and in Eastern Europe and deliver it to stakeholders in a meaningful and useful way.

Oftentimes, we provide startup ecosystems overviews, through reports tailored on specific topics and needs; through analysis on technology trends and investment opportunities. We monitor and inform on the overall status of the startup ecosystem with monthly reports on important news, conferences, events, programs evolution, investments announced.

We understand startups and technologies well, so we can work together with corporate teams, universities and founders with the aim of creating support programs for startups that can provide startups and spin-offs with funding and market opportunities.

In the past 4 years, we have been working closely with startups in the fundraising processes: understanding the business case, financial needs, investment deck, support in contacting investors, while being involved in 15+ investment deals.

Stay in touch with us through Startups League newsletter that provides founders with a list of useful opportunities, through Startup Ecosystem Radar newsletter that provides most important news in the startup ecosystem and Investors League newsletter containing useful info for investors and startups looking for funding.

www.activize.tech



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EIT Food is the largest and most dynamic food innovation community in the world. We accelerate innovation to build a food system fit for the future, one that produces healthy and sustainable food for all.

Supported by the European Institute of Innovation and Technology (EIT), a body of the European Union, we invest in projects, organizations, and individuals who share our goals for a healthy and sustainable food system. We unlock the innovation potential in businesses and universities, creating and scaling agri-food startups to bring new technologies and products to the market. We equip entrepreneurs and professionals with the skills needed to transform the food system and place consumers at the center of our activities, helping build trust by reconnecting them to the origins of their food. We are one of the nine innovation communities established by the European Institute of Innovation and Technology (EIT), an independent EU body founded in 2008 to stimulate innovation and entrepreneurship across Europe.

www.eitfood.eu



The Microsoft for Startups Founders Hub serves as a thriving ecosystem, tailored to empower visionary entrepreneurs embarking on their startup journey. At its core, this hub is a gateway to boundless opportunities, offering a plethora of resources designed to catalyze innovation and fuel success.

The Founders Hub stands as a testament to Microsoft's commitment to nurturing the next wave of innovators. It's a launchpad where aspirations meet resources, and where startups transcend limits to carve their place in the ever-evolving landscape of technology and entrepreneurship.

Microsoft is actively involved in the agrifood industry, focusing on sustainable and nutritious agriculture and food systems. They are using the latest advances in AI and cloud computing to help farmers increase yields, reduce costs, grow revenue, and employ sustainable agriculture practices.

www.microsoft.com/ro-ro/startups



European Landscape of Agrifood Startups

In 2023, the imperative for agricultural technological advancements and innovative solutions remains firmly entrenched on the agendas of governments and international organizations.

The central goal continues to be the pursuit of sustainable intensification, a system that seeks to augment agricultural yields without causing adverse environmental impacts or converting additional non-agricultural land.

This critical mission aligns with the imperative of feeding a growing global population while safeguarding the planet's fragile ecosystems.

The European landscape is undergoing a profound transformation, fueled by various factors.

The banning of numerous pesticides, stricter regulations governing production, and the ongoing challenges presented by climate change-induced fluctuations in temperature have ushered in a pressing need for adaptation and resilience.

European agriculture is at a pivotal juncture, driven by the urgency to balance food security with ecological sustainability.

Europe's renewed interest in agricultural development remains a prominent feature of the regional landscape. Administrative bodies are systematically re-evaluating their strategies, with a distinct focus on agriculture, food security, public health, and sustainability. This concerted effort underscores the recognition that a sustainable agrifood system is not only desirable but also essential for the well-being of both present and future generations.

This backdrop presents an unparalleled opportunity for entrepreneurs to harness technology and creativity to engineer novel ecosystems that stand as bastions of sustainability.

So, potential innovators can be at the forefront of redefining the future of agrifood, if they see the opportunity.

Startups and enterprises can be addressing labor-intensive agricultural practices. They are pioneering solutions that empower farmers to elevate crop yields, enhance animal welfare, improve food production methods, curtail pollution, minimize carbon footprints, and achieve scalability. These endeavors not only enhance agricultural efficiency but also underscore a broader commitment to environmental conservation and the well-being of farming communities.

The converging trends of sustainable agriculture, technological innovation, and heightened governmental commitment are steering the European agrifood sector towards a transformative future. This evolution holds the promise of creating a more sustainable and resilient agrifood landscape, one that can adapt to the challenges of the twenty-first century while safeguarding the planet for future generations.

EU's Support Policies / The Role of EIT Food and Collaborative Initiatives

Launched in 1962, the EU's Common Agricultural Policy (CAP) remains a central pillar of European agricultural support. Managed and funded at the European level through the EU budget, its primary objective is to provide crucial support to farmers and incentivize them to adopt sustainable and environmentally friendly practices that preserve soil health and biodiversity.

In recent years, the European Union has introduced various programs aimed at fostering innovation and supporting startups in the agritech and agrifood sectors. One notable initiative is EIT Food.

EIT Food is a dynamic endeavor backed by the European Institute of Innovation and Technology (EIT). Its mission is to drive positive transformation within the food system, with a focus on sustainability, health, and trustworthiness.

EIT Food comprises an extensive innovation community that spans across Europe. This network includes more than 60 core partner organizations and over 30 startups hailing from 17 EU member states. Together, they collaborate on diverse programs, investments, conferences, and support initiatives designed to empower entrepreneurs and professionals with the skills and tools needed to revolutionize the food industry.

Food, as a broad and interrelated field, has profound implications for numerous other sectors. Notably, EIT Food collaborates closely with organizations like EIT Climate-KIC and EIT Health to address multifaceted challenges.

- **EIT Climate-KIC:** This initiative focuses on combating climate change through innovative solutions. Its goal is to construct a zero-carbon economy across five priority areas: urban development, land use, production systems, climate metrics, and sustainable finance. By synergizing their efforts, EIT Food and EIT Climate-KIC contribute to a more sustainable and climate-resilient food system.

- **EIT Health:** EIT Health is dedicated to bolstering healthcare systems in Europe, promoting public health, and nurturing a sustainable health economy. Through their collaborative initiatives, EIT Food and EIT Health work towards better health outcomes for European citizens while strengthening the intersection of food and health.

These organizations collectively orchestrate programs tailored for students, startups, and innovators across Europe. Operating through their network of centers in major European cities, they cultivate a thriving community of individuals and organizations dedicated to advancing the food system.

In Romania, these initiatives are represented by key regional innovation hubs:

- **EIT Food: Impact Hub Bucharest**
- **EIT Health: FreshBlood**

These regional hubs serve as vital channels for promoting EIT opportunities, fostering connections with startups, and engaging with relevant stakeholders. Through their concerted efforts, they amplify the impact of these innovative initiatives in Romania and contribute to the broader European goals of a sustainable, resilient, and innovative agrifood sector.

Trends in the Agrifood Sector in Europe

The agrifood sector in Europe, spanning European Union (EU) member countries and non-EU nations, is undergoing significant transformations driven by a range of interconnected trends. These trends are shaping the future of food production, consumption, and sustainability across the continent.

1. Sustainability and Environmental Concerns:

One of the most prominent trends in Europe's agrifood sector is sustainability. Consumers are increasingly focused on environmentally friendly and ethical produced food. This trend aligns with global sustainability goals such as the United Nations' Sustainable Development Goals (SDGs). European countries, including those outside the EU, have adopted the Farm to Fork Strategy. This strategy promotes sustainable food systems, emphasizing reduced pesticide use, improved animal welfare, and eco-friendly farming practices.

2. Changing Societal Values:

Changing societal values are influencing the agrifood sector in Europe. Concerns about climate change, resource scarcity, and sustainability are driving consumer preferences toward products with lower environmental impacts. These changing values are also influencing food production methods, consumption patterns, and policy decisions.

3. Urban and (Sub)Urban Food Production:

Urbanization and the rise of (sub)urban food production are significant trends across Europe. Citizens, motivated by the desire for fresh and locally-sourced food, have turned to urban gardening and small-scale horticultural practices. Simultaneously, businesses, particularly startups, are embracing indoor farming methods like hydroponics and vertical farming to produce food sustainably in urban environments. This trend promotes sustainable food practices while addressing the challenges of space limitations in urban areas.

5. Alternative Protein Sources:

Meeting the growing demand for protein while reducing the environmental impact of livestock farming is a major concern in Europe. The trend towards alternative protein sources is evident, including algae, insects, and cultured or in vitro meat. These protein sources are considered more sustainable and resource-efficient, and their acceptance among consumers is gradually increasing. Venture capitalists are investing in these innovative protein alternatives.

7. Land Grabbing and Global Trends:

Land grabbing, characterized by the acquisition of large tracts of land for agricultural purposes, has gained momentum in Europe. This trend is driven by countries with strong economies but limited land or water resources, such as China, Saudi Arabia, and South Korea. These acquisitions affect land prices and can impact global trade and agricultural exports and imports in Western European agriculture.

4. Food Production without Fresh Sweet Water:

Freshwater scarcity is a global concern. In Europe, this challenge has led to trends in utilizing alternative water sources for agriculture. One approach is to explore halophytic plants that thrive in saline environments, reducing the need for freshwater in agriculture. Additionally, there is a growing focus on recirculating aquaculture systems, which reduce water waste in fish farming. The concept of using purified wastewater from cities to nurture plants or fish in urban settings is also emerging.

6. Individualization of Human Nutrition:

Personalized nutrition is becoming more prevalent in Europe, driven by advances in research and technology. Scientists are exploring individualized diets based on genetics and other factors. Citizens are increasingly interested in customized diets to address specific health and dietary needs. The challenge is to bridge the gap between scientific knowledge and practical application, ensuring that personalized nutrition contributes to better health and wellbeing.

In addition to these trends, several technological advancements and shifts in consumer behavior are reshaping the European agrifood sector:

1. IoT (Internet of Things) and Precision Farming: IoT strategies are aimed at assisting farmers in bridging the supply-demand gap by ensuring high yields, profitability, and environmental conservation. Precision agriculture is a method of using IoT technology to make the most efficient use of resources to maximize crop yields while lowering operating costs.

2. Farm Management Tools: Smart farming, built on IoT technology, allows farmers to minimize waste and increase efficiency in various aspects of farming, from fertilizer use to farm vehicle trips. IoT smart farming solutions enable data-driven decision-making and remote monitoring.

3. E-Grocery: Changes in consumer behavior due to the COVID-19 pandemic have led to the growth of e-grocery, which is now a substantial market in Europe. Convenience has turned into a necessity, and e-grocery companies have seen significant growth, highlighting the inefficiencies in the food supply chain.

4. Indoor Food Production and Transportation: Indoor farming methods, such as vertical farming, are gaining traction in Europe. These methods enable year-round food production and reduce the environmental impact of transportation. They align with sustainability goals and address urban space limitations.

5. Autonomous Agricultural Machinery and Robots: Automation is becoming increasingly important in European agriculture. Autonomous machinery and robots are used for various tasks, including planting, harvesting, and monitoring crops. These technologies improve efficiency and reduce labor requirements.

6. Biotechnology and Nutrition: Europe is witnessing advancements in biotechnology related to agriculture, including genetically modified crops and biofortification. These innovations aim to improve crop yields and nutritional content, addressing food security and malnutrition challenges.

These trends indicate a shift towards more data-driven, efficient, and sustainable practices in agriculture and food supply chains, driven by IoT technology, advances in biotechnology, and changing consumer preferences. The European agrifood sector is undergoing a transformation towards more resilient and sustainable food systems, addressing the challenges of the 21st century.

Source: <https://www.mdpi.com/2071-1050/14/21/13976>



Interesting Figures



Agricultural Production

- Europe is one of the world's largest agricultural producers
- The total agricultural land in the EU is approximately 170 million hectares.



Farmers and Labor Force

- The EU has around 10 million farmers.
- Agriculture employs approximately 22 million people in the EU



Agricultural Output

- The total agricultural output in the European Union was around €405 billion in 2019.



Exports and Imports

- The European Union is one of the world's largest exporters of agrifood products, with exports valued at over €150 billion.
- Major export products include beverages, food preparations, and dairy products.
- The EU is also a significant importer of agrifood products, with imports valued at over €120 billion.

Source: <https://www.fao.org/faostat/en/#home>

Key Points from the 2022 EU Agrifood Trade Report:



1. Total Agrifood Trade: In 2022, the European Union's (EU) agrifood trade amounted to €401.5 billion, resulting in a positive trade balance of €58 billion. Despite global price increases, the EU maintained its trade volumes and continued to be a leading global trader of agrifood products.



2. Exports Surge: EU agrifood exports saw a significant increase, reaching €229.8 billion in 2022. This represented a 31% rise compared to the previous year. Among the leading export categories, cereals and cereal preparations, as well as milling products, experienced substantial growth.



3. Wheat Exports for Food Security: The EU actively participated in global food security efforts by increasing its wheat exports to developing economies. Key destinations for wheat exports included Algeria, Morocco, Egypt, and Nigeria.



4. Dairy and Pigmeat Exports: Dairy products remained a primary export for the EU, totaling €20.4 billion. Pigmeat was the leading meat product export, with €13.8 billion in export value, despite a decrease in demand from China.



5. Top Trade Partners: The United Kingdom continued to be the leading destination for EU exports, accounting for approximately one-fifth of total EU exports. The United States and China followed, with 13% and 7% of EU exports in 2022, respectively.



6. Imports Soar: EU imports also increased significantly, rising by 32% in value compared to 2021. The total value of imports reached €172 billion. The increase was primarily driven by rising global prices, particularly for oilseed products and coffee.



7. Oilseed and Protein Crop Imports: Oilseeds and protein crops were the primary imported products, with the EU importing €25.8 billion worth of these items in 2022. This increase was attributed to higher global prices and the need for imports to compensate for domestic production shortfalls, particularly after the 2022 summer drought.



8. Fruit & Nuts, Coffee, Tea, Cocoa, and Spices: These categories ranked as the second and third top agrifood products imported into the EU in terms of value. Import volumes remained relatively stable despite significant increases in value.



9. Top Import Sources: Brazil continued to be the leading source of agrifood imports for the EU, accounting for 12% of total imports. The United Kingdom was the second-largest source, contributing 9% of EU imports in 2022. Notably, Ukraine surpassed the United States as the third-largest import source for EU agrifood imports in 2022.

These key points highlight the robust performance of the EU's agrifood sector in 2022, driven by both export growth and increased imports due to global price trends and production fluctuations. The EU maintained its position as a major player in the global agrifood trade.

Source:

https://agriculture.ec.europa.eu/news/good-performance-eu-agri-food-trade-2022-despite-challenges-2023-04-13_en

Overview of the Romanian Agrifood Startups Ecosystem

Agriculture technology (agritech) is a new and emerging vertical in Romania.

While the agricultural sector has traditionally been dominated by well-established companies specializing in machinery and hardware, the emergence of technology-driven agriculture startups is indicative of an evolving landscape.

Here, we delve into the current state of Romania's agrifood tech startup scene, exploring the challenges and opportunities within this rapidly developing sector.

1. The Early Stages of Agrifood Tech in Romania:

Romania's agrifood tech landscape remains in its infancy, evidenced by factors such as a relatively small number of startups, modest funding, and a very limited number of specialized programs. This underdevelopment is starting to change due to growing awareness and the challenges faced by the agricultural sector. In recent years, an increasing interest in agrifood tech startups has attracted both entrepreneurs and investors, driving a bit more momentum in the sector.

2. Startup Initiatives and Programs:

While there is a paucity of specific agrifood tech programs in Romania, several initiatives and communities are actively engaging with startups in this domain. The AgriTech Hackathon, Empowering Women in Agrifood, SynergistEIC and AgTech TM are notable examples of such programs. They provide platforms for budding agrifood tech entrepreneurs to network, learn, and collaborate. Several other general programs and competitions include startups in this vertical, without this being the main theme of focus.

3. International Engagement:

The Romanian agrifood tech ecosystem is beginning to catch the attention of international organizations and programs dedicated to agritech. These global entities are extending their reach into the country, contributing to the visibility and growth of local agrifood tech startups. Simultaneously, Romania could greatly benefit from venture capital funds specifically focused on agrifood tech in Europe.

4. Bridging the Gap:

The next crucial phase in the development of the agrifood tech ecosystem is the convergence of tech startups with the more traditional agricultural associations and companies. This collaboration could provide startups with invaluable insights into the agricultural domain, enabling them to tailor their products to the specific needs of farmers. This symbiotic relationship fosters the testing and growth of tech solutions in the market.

5. Synergies and Growth:

Over the coming years, the Romanian agrifood tech sector will concentrate on forging synergies among various stakeholders, including tech startups and primary farmers. This alignment will serve as a bridge between the innovative tech solutions offered by startups and the industry's practical requirements. By doing so, the sector aims to enhance the overall agrifood tech ecosystem, fostering sustainable growth.

Romania's agrifood tech startup ecosystem is navigating its initial stages, propelled by increased attention, entrepreneurial spirit, and international involvement. The transformation from traditional agricultural practices to tech-driven solutions promises to revolutionize the sector. While challenges lie ahead, the prospects for sustainable growth and fruitful collaboration are undeniable, positioning Romania as a noteworthy player in the evolving world of agrifood tech.



Romanian Agrifood Startups Map | 2023



Methodology

The Romanian Agrifood Startups Overview Report, 3rd Edition, serves a dual purpose. Firstly, it aims to identify and map agrifood startups within Romania. Secondly, it seeks to gather valuable insights regarding the evolution of these startups, comparing their progress from the previous edition in 2022, which includes their current stage, financial milestones, and future objectives.

Mapping Agrifood Startups

Our journey began by creating the agrifood tech startup map for Romania, building upon the foundation laid in the first and second editions. To comprehensively capture the evolving landscape, our dedicated team embarked on extensive scouting efforts.

Quantitative Survey

Our second objective was to delve deeper into the pulse of agrifood startups in the region. As in the previous edition, this year too, we implemented a quantitative research method, utilizing a quantitative survey format. This survey incorporated both quantitative queries and open-ended questions to provide a holistic view of the agrifood startup ecosystem.

Results and Highlights

The outcomes of this dual-pronged approach are two-fold. Firstly, we present a selection of the ten most promising agrifood startups from Romania, featured in the following chapter. Secondly, we provide insightful findings about the Romanian agrifood tech ecosystem, which will be presented in the report's concluding section.

Challenges and Limitations

While this methodology proved invaluable, it did come with its set of challenges and limitations:

- **Limited Sample Size:** Despite relentless efforts by our team, assembling a sufficiently large sample of agrifood startup founders willing to partake in the survey was challenging. We extended over a hundred invitations to Romanian startup founders, but the response rate was at a third. Consequently, the data collected may not comprehensively represent the entire population of agrifood startup founders within the region.

- **Time Constraints:** Startup founders often have demanding schedules, which might have limited their availability to complete the survey comprehensively.

Despite these limitations, our endeavors yielded significant insights and allowed us to identify and showcase the most promising agrifood startups in Romania. Encouraged by these findings, we are dedicated to continuing our efforts in future editions to provide more valuable insights for our partners within the region.

Farm Management & Automation



Information platforms & Marketplaces



Nutrition & Well-Being

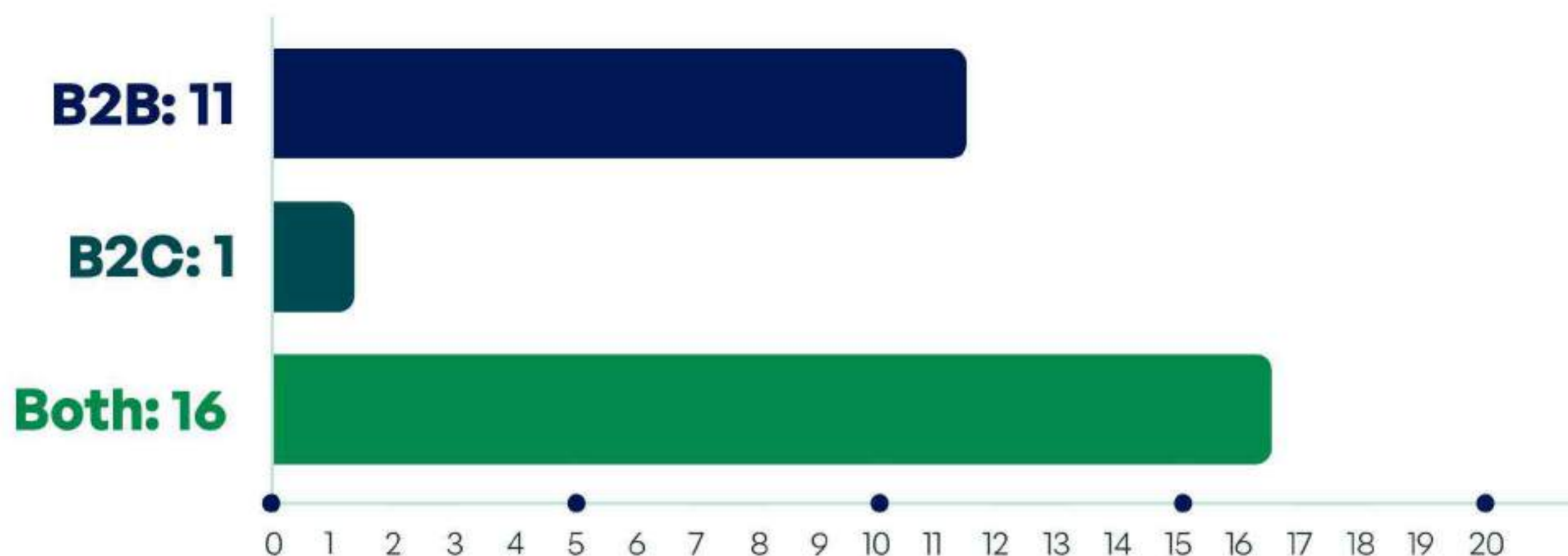


Pet Care & Animal Health



Key Figures

Quantitative Survey - 28 responses



B2B

Business-to-Business - 11 of the surveyed startups focus exclusively on serving other businesses. These B2B agrifood startups likely provide services, technologies, or solutions tailored to meet the specific needs of other businesses operating within the agrifood sector.

B2C

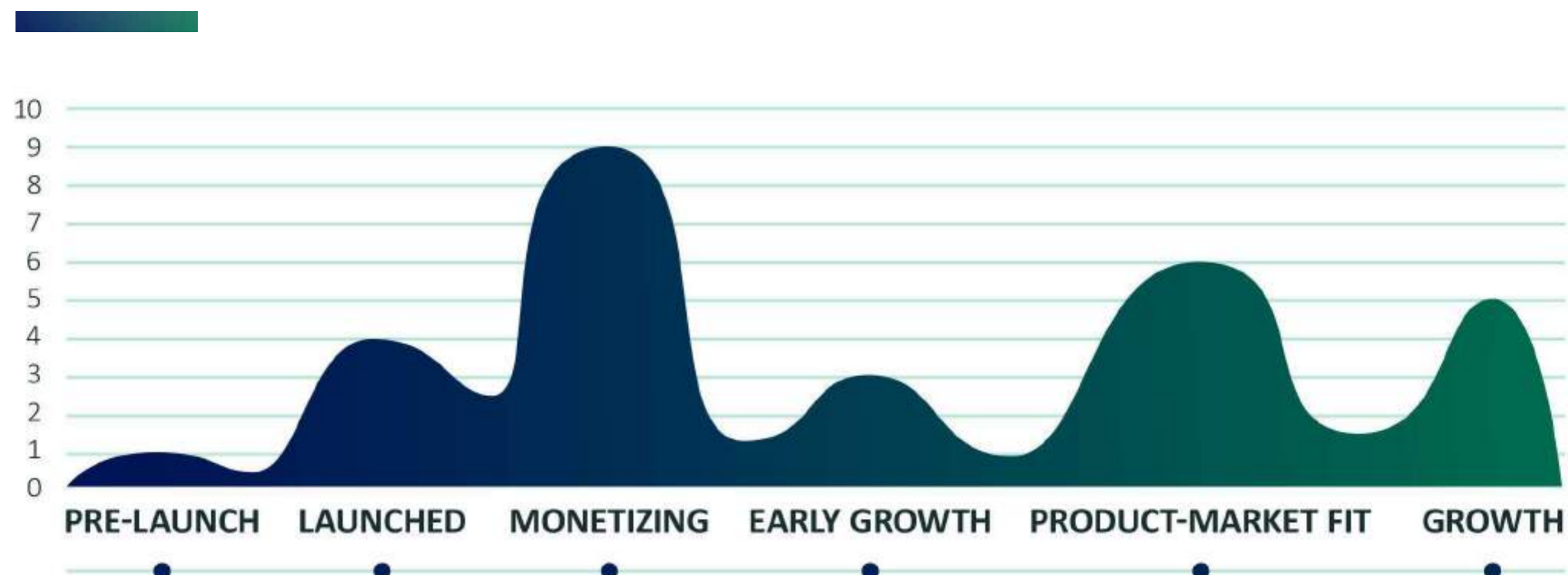
Business-to-Consumer - 1 of the startups primarily targets individual consumers. This startup offers products and services directly to end consumers, such as farmers, food enthusiasts, or households.

Both

The majority of the surveyed startups, precisely 16 of them, maintain a versatile approach by serving **both B2B and B2C clients**. This flexibility allows them to address a broad spectrum of customer needs, from industry players to individual consumers.

These survey results reflect the diverse strategies employed by agrifood startups to navigate the complex agrifood landscape. By catering to a range of client types, these startups demonstrate their adaptability and readiness to provide solutions that align with the unique requirements of their target customers, whether they are businesses, consumers, or a combination of both.

Stage of the Startups



In the survey we also examined their respective stages of development. These stages shed light on the progress and growth trajectories of these innovative companies. Here's an overview of the different stages represented in the survey:

Pre-Launch (Product Is in the Making): 1 startup is in the early stages of development, with its product still in the making. This stage represents the crucial pre-launch phase where the product is being prepared for market entry.

Launched, But No Paying Clients, Only Users: 4 startups have launched their products; however, they are currently offering their services without monetization. They have users but are in the process of converting them into paying clients.

Monetizing (Having a Few Clients): 9 startups have reached the stage where they have begun to monetize their services, having secured a few initial clients. This stage signifies their transition from development to generating revenue.

Early Growth (Growing in the Initial Set Market, Maybe Exploring Other Regions/Markets): 3 startups are in the early growth phase. They are experiencing growth within their initial target market and may be exploring opportunities in other regions or markets.

Product-Market Fit (Monetizing from Many Clients, Being Clear About Business Model): 6 of the startups have achieved a significant milestone by attaining product-market fit. They have moved beyond the development phase and are monetizing their offerings, serving multiple clients while having a clear understanding of their business model.

Growth (In New Markets, Expanding, Steady Revenue): 5 startups have advanced to the growth stage, where they are expanding into new markets, territories, or customer segments. These startups have achieved steady revenue streams and are focusing on scaling their operations.

The diversity of stages among the surveyed agrifood startups highlights the dynamic nature of the sector. Whether they are in the early stages of development, achieving product-market fit, or actively expanding, these startups are contributing to the innovation and evolution of the agrifood industry. Their progress is a testament to their resilience and adaptability in the face of industry challenges and opportunities.

Headquarters



Bucharest appears to be the predominant location for these agrifood startups, hosting the highest number of headquarters, followed by Cluj and Prahova. Each location may offer its own unique advantages and ecosystem for agrifood innovation and entrepreneurship.

Showcased Romanian Agrifood Startups



Showcased Romanian Agrifood Startups



CBNagro.tech offers smart solutions and technologies satisfying real, tangible needs for the agriculture post-harvest niche, by increasing value to all stakeholders from harvest to food, with 24/7 storage monitoring, remote management and instant alerts for grain silos.

Learn more at www.cbnagro.tech



OGOR.ro is an online tool for agronomic consultants based on satellite data that makes their life easier by providing objective data in real time. This startup helps farmers make data-driven decisions to reduce costs, increase production, and improve soil's natural fertility.

Learn more at www.ogor.ro



Solarino is an intelligent system dedicated to farmers, through which they gain complete control over agricultural greenhouses in an automated process, remotely, via mobile phone.

Learn more at www.solarino.ro



Bluana is an innovative startup at the forefront of transforming the seafood industry. They are dedicated to creating plant-based seafood alternatives that not only replicate the taste and nutritional value of traditional seafood but also surpass them in terms of environmental impact, accessibility, and profitability.

Learn more at www.bluana.me



Fermier Bun is a Romanian platform that connects local food producers with potential customers who live nearby. The company operates as an online store offering checkout and delivery. It has 2 logistics centers: one for vegetable products and one for meat, dairy and similar products.

Learn more at www.fermierbun.ro



Kolta is a Romanian marketplace platform that allows farmers to buy inputs and sell their harvest wholesale. The platform works as a digital cooperative for farms to achieve critical mass for transactions.

Learn more at www.kolta.ro



Smart Land is a Romanian farmland management solution. It enables customers to keep track of all documents and other information related to their land, such as topographic data, maps, permits, cadastres, as well as real-time data related to their crops.

Learn more at www.smartland.pro



Verdefood is a Romanian marketplace that connects local farmers around Bucharest and Cluj-Napoca with local demand for fresh vegetables and fruits. In addition, the platform provides farmers with tools to better manage their supply processes.

Learn more at www.verdefood.ro



Mall Țărănesc is the single marketplace dedicated to small farmers that implemented small chain food supply (from farm to fork) in Romania.

Learn more at www.malltaranesc.ro



Farmvio is an integrated service platform that brings together farmers who want to promote their products, people who want quality in food style and HoReCa companies who want to provide quality to customers.

Learn more at www.farmvio.com

Relevant insights from the sector



Insights from Founders

In the dynamic world of agrifood startups, founders encounter a range of challenges and resource requirements that play a crucial role in their journey. Here, we bring together their valuable insights to provide a cohesive overview of their perspectives:

Funding as a Key Milestone: Across the board, founders underscore the significance of securing funding. It's seen as a pivotal milestone for driving agritech innovation. They express the need for financial support to boost their operations and meet market demand. However, it's important to note that funding can be a challenge for many startups in the agrifood sector. As one founder states, "funding was/is the biggest milestone to local agritech innovation." (Nicolae Albu, Enten)

Mentors and Expertise: The importance of mentors and specialists with a deep understanding of agritech cannot be overstated. The scarcity of such resources poses a challenge for startups. In a sector that's continuously evolving, founders seek guidance and expertise to navigate the complexities effectively.

Building Connections and Network Expansion: Many founders emphasize the value of building connections with large agribusiness companies. Collaborations and partnerships with established players are seen as a means to drive the growth of agrifood startups.

"One key resource we currently seek is valuable connections... Building a strong network of industry contacts, collaborators, and partners would greatly enhance our growth potential." (Alin Bordeanu, Breed XY)

"Focused networking activities, organized into subcategories of the industry, are most important for gaining insights and establishing connections with potential partners." (Dafina Jeaca, Ogor)

Market Exposure and Awareness: Exposure to the market is considered crucial. Startups need opportunities for increased market awareness to help them expand their operations.

"We need financing to be able to meet the market need." (Ioana Dumitriu, Ultragreens)

Building Larger Teams: Expanding their team's size and capabilities is mentioned as a necessity for several startups. A larger workforce can facilitate greater productivity and innovation.

Creating an Ecosystem: Some founders highlight the need for a comprehensive Romanian foodtech ecosystem. They aim for a diverse team of participants working together to drive innovation and standardization in the sector.

"The agrifood ecosystem is still not coagulated. It requires the participation of all involved parties at the same table: startups, farmers, food retailers, banks, micro-finance, insurance, R&D institutions and, of course, the government, to develop a strategy/policy to foster agritech innovation and adoption." (Nicolae Albu, Enten)

"The agrifood ecosystem should be connected with people in the field of agriculture and not just with big companies. It should be connected with people who are in this field and have many needs but do not manage to talk to those in the area of innovation and development." (Adrian Chicireanu, Solarino)

In summary, these insights showcase the multifaceted resource requirements of agrifood startups in Romania. While challenges exist, the determination to acquire the necessary resources and support underscores the innovation and potential within the ecosystem. The combination of funding, mentoring, networking, market exposure, and team growth emerges as the key element that can propel the agrifood sector to new heights.

We're grateful to our contributors, founders of David Technologies, SoftVet, Enten Systems, Bluana Foods, Digital Dryads, SOLARINO, AgroGo, Agramonia, StartAgro, Legume verzi, MallȚărănesc, AgroVIR, breedXY, AgroCity, TailPath, Ultragreens, Bucharest Robots, AgriCloud, Verde, TROILPower2X, Dahna, Aeroponix Robotics, FoodKit, Froopt.ro, VerziBox, SERA, NutritioApp, Ogor and Apiary Book.

Insights from Investors



In conversations with investors about agrifood startup landscape, a nuanced understanding of the challenges and opportunities facing local startups has come to the forefront.

Among the biggest challenges we saw for startups were the limited marketing, business and sales skills. Oftentimes agritech startups are driven by the technology and not by the market knowledge primordially, which ultimately leads to failure.

Funding constraints this year have been major. Only really well prepared startups managed to close funding rounds, investors focusing on existing portfolios also, as usual in times of crisis.

Although the agritech startups ecosystem is expanding, a distinct sense of community has not fully emerged. Targeted support programs can play a significant role in fostering greater engagement, both within and outside existing programs.

Investors stress the importance of tailored support programs and increased access to capital, specifically designed to fuel the initial stages of startup development in the Romanian context.

This vertical is challenged by high barriers of entry to clients, while the mindset of potential clients is often reluctant to new tech, especially coming from startups which can be perceived as having unreliable products.

The critical mass of startups exists for acceleration programs, but it's not enough for having a focused agritech venture capital fund just on Romanian startups; except if it would focus on other agricultural businesses or on a couple of other industries connected.

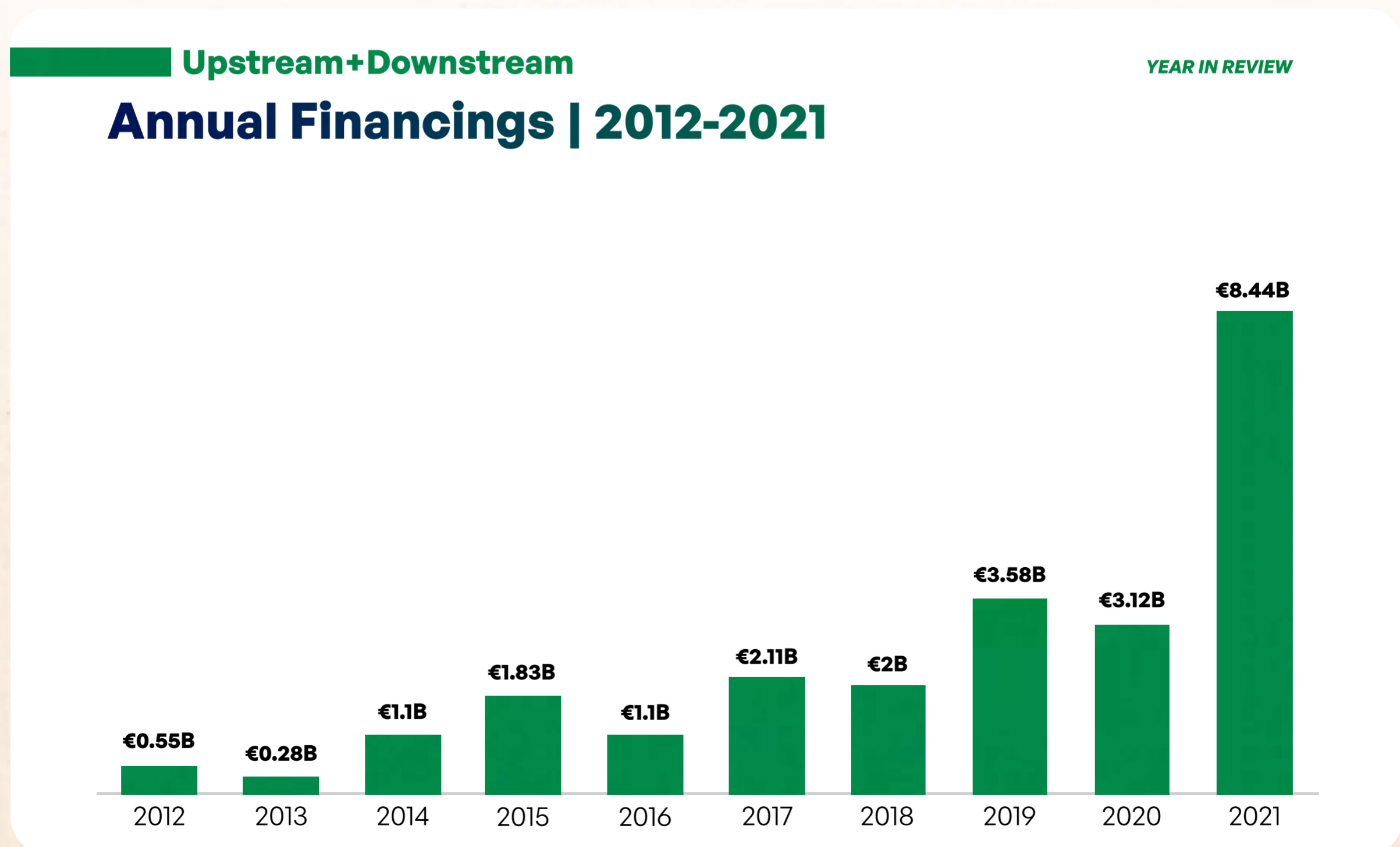
Funding Agrifood Startups

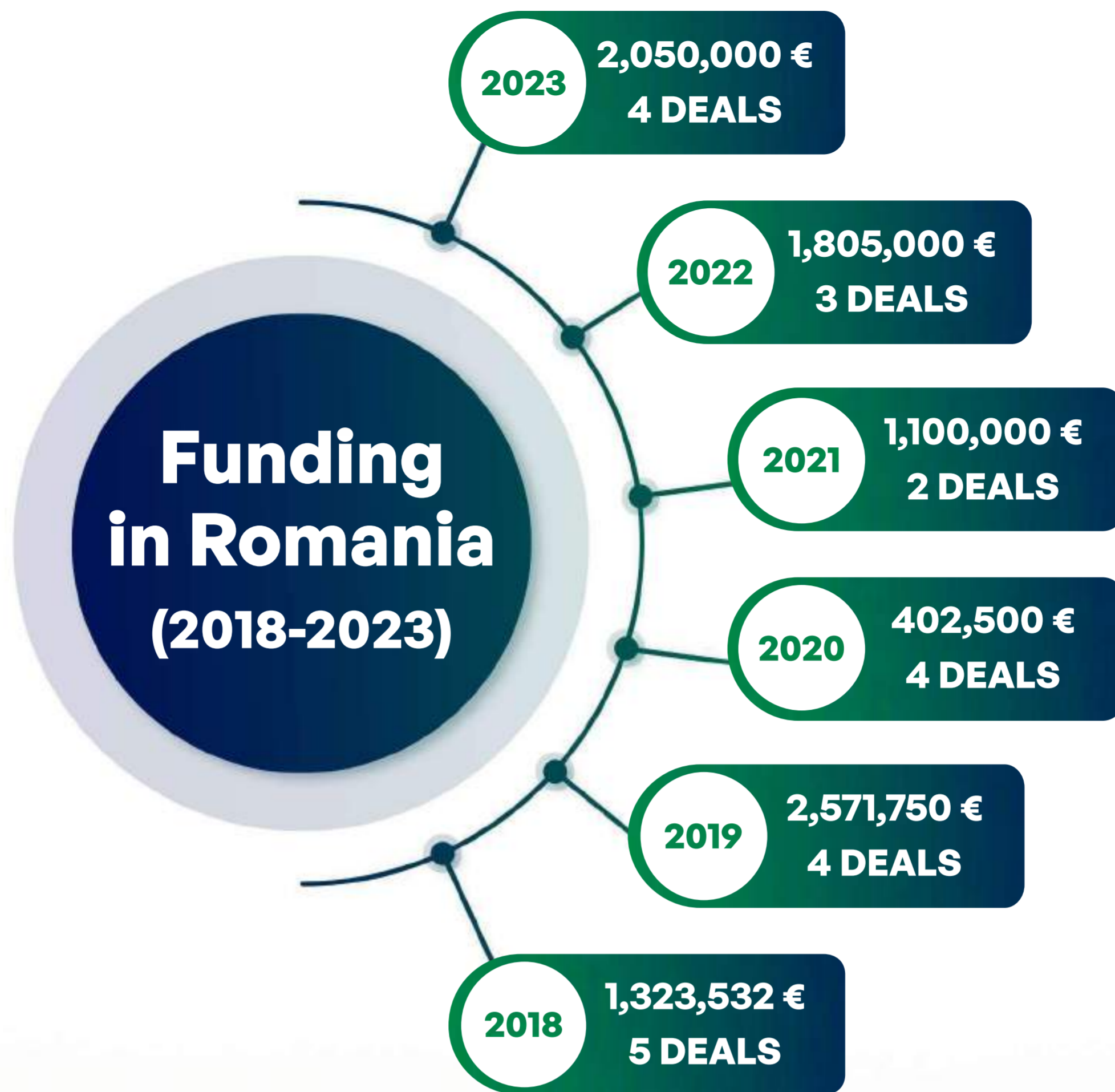
- EU analysis

Based on AgFunder's Europe 2022 AgriFoodTech Investment Report, agrifoodtech investment in Europe fell 46% to €4.9 billion (\$5.1 billion) in 2022, with global funding dropping by 44% during the same period.

However, European startups in the sector raised €3.1 billion (\$3.3 billion) in 2020, indicating significant growth. While several segments of the agrifoodtech sector showed promise, particularly in novel farming, farm robotics and automation, bioenergy, biomaterials, alternative proteins, and ag biotechnology, the eGrocery sector faced a dramatic drop in investment, falling from €4.1 billion (\$4.3 billion) in 2021 to €786 million (\$824 million) in 2022.

Notable variances emerged across European countries. Germany witnessed an 84% plunge in funding, reaching €437 million (\$458 million), while France experienced a 39% surge, securing €1.24 billion (\$1.3 billion) in investment. France's momentum can be attributed to mega deals, such as InnovaFeed's €237 million (\$249 million) series D round and DNA Script's €191 million (\$200 million) series C round, which expanded their respective operations.





The funding landscape for Romanian agrifood startups has seen both fluctuation and growth over the past six years. Here's what we can discern from the funding data:

Steady Growth in Total Funding: The total funding raised by Romanian agrifood startups has shown a general upward trend from 2018 to 2023, but still with very few deals announced.

Strong 2023: The year 2023 has proven to be a promising year for agrifood startups in Romania. With a total of €2,050,000 in funding across four deals, this year is on track to become one of the most successful in terms of investment. As well, we are aware of one more deal

**the data is based on public announcements*

Challenges from the Sector

The agrifood sector is not without its fair share of challenges. As startups in this domain strive to make a significant impact, they face hurdles that require creative solutions and strategic thinking.

Understanding Customer Interaction: One of the major challenges agrifood startups must grapple with is understanding how future customers will engage with their products and services. While startups bring innovative solutions to the market, the pivotal aspect is how convenient and adaptable these solutions are for clients, be they farmers or consumers. A solution laden with complex statistics and data might be invaluable to analysts but bewildering for farmers, emphasizing the importance of user-friendly interfaces and experiences.

Farmer-Friendly Solutions: In the agro-industrial field, startups must create solutions that are easily embraced by farmers, who may not always be tech-savvy. The challenge is to provide technology that seamlessly integrates into existing farming practices, without causing usage disruptions. Agrifood clients often find it challenging to adopt new technologies, and they may be hesitant to change their established routines.

Onboarding and Retaining Clients: One of the most demanding challenges is acquiring the first clients and ensuring their satisfaction. Once startups have succeeded in onboarding initial users, the next phase involves expanding their product or service offerings by incorporating new technologies. This process necessitates a deep understanding of the customer base and the development of solutions that cater to their evolving needs.

Building the Right Network: From our survey, it's evident that agrifood startups in Romania encounter challenges in building the right network to create meaningful partnerships. A strong network is essential for finding investment opportunities and staying up-to-date with relevant industry statistics. Collaborations and connections within the agrifood ecosystem can pave the way for growth and success.

Resource Constraints: Lack of up-to-date statistics and inadequate human resources are also among the significant challenges faced by agrifood startups in Romania. Timely and accurate data is crucial for informed decision-making, and the shortage of skilled employees can hinder growth.

Regulatory Labyrinth: The regulatory framework that governs the agrifood sector is often intricate and multi-faceted. It encompasses various aspects such as food safety standards, environmental regulations, product labeling, and supply chain traceability. For agrifood startups, the challenge lies in comprehending and adhering to these regulations. It calls for substantial investments in research, compliance experts, and meticulous documentation.

Risk Perception: Investors need to consider the risk perceptions surrounding the agrifood sector, particularly in terms of regulations and market acceptance. The perceived risks related to the unclear regulatory environment or potential limited target markets can influence investment decisions.

In summary, the agrifood sector is a dynamic and evolving landscape where startups must navigate a multitude of challenges. Understanding customer needs, creating user-friendly solutions, and building strong networks are critical for success. Overcoming these challenges and innovating within the sector contribute to the growth and sustainability of agrifood startups in Romania.

Key Takeaways



Key Takeaways

As we conclude our exploration of the Romanian agrifood startup ecosystem, it is evident that this dynamic sector is standing at the cusp of transformation. The journey from traditional agricultural practices to tech-driven solutions is not an easy one in Romania, but the path forward is the only option and offers promising prospects for growth and innovation.

Throughout this report, we've uncovered the following key insights and takeaways that can guide the stakeholders, entrepreneurs, investors, and supporters of the agrifood ecosystem in Romania:

1.

The Romanian agrifood startup landscape is showing consistent growth in total funding over the years. Despite fluctuations and obstacles, 2023 presents itself as a standout year with significant funding across multiple deals. While the European agrifood sector faced a decline in investment in 2022, especially in eGrocery, Romania's ecosystem is slightly growing.

2.

Romania's agrifood startup ecosystem thrives with the support of a diverse group of organizations and entities. These include initiatives that connect producers and consumers, leading agricultural technology companies, NGOs dedicated to biodiversity conservation, and associations promoting sustainable agricultural practices. Together, we can create a fertile ground for startups to innovate and grow.

3.

Agrifood startups in Romania encounter various challenges, from understanding customer interaction to navigating the regulatory landscape. Success in this sector is contingent on the resilience and adaptability of these startups. Understanding customer needs, creating user-friendly solutions, and building strong networks are pivotal steps toward overcoming these challenges and fostering innovation.

The path forward for Romania's agrifood startup ecosystem is strong in potential. The challenges faced by startups are not insurmountable; they are opportunities for creative solutions and strategic thinking.

In this journey, the agrifood sector plays a pivotal role in shaping the future of agriculture and food production in Romania. With sustainability, innovation, and collaboration as guiding principles, the agrifood startup ecosystem is poised to make a significant impact on the nation's economy, environment, and food security.

As we conclude this report, we encourage stakeholders to continue supporting and investing in the agrifood startup ecosystem. Together, we can nurture the growth of innovative solutions, bridge the gap between technology and agriculture, and ensure a sustainable and prosperous future for Romania's agrifood sector.

Recap on Previous Editions



[Recap on the 1st edition here](#)



[Recap on the 2nd edition here](#)

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What else do we do?

Our Services & Products



- **Coworking space in the heart of Bucharest, Romania** - Our coworking & community physical space is the place where we come together to find inspiration, meaning and a sense of belonging. Today, [Impact Hub Bucharest](#) sums up 2.800 sqm of coworking, meeting and events space, located in the heart of Bucharest (Universitate), and brings together a community of more than 3400 people.
- **Incubation, acceleration & design thinking programs** - In 11 years of activity, Impact Hub Bucharest has supported over 1.000 entrepreneurs and startups in different stages - Early stage, MVP, or Growth through our diverse incubation or accelerator programs and expanded their impact on society. The main verticals our programs cover are: climate and sustainability, agrifood, social and general entrepreneurship. Among our most successful acceleration programs are [Innovators for Children](#), [Romania ClimAccelerator](#), [Empowering Women in Agrifood](#) and [Capsule](#).
- **Startarium - the most complex platform for early stage entrepreneurs.** Startarium offers free, online access to all the resources needed to launch, grow and sustain a successful business: educational content, business mentoring, incubation and acceleration projects, modern financing tools and pitching competitions. Since its launch in 2016, Startarium has gathered a community of more than 50,000 members and 5,400 business ideas, more than 100 contributors, consultants and mentors with whom entrepreneurs can work for free, published more than 1300 materials and opened access to financing exceeding 840,000 euros.
- **Connecting key stakeholders that drive innovation** - Impact Hub Bucharest supports the EU in its key objectives of creating a greener and fairer future for Europe and the rest of the world. We deliver support for entrepreneurs & startups through partnerships with both local & EU institutions, authorities and corporations.
- **EIT Food Hub Romania** - Starting from 2021, Impact Hub Bucharest officially represents [EIT Food](#) in Romania as EIT Food Hub, the contact point for local representatives of the agrifood sector, with the role of supporting innovators and entrepreneurs and facilitating the development of this strategic sector. Supported by the EU, EIT Food leads the world's largest and most dynamic food innovation community.

- **Regional connector, as part of the Enterprise Europe Network (EEN)** - EEN is the world's largest support network for small and medium-sized enterprises (SMEs) with international ambitions, launched by the European Commission in 2008. Impact Hub Bucharest is an active player in the regions of Bucharest - Ilfov and South Muntenia. Since 2022, we offer companies a support framework in developing new business models that includes advisory services on sustainability, innovation, digitalization or access to European funding programs.

- **Startups scouting & ecosystem mapping** - Our tailored scouting services connect organizations and investors with promising startups, while our ecosystem mapping services provide a comprehensive analysis of key stakeholders and opportunities. We empower businesses, investors, and organizations to make informed decisions and navigate the complex landscape of emerging opportunities.

- **Organizing community driven events: conferences, hackathons & webinars** - For the large community of innovators and entrepreneurs, we have organized over 1.000 know-how, inspiration, networking and socializing events. We facilitate as many opportunities as possible on a regular basis for our members and programs participants to meet, exchange ideas, get feedback and share their knowledge.

- **Access to mentors & the power of networking** - It takes a village to raise a startup, so we are fortunate to have over 450 allies by our side, with various roles such as mentors, consultants, trainers, investors or ecosystems engagers. In the last 10 years we have managed to support our entrepreneurs with the help of our allies with + 7.000 hours of mentorship and over 800 hours of training.



What else do we do?

Our Services & Products



- **Workshops, acceleration programs and corporate innovation support** - helping various organizations innovate and/or collaborate with startups by creating acceleration programs from scratch, based on the strategic objectives and business needs (program design, promotion, management and working with startups)
- **Startup Scouting** - helping venture capital funds, accelerators, companies, conferences or other organizations to find startups which fit their needs and criteria in the Romanian startup ecosystem (2000+ startups).
- **Organizing startup events** useful for the ecosystem stakeholders: like conferences, meetups, investor-startups matching sessions, pitching events, competitions or other formats which can serve the targeted audience.
- **Ecosystem overview** - we provide startup ecosystems overviews, through reports tailored on specific topics and needs; through analysis on technology trends and investment opportunities. We monitor and inform on the overall status of the startup ecosystem with monthly reports on important news, conferences, events, programs evolution, investments announced.
- **Support in technology transfer** - we understand technologies and we can work together with researchers and developers with the aim of understanding how a technology can be brought to the market and build a business on top of that.
- **Fundraising support** - working closely with startups in the fundraising process: understanding the business case, financial needs, investment deck, support in contacting investors.



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“Maybe we need to re-engage our smart, energetic youth around the world to be farmers and find fresh, green technologies that will feed the world more fresh greens”

- Ellen Gustafson

(Co-Founder/Executive Director, We the Veterans and Military Families)



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