

Conclusions

Expansion (Multi-country)

INVEU-ICR-0064-2023 –SME Window and Research, Innovation and Digitisation Window (SMEW-RIDW)

Short description of the financing or investment operation and its objectives

Name of financial intermediary	Expansion
Type of final recipients	SMEs (including Micro Enterprises) and Small Mid-Caps
Countries of implementation	EU-27 with the core markets being France, Germany and the Nordics (including Norway)
Implementing partner	EIF

Pan-European venture capital Fund focusing on early-stage ICT investments in the space technology sector. The Fund will invest in Aerospace and Enabling technologies segments, with focus primarily on launchers, satellites, in-orbit service, space data, technological enablers, decarbonised aviation, vertical take-off and landing aircraft as well as drones.

The Fund is expected to lead investments in the early stages of the companies, with a strong involvement in the start-ups' strategic committees. It will support activities related to research, development, manufacturing, distribution and operation of components, products, systems or technologies related to space industry and other industries using space data for digital applications.

Global Assessment and rationale for approval

The Investment Committee (IC) of the InvestEU Fund approved the use of the EU guarantee on 12 October 2023 for the above-mentioned operation.

The area of space technology is a strategic sector for Europe, being a significant source of spin-off technologies. However, Europe still lacks sufficient investments in the strategic sector of Space regarding the gap versus international competitors. In that sense the Fund will aim to address this market gap within the EU by providing investments in strategic areas such as launchers, satellites, in-orbit services, space data and decarbonised aviation.

EIF's investment is critical, as it is expected to generate a strong catalytic effect for the Fund. This is particularly relevant in light of the current challenging fundraising environment, especially in new market segment where capital remains scarce and with only few specialised investors.



Investment Committee of the InvestEU Fund

Meeting no. 19
11-13 October 2023

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The Investment Committee fully supports this joint equity product as an important initiative in a strategic sector for the EU development and competitiveness. It also recognizes the innovation and the challenge of this project initiated by EIF.