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**European  
Investment Bank**

# THE EIB GROUP



European  
Investment Bank

The lending arm of the  
European Union since 1958



European  
Investment Fund

Specialist provider of risk  
finance to small and  
medium-sized enterprises



# EIB AT A GLANCE

## ONE OF THE WORLD'S MAJOR MULTILATERAL LENDERS AND BORROWERS

- We raise our funds on the international capital markets
- We pass on favourable borrowing conditions to clients

## OVER €1.5 TRILLION INVESTED SINCE 1958

- More than **14 000 projects** in **over 160 countries**
- Crowding-in bank: **€4.9 trillion** overall investment supported

## HEADQUARTERED IN LUXEMBOURG

- Over **4 200 staff**: finance professionals, engineers, economists and socio-environmental experts
- **60 offices** around the world

# Venture Capital Activity and Investment Flows in Fintech

Region	VC Investment in Fintech (Q1 2025)	Key Focus Segments
Europe	\$3.2 billion	Digital banking, payments, BNPL
North America	\$7.5 billion	Digital banking, payments, wealthtech
Asia	\$5.8 billion	Payments, super apps, BNPL

## MAIN CHALLENGES OF INNOVATION FINANCING IN EUROPE

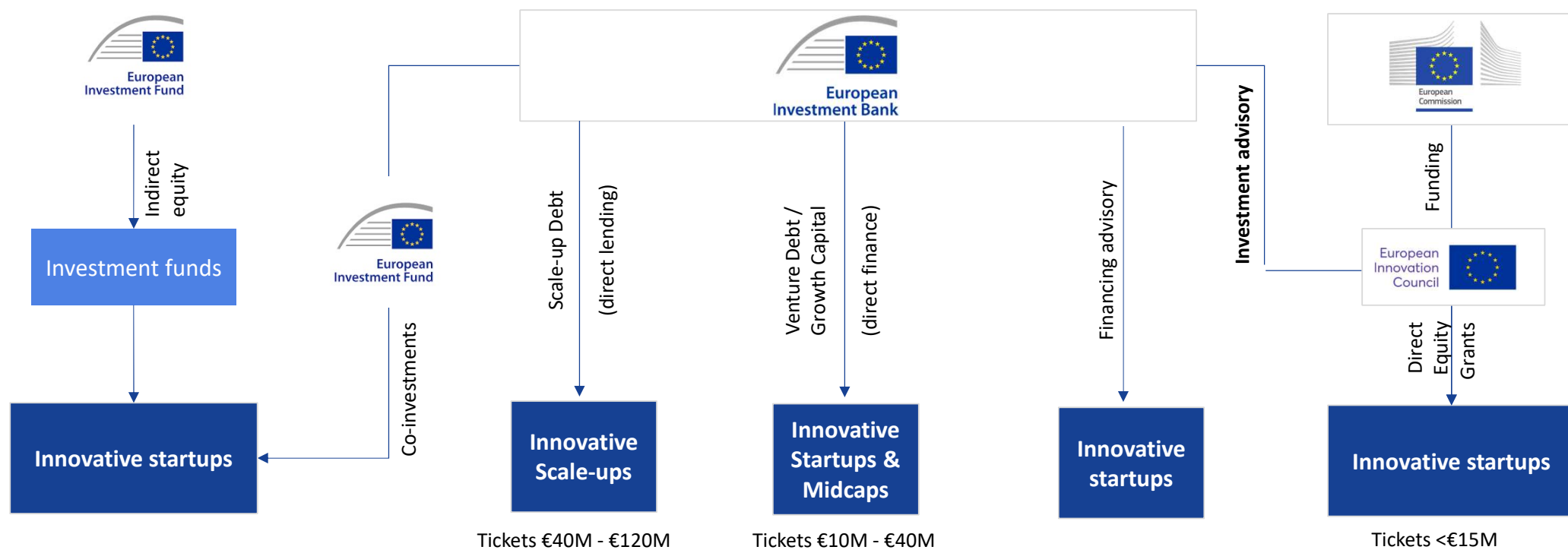
1. Fragmented Markets and Limited Scalability
2. Long-Term Financing Needs
3. Impact on Fintech Innovation and Growth



# EIB'S STRATEGIC APPROACHES

Aspect	Challenge Description	EIB Strategic Response
Market Fragmentation	Diverse regulations and policies hinder scalability	Partnerships and policy advocacy to harmonize markets
Limited Scalability	Difficulty expanding across multiple markets	Targeted funding instruments supporting cross-border growth
Long-Term Financing Gap	Insufficient patient capital for innovation projects	Equity, guarantees, and loans aligned with innovation timelines
Market Inefficiencies	Increased risks and costs deter investment	Risk mitigation through co-financing and syndication
Regulatory Divergence	Inconsistent frameworks limit innovation portability	Policy advocacy for regulatory convergence

# EIB Group: innovative start-ups and Mid-Caps



Revolut N26

nexi scalapay

famoco

iAvoier

# The Italian Fintech Market

## MARKET VALUATION

- **USD ~5-7 billion in 2024** projected to reach **~USD 19-14 billion by 2033** with strong growth (CAGR ~ 10-15%).

## SUB-SEGMENTS

- **Digital payments** and online lending platforms show robust expansion.
- **Wealth management fintech** is also significant — estimated at USD 8.5 billion — driven by demand for digital investment services.

## KEY GROWTH DRIVERS

- In Digital Payments, **Instant payments, mobile wallets, and contactless tech are central** to consumer adoption.
- **Open banking** (post-PSD2) and API-based embedded finance (banking integrated into everyday platforms) are **reshaping how services are delivered**.
- Fintech firms are attracting **increasing capital, with planned investments totaling ~€2 billion (2024)**.
- Venture capital and corporate venture arms are growing sources of funding, powering innovation and scale-ups. **Partnerships between fintech startups and established banks (e.g., through open innovation programs) are common, blending agility with regulatory reach.**

# EIB SUPPORTING THE INNOVATION

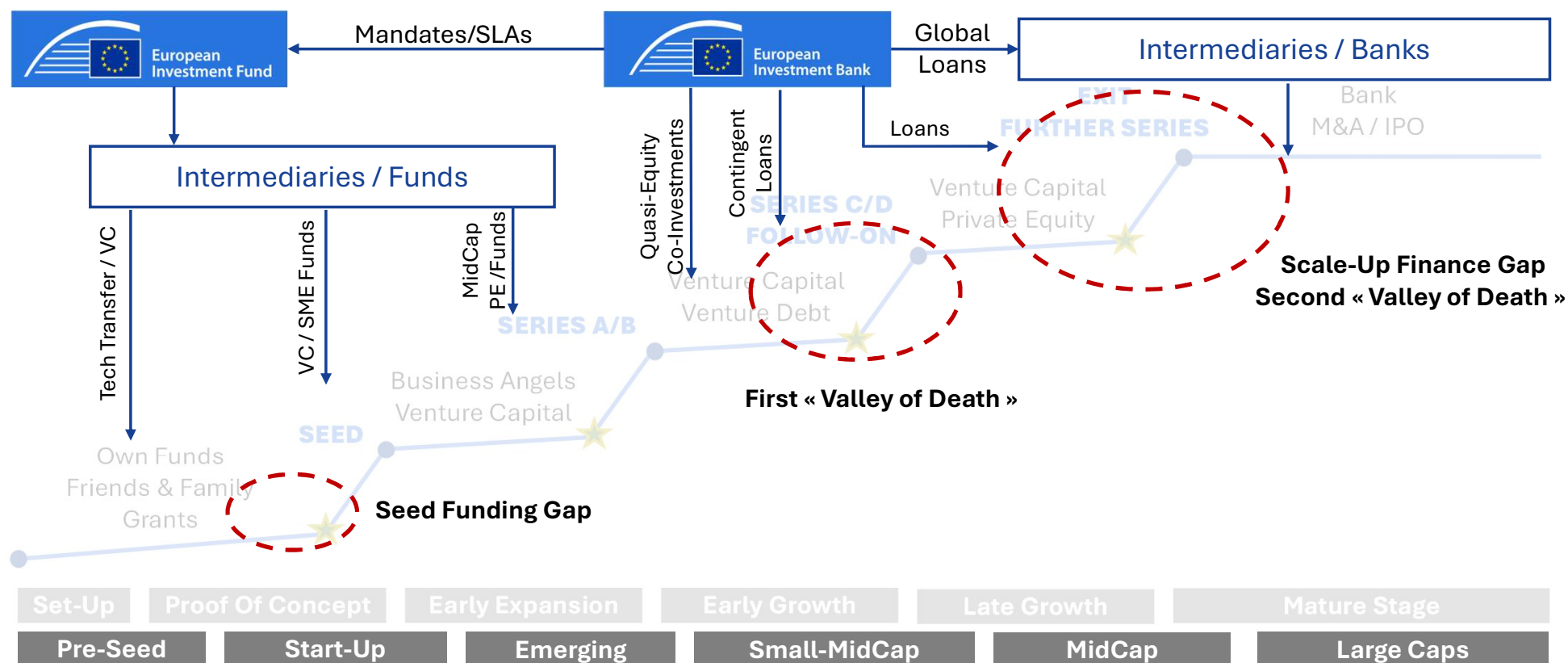


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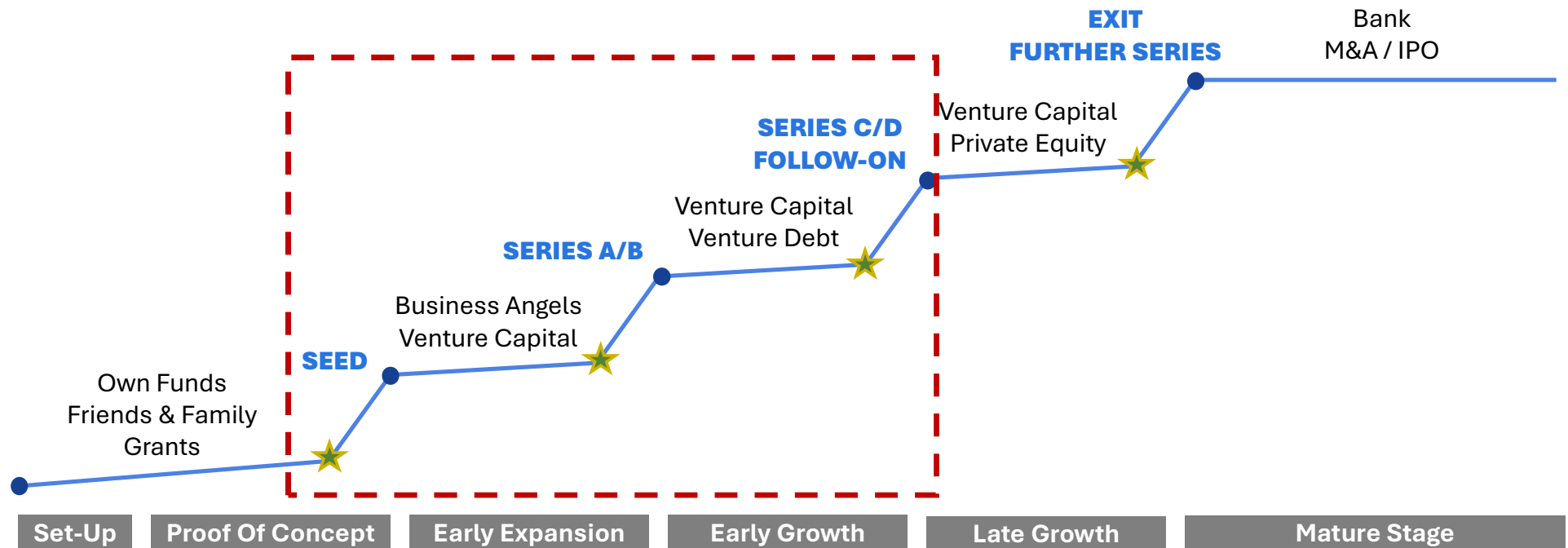
# FINANCIAL LIFECYCLE OF ENTERPRISES

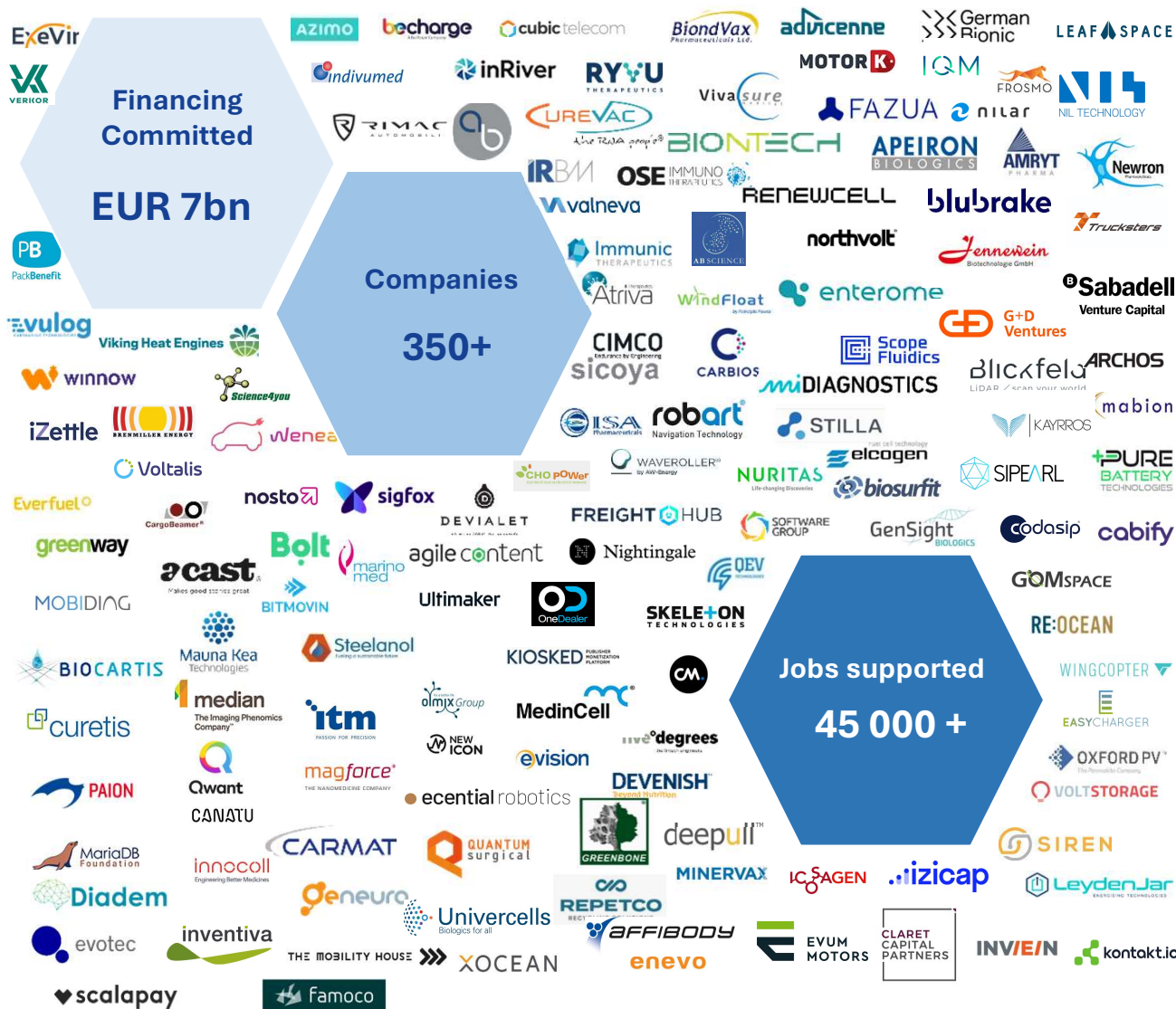
## Catalytic Effect of the EIB Group



# FINANCIAL LIFECYCLE OF ENTERPRISES

## The most challenging Financing Gap for Entrepreneurs





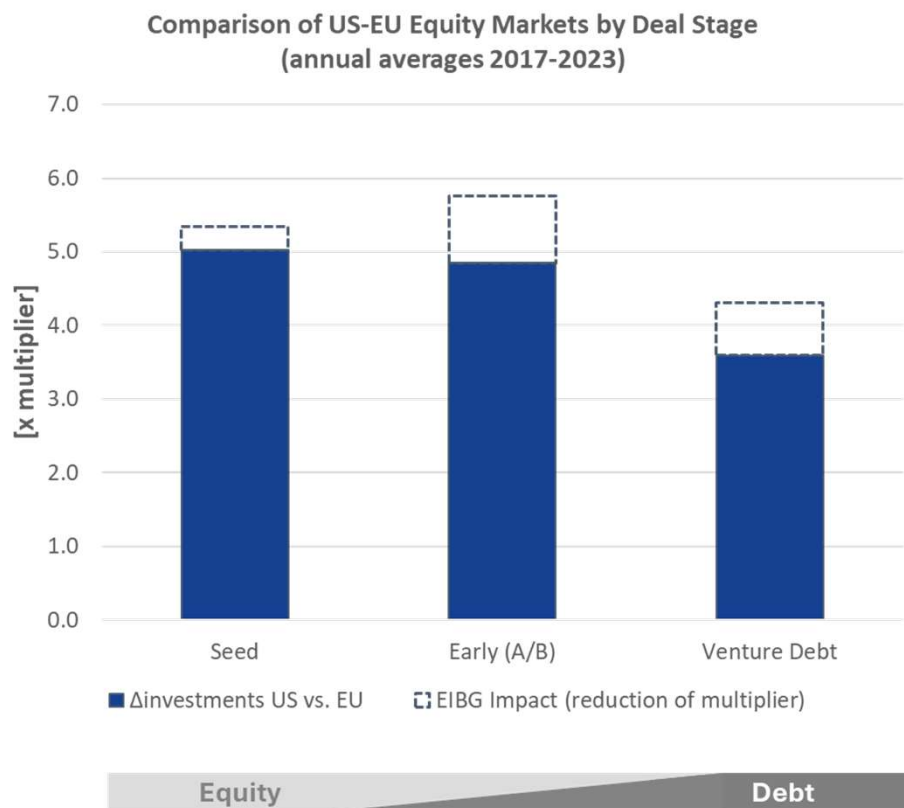
# SUPPORTING INNOVATION...

## LARGEST PROVIDER OF VENTURE FINANCING TO START-UPS IN EUROPE

- Financing tailored to the needs of clients
- Broad range of instruments: advisory services, guarantees, equity and quasi-equity investments, corporate loans
- Focused on strategic sectors: AI, quantum, robotics, cleantech, life sciences, **space**

# SUPPORTING THE MOST DIFFICULT YEARS

## Patient Capital needed for the Long-Run



### STRUCTURAL MARKET CHARACTERISTICS IMPACTING THE AVAILABILITY OF CAPITAL

- Persistent differential of capital between US and EU ecosystems, notably in the most 'equity-demanding' stages
- Mixed evidences of improving valuations when companies move to the United States<sup>1</sup>

### PUBLIC INVESTMENTS HELPS CLOSING THE INNOVATION FINANCING GAP

- European Commission
- European Innovation Council
- European Investment Fund
- European Investment Bank

*Note: author's analysis from EIB Group and PitchBook data. The graph represents the differential between US and EU markets. It should be read as a multiplier of the former compared to the latter (e.g., for 'Early-Stage (A/B)' investments, the capital available in the US is 4.9x the capital available in the EU. However, without the support of EIBG programmes and products, that could be close to 6.0x). 1-Financial Times' article "US listings often fail to boost European companies' valuations", March 2015.*

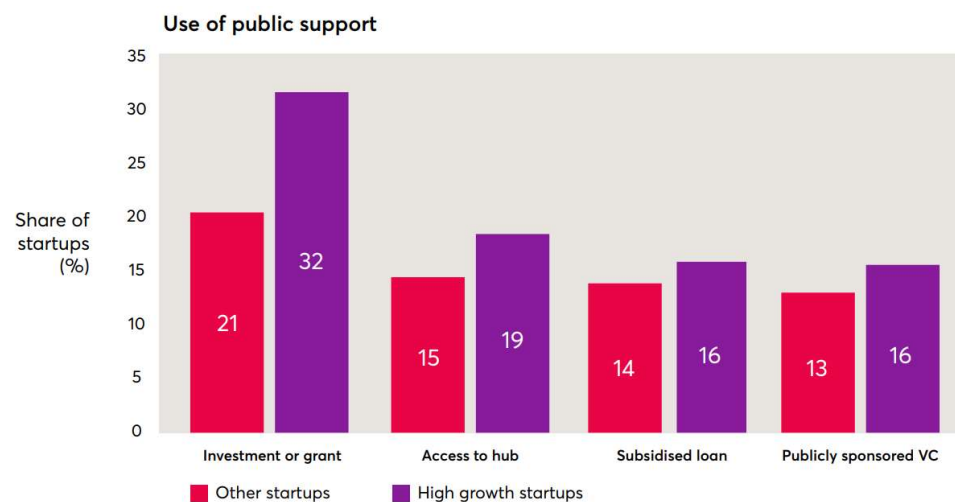
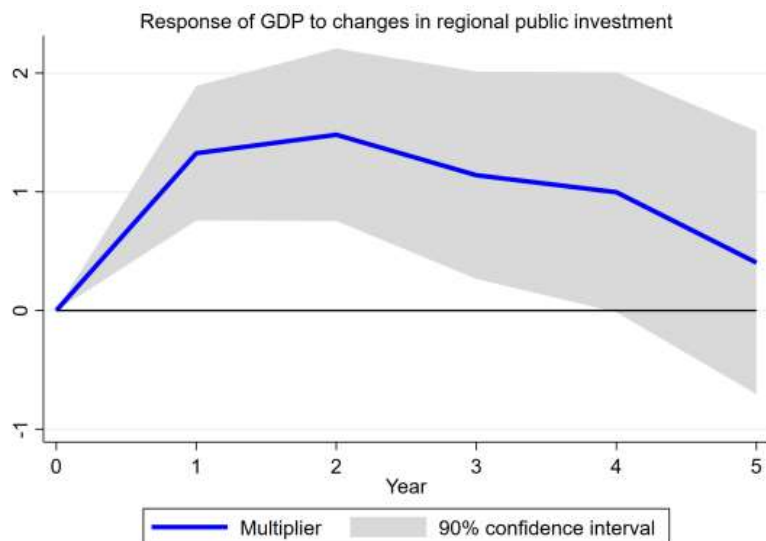


# THE CRITICAL ROLE OF PUBLIC FUNDING

## Advantages for Entrepreneurs and the broader Economy

### CORRELATION BETWEEN PUBLIC SUPPORT AND COMPANIES' INNOVATION AND GROWTH

- 1 in 2 start-ups uses at least one form of public support
- High-growth start-ups usually tap into multiple types of public funding



### PUBLIC SUPPORT RESULTING IN REDUCED CONSTRAINTS

- Lower pressure on exits
- Potential lever to attract additional (private) funding
- Potential negative effect of lower rate of entrepreneurial recycling

*Note:* EIB Report “From starting to scaling. How to foster startup growth in Europe”, May 2020. Available at the URL: [from\\_starting\\_to\\_scaling\\_en.pdf](#) and EIB Working Paper “Complementarities between local public and private investment in EU regions”, July 2023. Available at the URL: [EIB Working Paper 2023/04 - Complementarities between local public and private investment in EU regions](#)

# THE ENTREPRENEURIAL TEAM

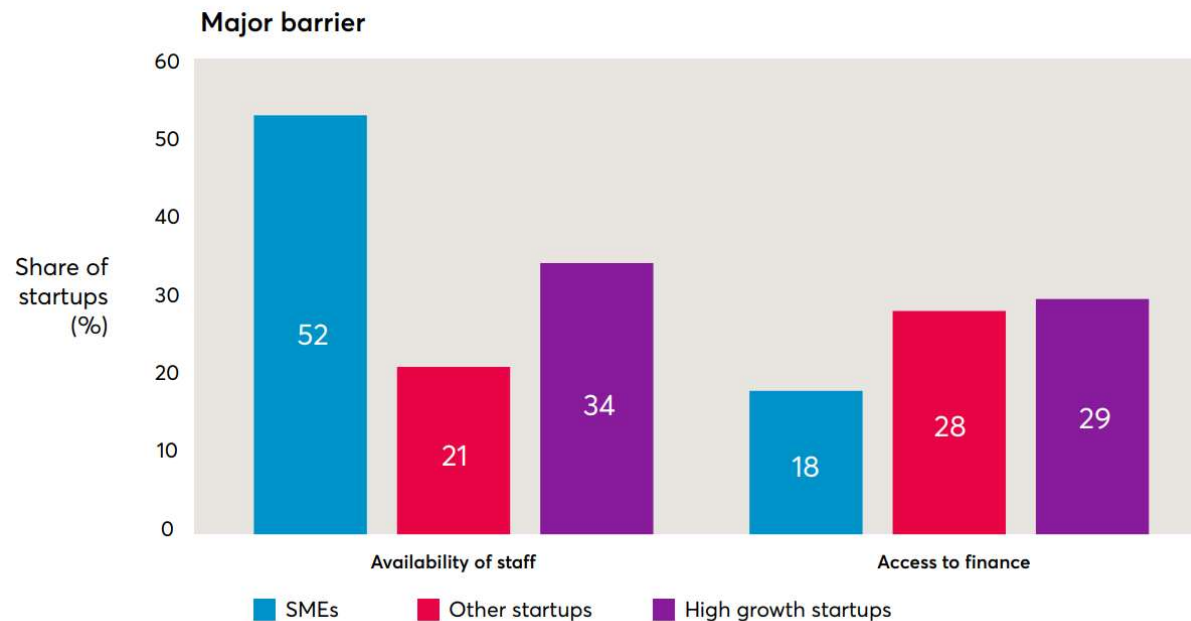
## One of the (if not The) most important Factors for Success

### CRITICALITY OF THE RIGHT ORGANISATION

- Knowledge of the industry and its characteristics, ability to cope with business cyclicity
- Alignment of interests

### MATCHING DEMAND AND OFFER (HR)

- Lack of knowledge of products and services not seen as significant barrier
- 43% - struggle to recruit employees with right technological skills
- 25% - job candidates lack the attitude, motivation or personality



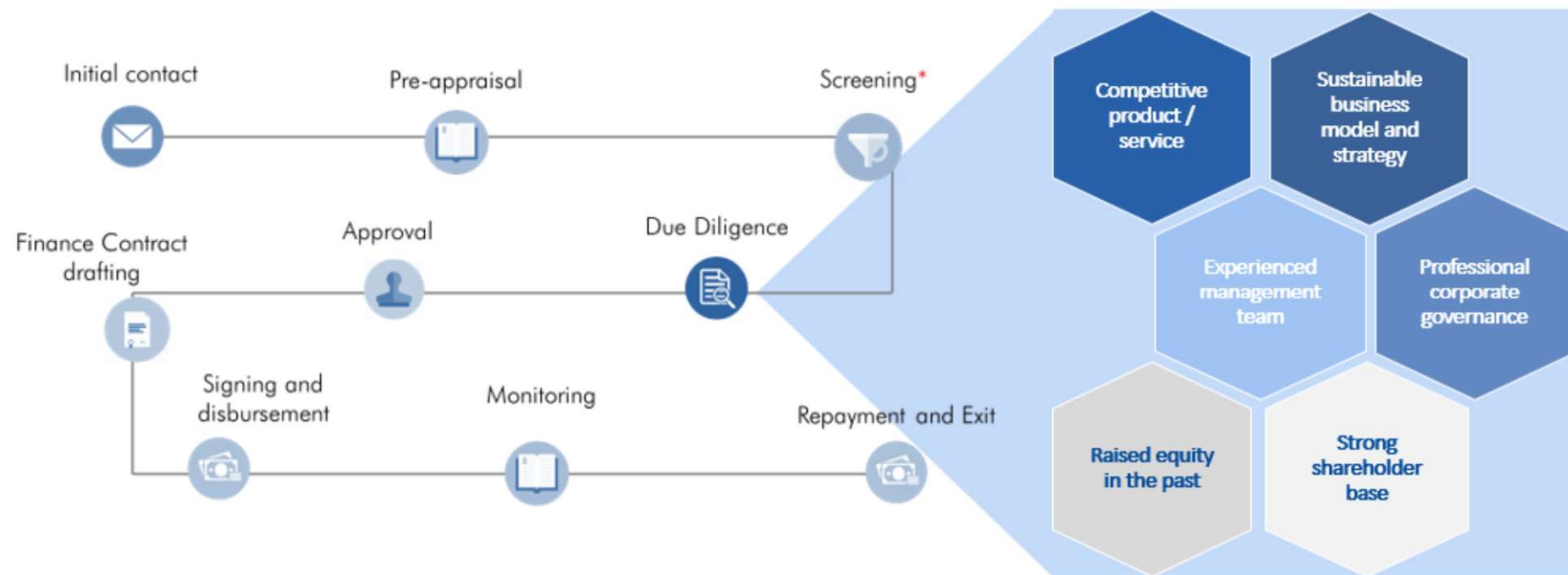
*Note: EIB Report "From starting to scaling. How to foster startup growth in Europe", May 2020. Available at the URL: [from\\_starting\\_to\\_scaling\\_en.pdf](#).*

# FINANCING IS A CONTINUOUS PROCESS 3

## Importance of Setting up the Right Structure from the Start

### IMPORTANCE OF THE TEAM

- **Roles and expectations** of different contributions sought after by the companies
- **Roles and expectations** of different investors involved (syndication)
- Significant deployment of efforts and resources (time and money)
- Ability to cope with **financing shortfalls** and cyclicity



# THANK YOU

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