



Rheinland-Pfalz

MINISTERIUM FÜR
WIRTSCHAFT, VERKEHR,
LANDWIRTSCHAFT UND
WEINBAU



gründen | RLP



COMPASS

Start | Knowledge | Funding | Network



Preface



#FOUNDING

Dear founders,

every business has started from scratch at some point when a founder decided to dare the step towards self-employment. People that are passionate about their ideas and venture to try them form the basis of our economy. They are the new suppliers on the markets. Without them, competition would lose its dynamic and power. They are decisive for progress, growth, and competitiveness. They portray the middle class of tomorrow. They create jobs and reinforce economic power as well as the quality of living, particularly in rural areas.

For this reason, the state government seeks to support their way towards self-employment. This brochure is supposed to give you inspiration and inform you about different partners and networks for young businesses in Rhineland-Palatinate – from first consulting to tangible financial support.

In our economy, there is always a place for new business ideas. It would make me happy if this brochure will help you to find this place for your own business.

A handwritten signature in black ink, appearing to read 'Volker Wissing'.

Dr. Volker Wissing

Minister of Economic Affairs, Transport, Agriculture & Viniculture Rhineland-Palatinate

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gruenden.rlp.de

Here you can download the brochure and find direct links to the desired information. Probably these might be in German.

FOUNDING?

Here you go:

Your idea is there but you do not have a plan? Your decision is final, yet you need information, support, or funding? This Start-up guide will accompany you during the various phases of becoming self-employed and help you as a book of reference whenever needed.

Therefore, there are important questions you need to ask yourself for every step you take in the process. This is vital in order to move on. By means of this brochure, the questions you might have on the various steps to be taken are being answered.

The most important questions to be considered when becoming self-employed

- What is your business idea?
- Are you an entrepreneur?
- How much creative leeway do you want to have for your Start-up and how willing are you to take risks?
- Does the occupation you're aspiring to conduct count as freelancing or is it an industrial activity?
- In what way do you want to become independent?
- Do you have all the information you need to create a business plan?
- Do you know Start-up and founding consultants in the region as well as comprehensive information and digital assistance?
- How much capital do you need for your Start-up?
- What funding programmes can you use?
- Have you thought about all necessary formalities (registration, etc.)?
- What are the main operational risk you should get insurance for?
- What kind of private insurance would you like to take?



START

1. ORIENTATION

Your own business! The first thoughts and decisive steps towards independence, make most founders realise that something very new and unknown is about to start. Therefore, it is important to be well prepared from the start. This Start-up guide is supposed to accompany you throughout the process and help you determine what kind of decisions or preparations are to be taken first, what kind of formalities need to be considered and what kind of institutions can lend you their support.

What is your business idea?

Whether it is a material product, a service, or a combination of both: **there needs to be a market for it**, otherwise even the best idea is worthless. Needless to say that the meaning of your “own” business idea also depends on the way it is implemented or in which you intend to become independent. Business succession or the take-over of another business is certainly less affected from this than Start-ups. When doing franchise-founding there is even the possibility to take over a successful business concept against a fee.

No matter which way you choose: **Your business idea is your guide.** You need to consistently check whether your business, your products, or your services can persist on the market or whether they need to be developed further to be competitive.



Talk to professionals: you can obtain good advice and first assessments of your idea e.g. by means of a counselling interview at one of the Start-up centres of the chambers. Generally, the first consultation is free of charge. Costs stemming from further counselling interviews are often sponsored through funding support services.



Types of founders and personalities

You, as the founder, are the linchpin for your company. Therefore, be critical and honest with yourself right from the start. Your founding personality will have a decisive influence on the future of your business.

Are you an entrepreneur?

Being self-employed usually involves constant self-development and consciousness – every founder should be confident about their business idea and personal capabilities well in advance. Every step that you take requires you to be honest with yourself – big challenges and overwhelming situations can be closely together. Thus, it is vital to be well prepared for all phases.

Getting started by yourself or in a team?

How much room for manoeuvre do you want to have in your Start-up? How willing are you to take risks? There are important questions to be considered. Do you want to implement the business idea alone, together with a founding partner, or even with several partners? Do you want to bear the risks by yourself and be the one in charge of all decisions, or rather share responsibility? Perhaps the business idea has even evolved in a team of former colleagues, friends, or relatives and it is already clear that you should act altogether?



Pros & Cons of individual and team founding

Individual founding

Pros

- founder takes decisions on his/her own
- no deliberation among partners necessary
- entire business profit at personal disposal

Cons

- sole responsibility for the business
- accountable for all losses

Team founding

Pros

- shared responsibility and risk
- equity capital might be expanded
- more securities when taking out loans
- partners might complement each other's technical expertise

Cons

- coordination and decision processes might be difficult and take longer
- distribution of profits might lead to disagreements





Useful references in Rhineland-Palatinate



Portal with information on founding, Start-ups and business succession in **Rhineland-Palatinate**:

gruenden.rlp.de



Investitions- und Strukturbankank (ISB) Rheinland-Pfalz
Information on funding in **Rhineland-Palatinate**:

isb.rlp.de



Starterzentren RLP: Start-up centres of the Chambers of Industry and Commerce and the Chambers of Crafts **Rhineland-Palatinate**. Nation-wide network of central reference contacts for start-up companies/young businesses.

starterzentrum-rlp.de



Four horizontal dotted lines, likely intended for a user to write down notes or additional information.

Useful references nation-wide



Arbeitsagentur: supports and advises business Start-ups on their way to self-employment - esp. migrants and unemployed

[arbeitsagentur.de](https://www.arbeitsagentur.de)



„EXIST – science-based business Start-ups“ of the Federal Ministry of Economic Affairs and Technology (BMWi).

[exist.de](https://www.exist.de)



Portal of the federal government with planning guides and addresses of consulting institutions.

[existenzgruender.de](https://www.existenzgruender.de)



Manifold information portal for women interested in business Start-ups, initiated by the Federal Ministry of Economic Affairs and Technology (BMWi).

[gruenderinnenagentur.de](https://www.gruenderinnenagentur.de)



2. PLANNING & FUNDING

Types of founding

How do you want to start? You have decided to work independently, now you have to take care of concrete steps:

Most people like the idea of a **Start-up** because they want to create something new and individual with their own business idea. But that's just one of many ways to become self-employed. Have you ever thought about **business succession** or the use of an already tested **franchise** concept? If you're currently employed in a company and wish to become self-employed in the future, a Start-up in addition to your dependent employment is possible in order to try your business idea as „Start-up light“. Yet, you should talk with your employer about this. After the test phase and financial liability checks, you can gradually expand your entrepreneurial activities.



Downloads

BMWi-GründerZeiten Nr. 04 „Franchise“ with Starter-Checklist

existenzgruender.de

Brochure „Perspektive Zukunft“ – Advice on business succession

gruenden.rlp.de

"Business succession in Germany" – independent Online-Portal

nachfolge-in-deutschland.de



Networks

Entrepreneurial exchange; via nexxt-Partner, regional partners from Rhineland Palatinate

nexxt-change.org

Deutscher Franchise Verband e.V. (DFV) with advice and event calendar

franchiseverband.com

Business Start-up

- Founding a new business based on a new business concept
- The product or service has to be newly introduced on the market
- Customer and supplier relationships must be built
- Market position needs to be acquired from the ground up

Business succession

- Takeover of an existing business with a business concept that has been tested already; possibly need to be advanced further
- Offered product or service is already established; possibly new positioning
- Customer and supplier relationships exist, may need to be expanded
- Market position exists, may need to be expanded

Franchise concept

- Takeover of an already developed and tested business concept in order to found a new company by paying a franchise fee
- Offered product or service is already established
- Customer and supplier relationships must be built up, yet suppliers are usually part of the franchise concept
- Market position has to be acquired, but you benefit from the umbrella brand of the franchisor

Spin-Off

- Outsourcing of a business that continues to exist; close partnership between parent companies and start-up remains
- The product or service has to be newly introduced on the market
- Customer and supplier relationships exist, may need to be expanded
- Market position exists, may need to be expanded

Types of Start-ups

Does your self-employment count as one of the so-called freelance professions or will you pursue a commercial activity?

There are clearly defined rules: Basically, one decides between **liberal professions** or **commercial business**. As a prospective self-employed person, you have to clarify from the start whether your business activities will fall under the category of freelancers or the group of commercial entrepreneurs. Discuss this with your tax consultant or ask the Finance Authority.

Although starting a business in liberal professions does not differ from other Start-ups, **the status of freelancers has tax and legal consequences**. The Income Tax Act (EStG) defined different groups of freelance activities and determines the type of taxation accordingly. Freelance professions tend to conduct high **quality services** that require a **high level of education** to be performed.

Freelance professions

- Professions listed in the Income Tax Act (§ 18 EStG) (so-called catalogue professions)
- Professions similar to catalogue professions
- Occupations (self-employed scientific, artistic, literary or educational activities)

Listed professions:

- **Health professions:** doctors, veterinarians, dentists, physiotherapists
- **Legal, tax and economic consulting professions:** lawyers, patent attorneys, notaries, accountants, tax consultants, tax representatives, advisory and business economists, certified accountants and auditors
- **Scientific and technical professions:** surveyors, engineers, Trading chemists, architects, guides
- **Information-conveying and linguistic professions:** journalists, image reporters, Interpreters, translators

Freelancers are often receive their assignments by other businesses or firms as works or service contracts and thereby act as a kind of **free employee** to the respective firm. Attention: freelancers are not automatically self-employed, especially if they cannot freely choose their place of work and working hours. Often, they are technically bound to their clients. In this case, they can risk being classified as so-called **fictitious self-employed** - then contributions to the social security insurance would have to be paid for them by the firm they work for.

Even in case you are identified as a contractor, there are differences:

Types of businesses

Small businesses	Registered merchant
Business activity	
<ul style="list-style-type: none"> no extensive business activity (simple bookkeeping), financing requirements mostly under 25,000 Euros 	<ul style="list-style-type: none"> extensive business activity (e.g. double-entry bookkeeping); mandatory for certain legal forms (e.g. Ltd.)
Record in the commercial register	
<ul style="list-style-type: none"> not necessary 	<ul style="list-style-type: none"> necessary
Formation	
<ul style="list-style-type: none"> first business activity 	<ul style="list-style-type: none"> with record in the commercial register
Name of the business	
<ul style="list-style-type: none"> must contain the surname of the self-employed person, may include the field of activity of the company 	<ul style="list-style-type: none"> the name must be accompanied by the words „registered merchant“. This rule does not apply to corporations (e.g. Ltd.)

Consulting

Do you know the consulting offer for founders in your region?

A common fact is that founders often underestimate their need for advice, when actually you can never really know too much. However, if you lack important information, chain reactions that can jeopardize young independent existences are easily initiated.

Are you using all information and digital services?

The offer for Start-up consulting in Rhineland-Palatinate is extremely versatile. During your first preparations, you should already consider to take advantage of a free (initial) consultation with a starter centre of the Chambers of Commerce and Industry or a regional Start-up initiative. In total, there are 31 regional starter centres to offer advice and support during the initial phase of your business.



Get advice from different sources before making decisions. Use the online tools.

Plan sufficient time buffer: inform yourself about application procedures and time horizons well in advance.

But do not forget: External council does not replace your own knowledge about your company!



Legal structures

In what form would you like to become self-employed?

If you would like to start a business as a self-employed person, a **partnership or corporation** is usually the legal form of choice. The difference is the **extent of liability** and the **business organs** (management, shareholders).

Inform yourself in detail – the legal form is virtually your „means of progress“ in the business world: there are many differences.

Think carefully which legal form is going to be the one fulfilling your purpose – consulting for these matters can be sought at place (Start-up consultants, tax consultants, notaries) as well as online.



Downloads

Information on Start-up and legal forms in general:
BMW-GründerZeiten Nr. 11 „Rechtsformen“

existenzgruender.de



Networks

Institut für Freie Berufe:

(IFB) nation-wide Start-up consulting for freelancers

ifb.uni-erlangen.de

Landesverband der Freien Berufe: Information on founding for freelancers in Rhineland-Palatinate lfb-rlp.de

Steuerberaterkammer Rheinland-Pfalz: extensive information on tax-related aspects

sbk-rlp.de

Your business model

Are you convinced that your business idea is viable? However, that alone is not enough to start your own business - now you have to convince others. First develop your own business model to visualize the essentials and to test whether your concept is ready to go.

Business Model Canvas

The basis for your business plan; everything comprised on one sheet: You need a printed copy (preferably A0) and post-its. Write down all your thoughts and considerations and put them in the respective place:



Downloads

Interactive tool for your business model: [existenzgruender.de](https://www.existenzgruender.de)

Business Model Canvas template to print: [gruenden.rlp.de](https://www.gruenden.rlp.de)

1. Customer segments

- For whom is my offer going to create value?
- Who are my most important customers? Can I describe them in concrete terms?
- Do I know their behaviour?

2. Value proposition

- For which problems are these customers seeking a solution?
- What kind of additional value am I offering to the customer?
- What combination of products and services am I offering to the target groups?

3. Channels

- How and through which channels do I reach my customers?
- What are the best points of contact?

4. Customer relations

- What kind of relationship do I have with the customer?
- What will I do to build, maintain, and expand this relationship?
- Is the form of customer relationship suitable for my business model?

5. Sources of revenue

- What benefits are my customers willing to pay for? And how much?
- Are there comparable products/services? What are the sources of revenue there?
- How much is each of the individual sources of revenue adding to the aggregate/ combined turnover?

6. Key resources

- On what basis is my value creation/value proposition mainly built on?
- What are the things I need to fulfil customer demands?
- What is required for my distribution channels/customer relations/sources of revenue?

7. Key activities

- What do I need to do specifically to meet customer demands?
- What is necessary for distribution channels, what for customer relations?

8. Key partner

- Do I rely on external suppliers? Or am I going to outsource specific activities?
- Who are my cooperation partners, who are my most important suppliers?
- Do I rely on partners?

9. Cost structure

- What kind of cost structure stems from my plans?
- What might increase costs?



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The business plan

Your business model is now established. Yet, in order to convince potential investors and sponsors of the business idea, you need to be more specific: create a booklet to describe in detail how your idea will be implemented successfully. By bearing in mind and noting down all factors that might impact success or failure, you create a means of control even for yourself.



Have you collected all the information necessary to create your business plan?

- Bear in mind: Those reading your business concept are usually no peers in your business area.
- Avoid using too many technical terms, formulas or technical details.
- Structure your business plan by means of several subchapters.
- Your business plan should comprise no more than 30 pages, annex included.
- Make sure to present yourself authentically as the business founder, e.g. by showing how credible and qualified you are for this project.
- Make use of a professional layout that appeals to the reader.

The business plan structure

1. Summary/Management Summary

What is the project about?

Summarise in one page your business idea and financing requirements to give your investor a clear overview on the project.

2. Business idea – What do you want to do?

Describe the short- and long-term goals of your business; **what is making your products and services exceptional**, what distinguishes them from others. If your products are complicated, specify the means of products, e. g. if they are very expensive?

3. Market

Who is the customer?

Demonstrate potential: who are you having in mind, what is the market like? Explain why the very target group you have chosen is relevant; where is the advantage, e.g. in terms of time, work or expense savings.

Competitive analysis is important for you as well as for potential investors. They may not even know the market in which you want to establish yourself – but they must be able to assess the feasibility of your business idea.

Thus, explain whether and which competing companies exist or how they could react. Don't forget to highlight **what it is precisely that distinguishes your business idea**. You can get figures on the respective industries from the chambers, (trade) associations, banks and savings banks. Or via your own internet research.

When describing the market on which you intend to establish your business, it is also important which business location you select. Elaborate and justify why you want to settle there and what the so-called hard and soft factors of the location are.

4. Marketing

How do you want to promote sales?

Marketing encompasses all activities, every entrepreneurial planning and action that orientates itself on the market. Therefore, you need to carefully monitor market activities and be able to put yourself in the position of your potential customers.

Remember: this is **not just advertising**. Instead, it starts much earlier in the business process. Describe your company's own marketing mix: the interaction of all planned communication activities for the presentation of your company up to advertisements, trade fairs, films, or even social media. For the purpose of illustration, describe the measures in a schedule.

5. Company organisation

Who leads the company??

Describe yourself as the founder and if relevant your co-founders, your **qualifications** and experience. Differentiate between technical (apprenticeship, work experience) and entrepreneurial qualifications (commercial know-how, leadership experience). Illustrate clearly who is going to take over which role in the company, e. g. in form of a diagram.

In case you intend to employ **staff**, explain why this is necessary from the start, to what extent you need them, and in which areas. At this point, anticipations for future developments are recommendable. How will your demand for additional staff evolve over the next two or three years, as measured by means of your growth expectations? These kinds of prognoses should be considered when planning employment structures.

6. Financing

What is your finance plan?

Illustrate your calculations: how high are **your capital requirements to found your business** and how will you cover it. Banks and investors usually expect that you as the founder **are able to cover part of the required capital yourself**. The rest of fit can be funded by public Start-up programmes in Rhineland-Palatinate as well as nation-wide (more on this as of page 33). For a structured overview on your financing during the founding process, you need to create different plans:

Capital requirement plan:

Here you compile all costs for setting up a company, e. g. for: equipment, machines, vehicles, consulting costs, notary fees and other fees, formalities, contributions (IHK, TV license, etc.) and of course salaries.

In addition, don't forget to consider the **start-up costs** of your company in the first months after its initiation. Plan a time buffer until you achieve stable income. You can also calculate **private withdrawals** or the payment of an entrepreneur's salary for your private living expenses.

Financing plan:

In your financing plan, you demonstrate **how and to what extend your Start-up needs to be financed**. This implies elaborating on the kind of financial contribution you can make yourself as a company founder and how much money you need as debt capital (from a bank or savings bank) or as additional equity capital (from equity investors such as venture capital companies, Business Angels, etc.). The data summarized in your capital requirement plan forms the basis of your financing plan.

Liquidity plan:

Here, **you consider the expected expenses as compared to your expected earnings on a monthly basis**. This shows the company's solvency within a specified period. It is important that there is an „intra-year“ presentation in your liquidity plan. Therefore, use a schedule in which you display this monthly data.

Profitability forecast:

Show that your business project is worthwhile. **Anticipate profitability by comparing expected sales with expected costs over the next three years**. The **operating result** should enable you to cover your **entrepreneurial wages**, create a **liquidity reserve** and, if necessary, **repay company loans**.



With all the work and effort that goes into creating a business plan, bear in mind that you can keep using it as your control tool after the introduction of your business. Check whether you have achieved and maintained your goals on a regular basis: Where might be problems? Are there business processes that should be reconsidered? As an entrepreneur, you can use this to react early in case something goes into the wrong direction.



Downloads

Use ready-made tools and specific brochures: Creativity contest RLP business plan brochure: Guide with templates to help you structure your plan from the management summary up to your cost plan:

[ideenwettbewerb-rlp.de](https://www.ideenwettbewerb-rlp.de)

BMW business plan assistant to help you create your business plan; all relevant steps are elaborated; helpful online-tools:

[existenzgruender.de](https://www.existenzgruender.de)

„Der Baukasten für Dein Business“: here, you can develop your ideas further up to their implementation [gruenderplattform.de](https://www.gruenderplattform.de)

Check-lists for your business plan, investment- and liquidity plan as well as profitability forecast: [kfw.de](https://www.kfw.de)

Gründungswerkstatt of the IHK (chamber of commerce) Rheinland-Pfalz with programmes for founders:

[rlp-gruendungswerkstatt.de](https://www.rlp-gruendungswerkstatt.de)

The Pitch-Deck

Not only those founders looking for investors with equity frequently face the challenge of financing their own company. Likewise, investors such as **Business Angels** or **venture capital companies** are spoiled for choice: they receive many inquiries and have to decide which company is the most promising for an investment.

Reading an entire business plan is simply too time-consuming for this. Thus, the **Pitch Deck** has been established to allow first contacts between founder and investor. Here, the most relevant information is pre-sented to the potential investor in an extremely compressed concept - only the **Elevator Pitch** is shorter: an extremely short project presentation that shouldn't take more time than an elevator ride with the potential investor.

The pitch deck is primarily an important tool for founders looking for investments in their business and venture capital. The full business plan with professional financial plan will only be required by the investor after he has decided to support your company.



Networks

In Rhineland-Palatinate, you can find many Pitch Events where founders and investors are being brought together:

business-angels-rlp.de





 **Contacts for Pitch-Events:**

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Financing

How much capital do you need to start your own business?

With **detailed financial planning**, you get an overview of the costs incurred in your company and can furthermore build a **stable financial structure** right from the start. Finally, the capital requirements, financing, profitability and liquidity plan should be part of your business plan **as a basic preparation for a financing discussion** with a bank or savings bank.

Have you calculated your financing needs?:

If so, you can now take concrete steps to start your self-employment! In addition to classic bank loans, public subsidies (e.g. loan programs) are also possible. However, don't forget that normally you have to apply for public funding before starting your own business. These kinds of funds are not available to you immediately. The house bank principle applies, which means that funding must be applied for through the house bank.

More information on support programs for Start-ups can be found from page 33 onwards.



In Rhineland-Palatinate, the Investitions- und Strukturbank (ISB) is the bank responsible for funding and lending support.

isb.rlp.de



3. REALISATION

Formalities

Have you thought of all the necessary formalities (registration, etc.)? As a founder, you cannot avoid them and some aspects are obligatory. For some industrial and commercial branches there are special authorization requirements (e.g. parts of the craft, gastronomy, travel trade): Before you start the company, get in touch with the starter centers of the chambers or the industry association relevant to you to find out about the specific requirements that might affect you.



The main contact for your administrative issues and respective formalities is offered by the „Einheitlicher Ansprechpartner“ (EAP)

eap.rlp.de

The most important points of contact when starting a business

Relevant for whom?	Who is helping?
Business registration	
Every business undertaking that is intended to bring about long-term profitability; not relevant for freelancers or agricultural firms	Find the commercial office (municipality) responsible for you via gewerbe-online.rlp.de
Entry into the commercial register	
Businesses that count as a firm as defined by the German Commercial Code (HGB)	Notary, responsible district court

Relevant for whom?

Who is helping?

Finance Authority (notified by the responsible commercial office when registering the business)

Every founder/freelancer has to fill in the „Fragebogen zur steuerlichen Erfassung“ (= questionnaire of tax records) (freelancer have to inform the Finance Authority at the latest one month after starting their business activity)

Finance Authority of the district in which the founder resides.
The Finance Authority responsible for you can be found via

fm.rlp.de

Employment office

Companies that employ employees who are subject to social security contributions, people working on a 450 Euro basis or trainees need a company number (Betriebsnummer)

Company number (Betriebsnummer) service of the Employment Agency.
More information at:

arbeitsagentur.de

Berufsgenossenschaft

Every entrepreneur should contact the Berufsgenossenschaft responsible for him within one week of registering the business or starting his own business and clarifying whether there is an obligation to take out insurance.

Responsible Berufsgenossenschaft.
The German Social Accident Insurance (DGUV) also provides information on compulsory insurance.
More information at:

dguv.de

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For whom?

Who can help?

Social Insurance

For every self-employed person health insurance is mandatory; pension insurance obligations must be checked in individual cases; find a list of self-employed persons subject to insurance in "§2 Sozialgesetzbuch VI"

Statutory or private health insurance companies; German Federal Pension Insurance

[deutsche-rentenversicherung.de](https://www.deutsche-rentenversicherung.de)

Health Department

Foundations in gastronomy, childcare, food trade, freelance work such as running medical practices or other medical professions

Regional Health department



Downloads

Founderservice Rhineland-Palatinate: online business-registration by IHK and HWK Rhineland-Palatinate: ihkhwk.oss-rlp.de

Authorities and permit guide for start-ups:

bmwi-wegweiser.de

GründerZeiten Nr. 26 „Erlaubnisse & Anmeldungen“: existenzgruender.de

Private insurance

Before you can start, there are a number of formalities and commercial as well as private insurances that have to be in place. Long-term downtimes due to sickness or accidents can cause financial trouble for your company and yourself.

What private insurance do you want to choose?

Even at the beginning of your self-employment, you must consider what private insurance is the best for you.

Health insurance

- Self-employed people can choose between a statutory or private health insurance.
- Freelancer in cultural and creative industries can additionally protect themselves with the artists' social insurance which even covers part of your pension scheme. This way, self-employed artists and publicists are protected in a similar as employees that are protected by the regular statutory social insurance.

[kuenstlersozialkasse.de](https://www.kuenstlersozialkasse.de)

Income replacement insurance

- To balance the loss of income caused by downtime due to sickness, you can conclude a contract with your health insurance on sickness allowance or paid sick days.

(Occupational) accident insurance

- Can be requested from the (German) Employers' Liability Insurance Association responsible for you/your business, can be optional or a mandatory business insurance, relevant for both private accident insurance companies and operational group accident insurance.



Old age and survivors' insurance

- The statutory right to a pension from a previous activity as an employed person remains. Nonetheless, you should ensure further securities. Some self-employed people are required by law, as defined in the social security code (§ 2), to protect themselves under the framework of a statutory pension scheme (e.g. midwives).

Disability insurance

- Statutory pension scheme or private insurance to protect yourself in case of sick leave or general inability to work

Optional unemployment insurance

- For founders that have previously received Jobseekers' Allowance or a founding fund by the employment office, it makes sense to conclude an insurance for unemployment benefits to make sure rights for compensation do not expire.

Operational insurance

Which are the main operational risks that should be covered by an insurance?

Think carefully about additional risks for your company that you should and need to cover with an insurance such as public liability. What kind of big damages could occur? For instance, operational interruption due to irregular demand or a production standstill caused by defect machinery?



Downloads

dvs-schutzverband.de: Guide with a checklist by the German Insurance Association: „Versicherungsschutz für Existenzgründer und Selbständige“

existenzgruender.de: BMWi-GründerZeiten Nr. 05 „Versicherungen“,



FUNDING

Funds

Which funds are at your disposal?

In your business plan, you have determined the financial means required to start your business, to buy machinery, tools, or take care of buildings or warehouses. In case you need financing for this, there are various possibilities. Since founders are usually not entitled the kind of favourable credit conditions big businesses receive, Rhineland-Palatinate as well as the federal government itself offer **special funding programmes** to compensate for this disadvantage. This aims at improving the equity capital of young businesses and their facilities. If you need additional capital next to the one you bring into your self-employment by yourself, you can take advantage of these public Start-up funds.

Advice on requesting funding

- Most programmes require you to apply for the fund before starting your business. Inform yourself well in advance about potential public funds and their respective deadlines. You can seek consulting at your banks. First support is readily available online: **isb.rlp.de** und **kfw.de**
- Consider that for public funding the **processing period** should be included in your financing plan.
- Bear in mind the principle of relationship banking: with most programmes, you should request funding **via your main bank**, i.e. you choose one bank for your financial activities
- Moreover, keep in mind that usually, every project can be funded only once. In some cases **funding programmes are combinable**, i.e. it is possible to cumulate them. This means that you can support your project by means of several different programmes.

Funding programmes in RLP

The general offers of economic and innovation promotion are also available for Start-ups, as long as the respective eligibility conditions are met by the applicant business or project. The following promotion and support offers are specifically directed at founders:

- **Grants for consulting costs:**

These grants cover e.g. part of your pre-founding consulting when initiating a Start-up or business succession.

In Rhineland-Palatinate, this funding takes place within the framework of consulting for Start-up founding in form of a grant that is being given to the founder. The grant covers the costs charged by private consulting companies.

Investitions- und Strukturbank Rheinland-Pfalz (ISB) Information available via [isb.rlp.de](https://www.isb.rlp.de)

- **Grants for master craftsmen**

intending to become self-employed in Rhineland-Palatinate receive the **"Aufstiegsbonus II"**. This grant is being given to the craftsman when founding his business on the basis of his master craftsman examination or an equal professional training. Information is made accessible by your respective **Handwerkskammer:**

[hwk-rlp.de](https://www.hwk-rlp.de)



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- **General loan programmes:**

The loan is transferred to the founder as a lump sum; it has to be paid back in fixed rates within a defined period of time.

- **Company shares:**

Venture capital in the form of open and/or silent participations is made available to small, unlisted technology companies through public investment companies. The equity capital is granted for the implementation of specific projects and serves to strengthen the economic equity of the applicant companies.

More information via

Investitions- und Strukturbank Rheinland-Pfalz (ISB)

isb.rlp.de

Mittelständische Beteiligungsgesellschaft Rheinland-Pfalz mbH (MBG)

bb-rlp.de/mbg



• **Guarantees:**

Despite the lack of financial security, Start-ups can apply for a loan from their house bank. The **Investitions- und Strukturbank Rheinland-Pfalz (ISB)** and the **Bürgschaftsbank Rheinland-Pfalz** offer within the framework of the funding programmes:

- direct guarantees
- express guarantees
- ISB guarantees
- state guarantee program

if projects are particularly promising, maximum guarantees or guarantees for investment and working capital loans.

Details of the programs, application procedures, conditions:

Guarantees by the Bürgschaftsbank Rheinland-Pfalz Ltd.

bb-rlp.de

Guarantees by the ISB:

isb.rlp.de

• **Competitions:**

Competitions and projects (e.g. RLP ideas competition; 1,2,3 GO business plan competition; Pioniergeist, RLP innovation price) are carried out on a regular basis.

Further information: gruenden.rlp.de



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Useful references for the funding of your Start-up, to take advantage of financial consulting already during the preparations for your business:

Ministerium für Wirtschaft, Verkehr, Landwirtschaft und Weinbau

Founding in Rhineland-Palatinate.

[gruenden.rlp.de](https://www.gruenden.rlp.de)

Investitions- und Strukturbank Rheinland-Pfalz (ISB)

State-owned development bank offering state-specific financial support for Start-ups in Rhineland-Palatinate.

[isb.rlp.de](https://www.isb.rlp.de)

Bürgschaftsbank RLP

Individual funding programmes and guarantees

[bb-rlp.de](https://www.bb-rlp.de)

KfW Bank

Development Bank by the Federal Government, helps Start-ups and business succession with individual financial support. [kfw.de](https://www.kfw.de)



2. Funding nation-wide

The most important development programmes by the federal government are available online via foerderdatenbank.de

- **General loan programmes:**

- ERP capital for founding
- ERP founding credit – Start money
- ERP founding credit universal

- **Company share programme:**

- ERP start funds (equity capital for young technology companies)
- Founder coaching Germany (consulting programme)

KfW banking group

Development products for founding, expansion and succession of businesses

[kfw.de](https://www.kfw.de)

Bundesministerium für Wirtschaft und Energie (BMWi)

Participations in young technology companies through

[high-tech-gruenderfonds.de](https://www.high-tech-gruenderfonds.de)



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• Founding grant

Under certain conditions, the **employment agency** can support your step into self-employment with a Start-up grant. However, you have no legal claim to it.

The most important requirements for funding

- You are a full-time self-employed individual after completing your founding process; no longer unemployed
- You are still entitled to at least 150 days of unemployment benefit when you become self-employed.
- You submit a statement that is peer-reviewed by a competent person specialised in the field of your business model: for example your Chamber of Commerce, the HWK or bank. Your placement specialist will be happy to explain which documents you need to submit as evidence.

Duration and amount of the Start-up grant:

At first, you will receive the Start-up grant for six months. The amount of money you receive depends on the extent of your unemployment benefit.

The following applies:

foundation allowance per month = Amount of the last unemployment benefit received + 300 euros.

After half a year you can receive additional 300 euros for another nine months – however, you have to prove that you are a full-time self-employed person. Funding has to be requested from the responsible employment agency before it is being founded.

• Entry fee

If you receive “Arbeitslosengeld II” (=unemployment benefit) and want to become self-employed, your job center will support you under certain conditions with additional financial help. Such support is, for example, the so-called entry-level benefit, which is paid in addition to your unemployment benefit. Get advice from your job center if you are interested and want to start your own business.

Please note: The entry fee is a so-called discretionary benefit from your job center - you have no legal entitlement.

[arbeitsagentur.de](https://www.arbeitsagentur.de)

• Crowdfunding

Crowdfunding can be used to finance projects, products, Start-ups and much more: a large number of people - the crowd - support a project financially and **many small amounts of money make it possible to realise and implement it**. This is an alternative way to finance the Start-up idea, especially for young companies. If you can inspire the crowd with your concept, the donor acquires with his contribution in advance e. g. a product that is still being produced and after a successful campaign you can already show that you have gained customers and pre-orders at the same time.

Most projects are organized on a platform; supported by a campaign on social media. Crowdfunding can take a variety of forms. It might for instant take place for commercial business projects in the form of a financial participation. Find out about different platforms; also with different topics:



Rhineland-Palatinate has its own regional (reward-based) crowdfunding platform for those that want to present their ideas to a crowd:

ideenwald-crowdfunding.de



Special target groups for Start-up support

Who will receive special funding?

- **Small founders**

Start-ups with a Start-up capital requirement of less than 100,000 euros.

In Germany, a number of small and micro loan programmes have been established at the federal, state and regional levels. These programs are mostly aimed at **founders in their initial phase** only. Often, they are linked to certain funding conditions (age of the founder, Start-ups from unemployment). KfW uses the ERP loan start money to fund founders up to EUR 100,000.

[kfw.de/startgeld](https://www.kfw.de/startgeld)

- **Founders from university**

Academics usually have a high level of professional competence - but especially graduates with a subject background outside of economics often lack the background to entrepreneurship: necessary commercial know-how or business contacts outside university. The programme „EXIST – Existenzgründungen aus der Wissenschaft“ of the Bundeswirtschaftsministerium für Wirtschaft und Energie (BMWi) supports qualification and support offers at selected German universities.

Download brochure "Starten@hightech"

[exist.de](https://www.exist.de)



- **Female founders**

Professional independence offers women a good opportunity **to balance work and private life more efficiently** than in an employment relationship. The nation-wide Start-up agency for women (bga) founded by the federal government organizes events, seminars and further training exclusively for women:

[existenzgruenderinnen.de](https://www.existenzgruenderinnen.de)

You can also find support and helpful advice for young female entrepreneurs at the Landesfrauenrat Rheinland-Pfalz

[landesfrauenrat-rlp.de](https://www.landesfrauenrat-rlp.de)

Another reference point is the LandFrauen Verband; particularly interesting for Start-ups in rural areas [landfrauen.info](https://www.landfrauen.info)



- **Founders from the cultural and creative industries**

For creative professionals, mostly freelancers, digitisation offers many opportunities to become self-employed.

You can find support here:

Designforum Rheinland-Pfalz for design and communication:

Strengthens design and communication skills regionally and nation-wide in order to promote these fields as an innovative and economic factor within companies. As a competence partner it is in contact with a wide variety of industries. [descom.de](https://www.descom.de)

Kompetenzzentrum Kultur- und Kreativwirtschaft des Bundes

with diverse offers: tools and advice for founders, promotion of cooperation between the creative industries and others as well as a networking platform. [kultur-kreativ-wirtschaft.de](https://www.kultur-kreativ-wirtschaft.de)





- **Founders aged 50 and older**

Usually possessing a **wealth of experience**, they might have little Start-up know-how. The federal government's initiative „Experience is Future“ supports older company founders with information and advice erfahrung-ist-zukunft.de

Download brochure „Alles auf Anfang – Starten mit 50+“

- **Founders with a migration background**

often face the challenge of language barriers and formalities as well as cultural, social, or emotional hurdles. For a successful start to self-employment, you can find specific support here:

existenzgruender.de Portal of the Bundesministerium für Wirtschaft und Energie (BMWi) with special advice for foreign founders

wir-gruenden-in-deutschland.de Business Start-up centre offers migrants in Germany information and support services for company development

anerkennung-in-deutschland.de Information portal of the federal government for the recognition of qualifications from abroad

KNOWLEDGE

Online sources of information

In addition to important information, you can find specific support on platforms and founding forums through work templates, online tools, and apps.



Downloads

Gründen in Rheinland-Pfalz (MWVLW)

Guide to all important references and individual founding offers

gruenden.rlp.de

Existenzgründungsportal (BMWi)

Information, forum for experts, apps: e.g. business planer, online training, office guide, etc. for every phase of your founding process existenzgruender.de

Einheitliche Ansprechpartner in Rheinland-Pfalz

Central online reference for founders that seek support dealing with formalities and office hours. Support offers: eap.rlp.de



Networks

Platforms, forums, and social media

Build and maintain your network! For information, exchange as well as marketing and sales. You can find support and impulses for all phases of the founding process:

- Show profile as an entrepreneur: build relations and enter groups that deal with your topic on social media.
- Become member of a founding group or an association of institutions: present yourself, mix and mingle, post news. Let your customers be part of the development of your business.

On site support

1. Technology, Start-up and coworking centers in Rhineland-Palatinate

Innovative technology-oriented Start-up founders as well as young companies are offered the opportunity to jointly use premises, equipment, a central office infrastructure, advice and know-how over a defined period of time - until they have consolidated their economic existence to an extent that enables them to continue working independently outside the center.

The centers are closely linked to a large number of regional, national and international partners in research and business development.

BIC KL – Business & Innovation Center Kaiserslautern GmbH

bic-kl.de

TZK-TechnologieZentrum Koblenz GmbH

tzk.de

TZL-TechnologieZentrum Ludwigshafen am Rhein GmbH

tz-lu.de

TZM-TechnologieZentrum Mainz GmbH

tzmz.de

More hubs, founder- und coworking-centres in Rhineland-Palatinate:

gruenden.rlp.de

2. Founding offices at colleges and universities in Rhineland-Palatinate

The founding offices raise awareness on professional options regarding Start-ups and “founding” as a career opportunity, thereby offering early support to interested students, employees, and alumni from science and research on their way to academic Start-up:

[gruendungsbueros-rlp.de](https://www.gruendungsbueros-rlp.de)

Gründungsbüro Universität | HS | Trier

[gruenden-trier.de](https://www.gruenden-trier.de)

Gründungsbüro Universität | Koblenz-Landau

[gruendungskultur.de](https://www.gruendungskultur.de)

Gründungsbüro HS | Koblenz

[hs-koblenz.de/gruendungsbuero](https://www.hs-koblenz.de/gruendungsbuero)

Gründungsbüro UNI | HS | UNIMEDIZIN Mainz

[gruendungsbuero-mainz.de](https://www.gruendungsbuero-mainz.de)

Gründungsbüro der Universität | TU | Kaiserslautern

[gruendungsbuero.info](https://www.gruendungsbuero.info)

Gründungsbüro HS | Ludwigshafen

gruendung@hwg-lu.de

Gründungsbüro HS | Worms

marcel.mayer@hs-worms.de

3. Starterzentren Rheinland-Pfalz

In addition to guidelines and advice on self-employment, you will find information and profiles about various industries here. You can also make personal appointments for advice or learn about information events on site:

IHK/ HWK

starterzentrum-rlp.de

gruendungswerkstatt.de

4. Economic development

You can obtain information and advice on self-employment by your regional business development agency. You can find addresses of business development agencies at

isb.rlp.de



NETWORKS

Useful references



Bauern- und Winzerverband Rheinland-Nassau e.V.
Karl-Tesche-Straße 3, 56073 Koblenz
0261 9 88 50
bwv-net.de



Bauern & Winzerverband Rheinland-Pfalz Süd e.V.
Weberstraße 9, 55130 Mainz
06131 6 20 55 1
bwv-rlp.de



Bundesagentur für Arbeit
Regionaldirektion Rheinland-Pfalz-Saarland
rheinland-pfalz-saarland@arbeitsagentur.de
0681 849 0
arbeitsagentur.de



Bundesverband Crowdfunding e.V.
kontakt@bundesverband-crowdfunding.de
bundesverband-crowdfunding.de



Bundesverband mittelständische Wirtschaft (BVMW)
bvmw.de



Bürgschaftsbank Rheinland-Pfalz GmbH
Rheinstraße 4 H, 55116 Mainz
06131 62915-5
bb-rlp.de



Business Angels RLP
info@business-angels-rlp.de
business-angels-rlp.de



DEHOGA RLP e.V.
Deutsche Hotel- und Gaststättenverband e.V.
info@dehoga-rlp.de
dehoga-rlp.de



Einheitliche Ansprechpartner SGD Nord
Koblenz
0261 120 22 22
eap.rlp.de



Einheitliche Ansprechpartner SGD Süd
Neustadt Weinstraße
06321 99 22 33
eap.rlp.de



Genossenschaftsverband e.V.
069 69 78 31 33
genossenschaftsverband.de



Handwerkskammer Koblenz
Friedrich-Ebert-Ring 33, 56068 Koblenz
0261 39 80
hwk-koblenz.de



Handwerkskammer der Pfalz
Am Altenhof 15, 67655 Kaiserslautern
0631 3 67 70
hwk-pfalz.de



Handwerkskammer Rheinhessen

Dagobertstraße 2, 55116 Mainz
06131 999 20

hwk.de



Handwerkskammer Trier

Loebstraße 18, 54292 Trier
0651 20 70

hwk-trier.de



Industrie- und Handelskammer Koblenz

Schloßstraße 2, 56068 Koblenz
0261 10 60

ihk-koblenz.de



Industrie- und Handelskammer für die Pfalz

Ludwigsplatz 2-4, 67059 Ludwigshafen
0621 5 90 40

pfalz.ihk24.de



Industrie- und Handelskammer für Rheinhessen

Schillerplatz 7, 55116 Mainz
06131 26 20

rheinhessen.ihk24.de



Industrie- und Handelskammer Trier

Herzogenbuscher Straße 12, 54292 Trier
0651 9 77 70

ihk-trier.de



Investitions- und Strukturbank Rheinland-Pfalz (ISB)

Holzhofstr. 4, 55116 Mainz
06131 6172 0

isb.rlp.de



Kreditanstalt für Wiederaufbau (KfW)
Palmengartenstraße 5-9, 60325 Frankfurt
069 7 43 10
[kfw.de](https://www.kfw.de)



Landesfrauenrat
info@landesfrauenrat-rlp.de
[landesfrauenrat-rlp.de](https://www.landesfrauenrat-rlp.de)



Landesverband der Freien Berufe Rheinland-Pfalz e.V.
Steingasse 3-9, 55116 Mainz
06131 600 79 11
[lfb-rlp.de](https://www.lfb-rlp.de)



LVU (Landesverband Unternehmerverbände RLP)
[lvu.de](https://www.lvu.de)



**Ministerium für Wirtschaft, Verkehr, Landwirtschaft und
Weinbau (MWVLW)**
Stiftsstraße 9, 55116 Mainz
06131 1 60

[mwvlw.rlp.de](https://www.mwvlw.rlp.de)
[gruenden.rlp.de](https://www.gruenden.rlp.de)



RKW, Landesverband Rheinland-Pfalz
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[rkw-rlp.de](https://www.rkw-rlp.de)

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