



# Growth capital for Strategic Digital Technologies

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DG CNECT together with EIB has run a several market assessment studies – result:

**There exists a persistent investment gap across digital technologies in Europe & a lack of VCs investing in more complex technologies**

- Investment gap in **AI & blockchain technologies**: ~ €5–10 billion per year
- Gap for **5G-related business models**: ~ €4.6 billion - €6.6 billion per year
- **CleanTech** investment gap: ~ €6 billion per year
- **Semiconductors and Photonics** - only ~14% of the EU VC funds has invested in the space with only ~2% having primary investment focus on these sectors
- **High-performance computing** – with 1/3 of the global demand for HPC comes from the EU, EU HPC provides only 5% of the HPC capabilities

# Investment gap in Blockchain

## Total VC Investments in Blockchain (2010-2018)

- North America: \$5,1 billion (Canada: \$623 Mill.)
- China: \$1.5 billion
- Europe: \$1,2 billion (CH:\$414 Mill.& UK:\$312 Mill.)

**"Overall Europe has a yearly investment gap of Euro 1,5 billion for blockchain (2021-2027)**

*EIB Market Assessment (2021)*

## Funding Blockchain Startups (2010-2018)

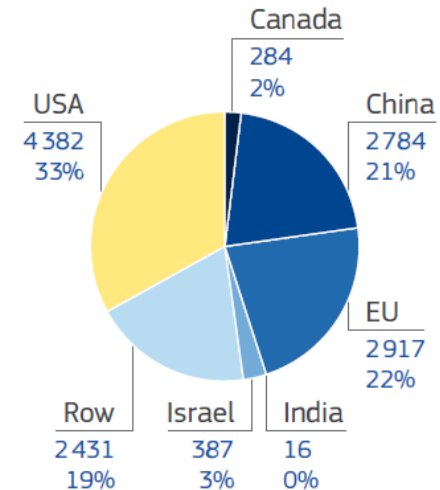
CryptoFundResearch

Top 50 Blockchain VCs by Location



35 of the 50 leading venture capital firms investing in blockchain and crypto are based in the United States. Eight are based in Hong Kong/China and three in Germany.

[A]



- Global investment: \$4,1 bill (2018)  
\$2,8 bill (2019)

Closing the investment gap for Europe:  
**EUR 10,5 bill (2021-2027)**

## AI/Blockchain Fund Pilot Scheme

- Investment in VCs for start-ups, early and growth stages
- Fund-of-fund catalysed **€1.3 billion** in investments and reached a **multiplier of 13** (seed investment: EUR100M)
- **Leveraged additional investments** from **13 private VC** funds

42|CAP

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FABRIC VENTURES



LAUNCHUB  
VENTURES

BERLIN|VENTURES



SKYLAKE  
Incubating Innovation

dawn.

FLY VENTURES

- **EC investments should align with EU policies on green & digital**
- And should be supported by **investment flanking support** to ecosystem building in vertical sectors & technologies.

AI & Blockchain  
“Fund-of-funds”  
Pilot

2020- 2021  
€100M seed investment  
+ €150M EIB/EIF  
€1.5B leveraged  
13 VCs signed

Investment  
Platform for  
Strategic Digital  
Technologies

2022-2027  
€250M seed investment  
€5 - 10B leveraged

- AI & Blockchain / DLT
- Microelectronics
- 5G edge
- IoT
- Cloud/Edge
- Cybersecurity
- Quantum & supercomputing

CleanTech Fund  
?

2022-2027  
€14B leveraged with an  
initial investment by the  
Commission of €2 billion

DG ENV, DG CLIMAD, DG  
GROW, DG CNECT

- **How can the Recovery and Resilience Plans of MS be leveraged?**
- **How to engage pension funds and sovereign wealth funds?**