

## 5 Misconceptions about Ukraine and its Tech Startups

Charles K. Whitehead  
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#1: Ukraine is hopelessly corrupt.

## Corruption Perceptions Index (2020)

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only 26 countries improved their CPI scores  
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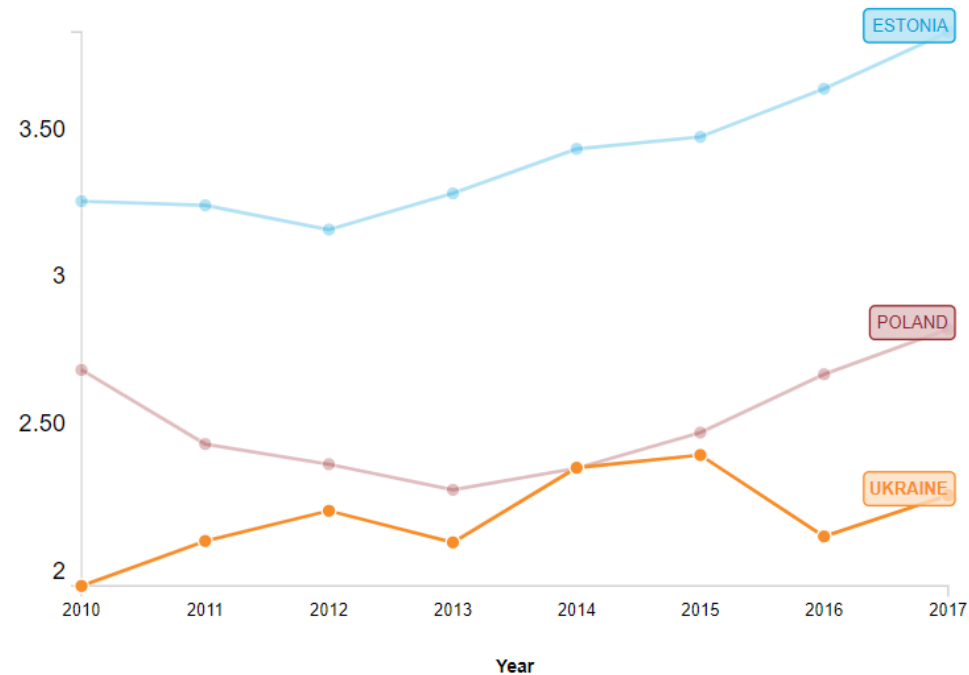
Ukraine 26  33

Country	ISO3	Region	CPI 2020	CPI 2019	Change in scores 2019-2020	CPI rank 2020	CPI rank 2019	Change in rank 2019-2020	Standard error 2020	Standard error 2019
Maldives	MDV	AP	43	29	↑ 14	75	130	↑ -55	7.69	2.57
Armenia	ARM	ECA	49	42	↑ 7	60	77	↑ -17	3.50	4.31
Kazakhstan	KAZ	ECA	38	34	↑ 4	94	113	↑ -19	3.12	4.18
Afghanistan	AFG	AP	19	16	↑ 3	165	173	↑ -8	2.44	2.55
Ukraine	UKR	ECA	33	30	↑ 3	117	126	↑ -9	1.31	2.38
Kenya	KEN	SSA	31	28	↑ 3	124	137	↑ -13	1.49	2.17
Somalia	SOM	SSA	12	9	↑ 3	179	180	↑ -1	2.29	1.74
Brazil	BRA	AME	38	35	↑ 3	94	106	↑ -12	2.50	4.06

Ukraine 26 → 33

#2: Serious VC investors do not invest in Ukraine.

## Venture Capital Availability (1 – 7 (Best))

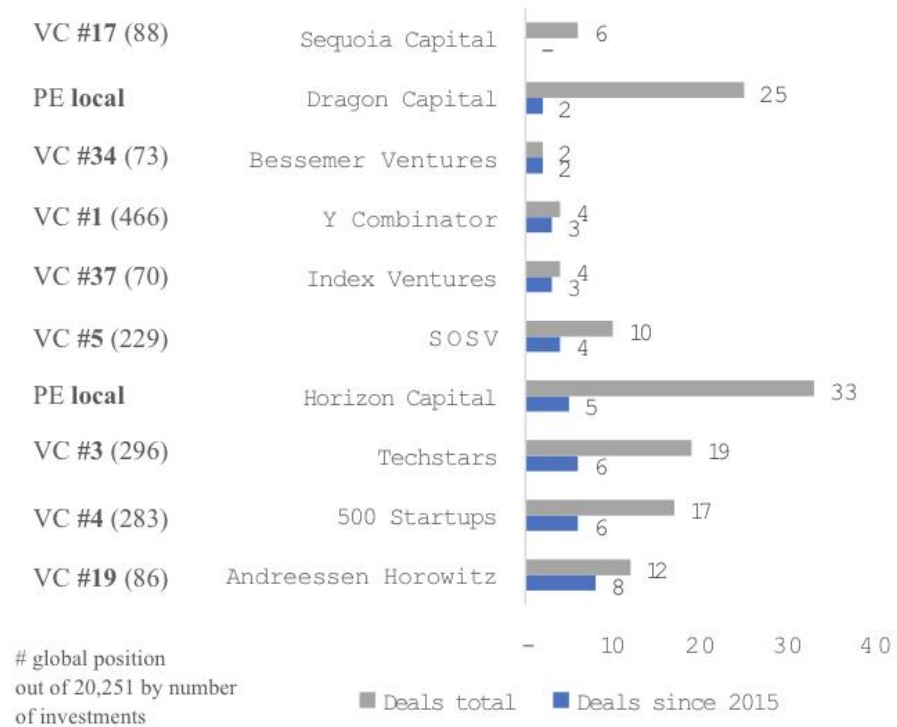


**Ukraine:** Year-on-year average growth rate of 2.41%.

**Estonia:** Year-on-year average growth rate of 2.39%.

**Poland:** Year-on-year average growth rate of 0.9%.

## VC Investments in Ukraine (through 2019)



(x) Number of deals in the last 12 months as of Nov 2019

Source: PitchBook



#3: Ukraine is not innovative, not entrepreneurial.

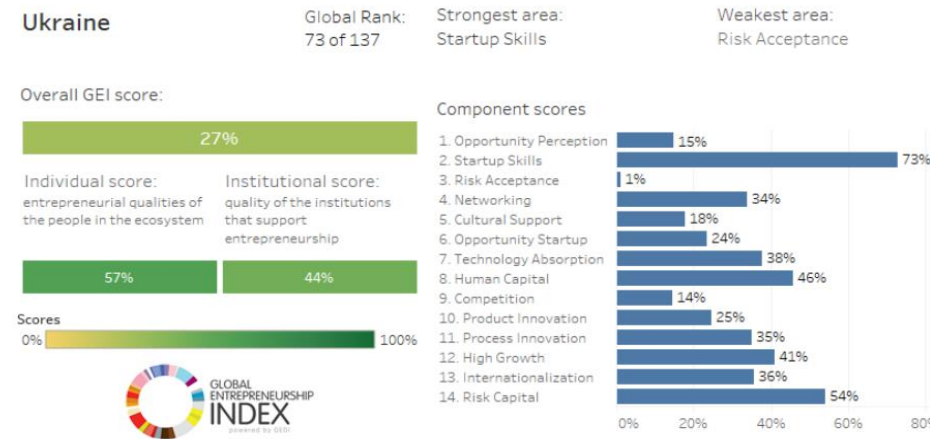
## World Economic Forum: The Global Competitiveness Report 2019

Index Component	Value	Score *	Rank/141	Best Performer
Ukraine				
<b>Entrepreneurial culture 0-100</b>	-	<b>67.4 ↑</b>	<b>8</b>	<b>Israel</b>
11.05 Attitudes towards entrepreneurial risk 1-7 (best)	5.0	66.9 ↑	7	Israel
11.06 Willingness to delegate authority 1-7 (best)	5.2	70.4 ↑	20	Denmark
11.07 Growth of innovative companies 1-7 (best)	5.2	70.8 ↑	5	Israel
11.08 Companies embracing disruptive ideas 1-7 (best)	4.7	61.6 ↑	9	Israel

# Global Entrepreneurship Index 2018



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**RISK ACCEPTANCE:** Are individuals willing to take the risk of starting a business? Is the environment relatively low risk or do unstable institutions add additional risk to starting a business?

#4: Ukraine's science is not global.

*The Good Country Index*  
[\*https://www.goodcountry.org/\*](https://www.goodcountry.org/)

Measures what countries contribute to the world outside their own borders, and what they take away: it's their "balance sheet" towards humanity and the planet

*The Good Country Index*  
*Contributions to Science & Technology*

1. International students.
2. Journal exports.
3. International publications.
4. Nobel prizes: accumulated Nobel prizes (up to 2016).
5. Patents: number of International Patent Cooperation Treaty applications.

*The Good Country Index*  
*Contributions to Science & Technology*

1. Ukraine
2. Hungary
3. United Kingdom
23. Germany
25. France
48. United States



#5: Ukraine is not creative.

Ukraine is ranked 25<sup>th</sup> in the world for Most Creativity Awards.

Cannes Lions Global Creativity Report 2019

# Global Innovation Index 2020

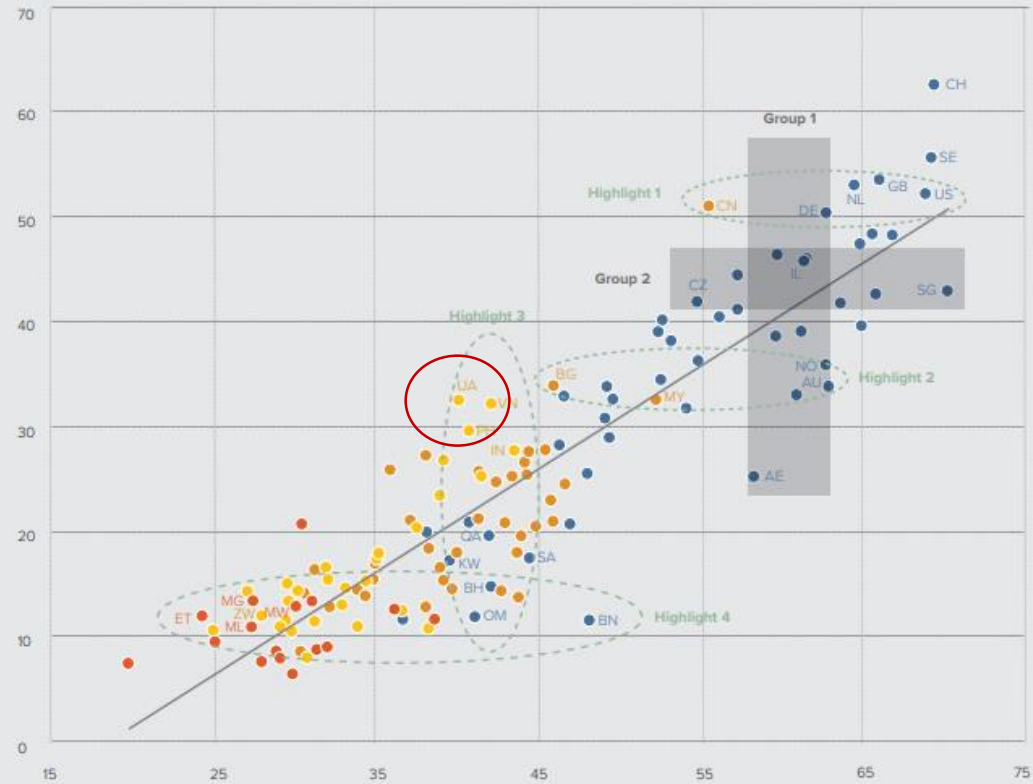
## Innovation Input Sub-Index 2020 rankings

Country/Economy	Score (0–100)	Rank	Income	Rank	Region	Rank	Median 41.39
Belarus	41.32	67	UM	20	EUR	35	
Oman	41.15	68	HI	45	NAWA	9	
Uruguay	40.75	69	HI	46	LCN	7	
Philippines	40.73	70	LM	4	SEAO	15	
Ukraine	40.14	71	LM	5	EUR	36	
Bosnia and Herzegovina	39.98	72	UM	21	EUR	37	
Kuwait	39.63	73	HI	47	NAWA	10	
Albania	39.62	74	UM	22	EUR	38	
Republic of Moldova	39.18	75	LM	6	EUR	39	
Azerbaijan	39.17	76	UM	23	NAWA	11	
Jordan	39.01	77	UM	24	NAWA	12	
Tunisia	38.98	78	LM	7	NAWA	13	
Rwanda	38.59	79	LI	1	SSF	3	
Argentina	38.26	80	UM	25	LCN	8	
Uzbekistan	38.24	81	LM	8	CSA	3	

## Innovation Output Sub-Index 2020 rankings

Country/Economy	Score (0–100)	Rank	Income	Rank	Region	Rank	Median 20.74
Slovakia	32.86	34	HI	32	EUR	23	
Latvia	32.63	35	HI	33	EUR	24	
Malaysia	32.61	36	UM	3	SEAO	8	
Ukraine	32.49	37	LM	1	EUR	25	
Viet Nam	32.17	38	LM	2	SEAO	9	
Slovenia	31.73	39	HI	34	EUR	26	
Poland	30.81	40	HI	35	EUR	27	
Philippines	29.62	41	LM	3	SEAO	10	

## Innovation input to output performance, 2020



▲ Output score  
 ► Input score  
 ● High-income group  
 ● Upper middle-income group  
 ● Lower middle-income group  
 ● Low-income group  
 — Fitted values

AU Australia	IN India	NL Netherlands	CH Switzerland
BH Bahrain	IL Israel	NO Norway	UA Ukraine
BN Brunei Darussalam	KW Kuwait	OM Oman	AE United Arab Emirates
BG Bulgaria	MG Madagascar	PH Philippines	GB United Kingdom
CN China	MW Malawi	QA Qatar	US United States of America
CZ Czech Republic	ML Mali	SA Saudi Arabia	VN Viet Nam
ET Ethiopia	MY Malaysia	SG Singapore	ZW Zimbabwe
DE Germany		SE Sweden	

## Serious and growing investment interest in Ukraine:

- Ukraine is innovative, entrepreneurial
- Ukraine's science has global reach
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## Why do these misconceptions persist?

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- Ukraine is innovative, entrepreneurial
- Ukraine's science has global reach
- Ukraine is creative, and does much more, with less, in realizing on that creativity

Focus on continued efforts to curb corruption, enhance the institutions that affect tech startups

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