



European
Investment Bank

Alessandro IZZO

Director

Equity, Growth and Project Finance

Milano, Banca d'Italia 16 gennaio 2026

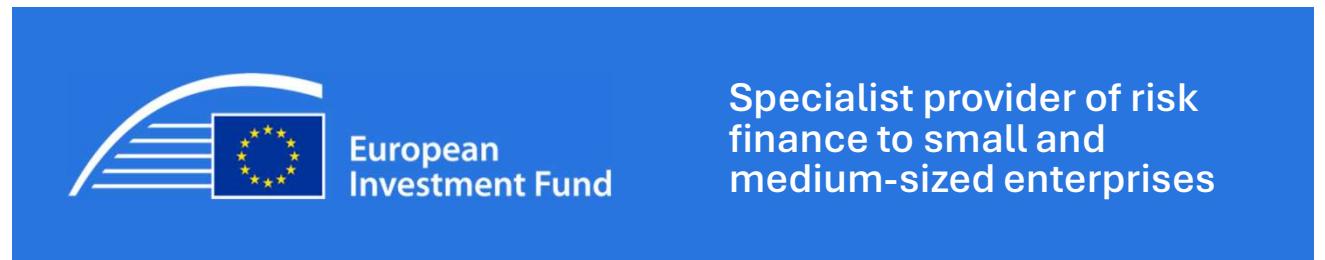
THE EIB GROUP



European
Investment Bank | Group



The lending arm of the
European Union since 1958



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 |

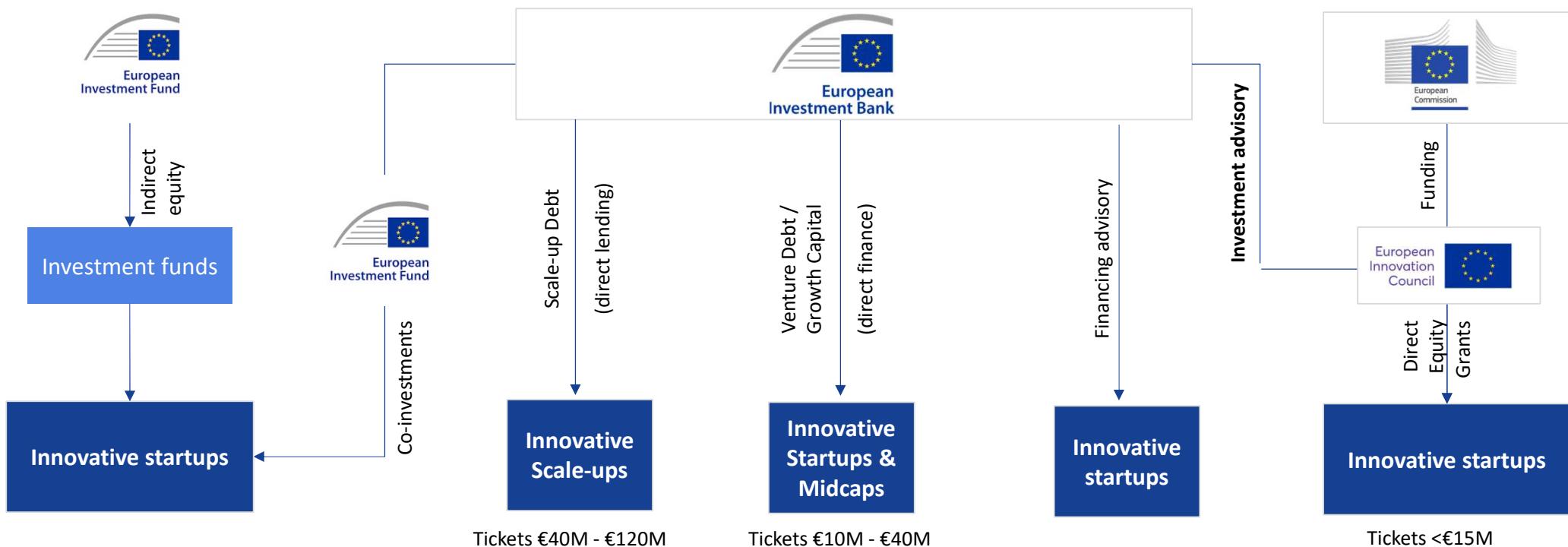
MAIN CHALLENGES OF INNOVATION FINANCING IN EUROPE

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

Avvoier



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.

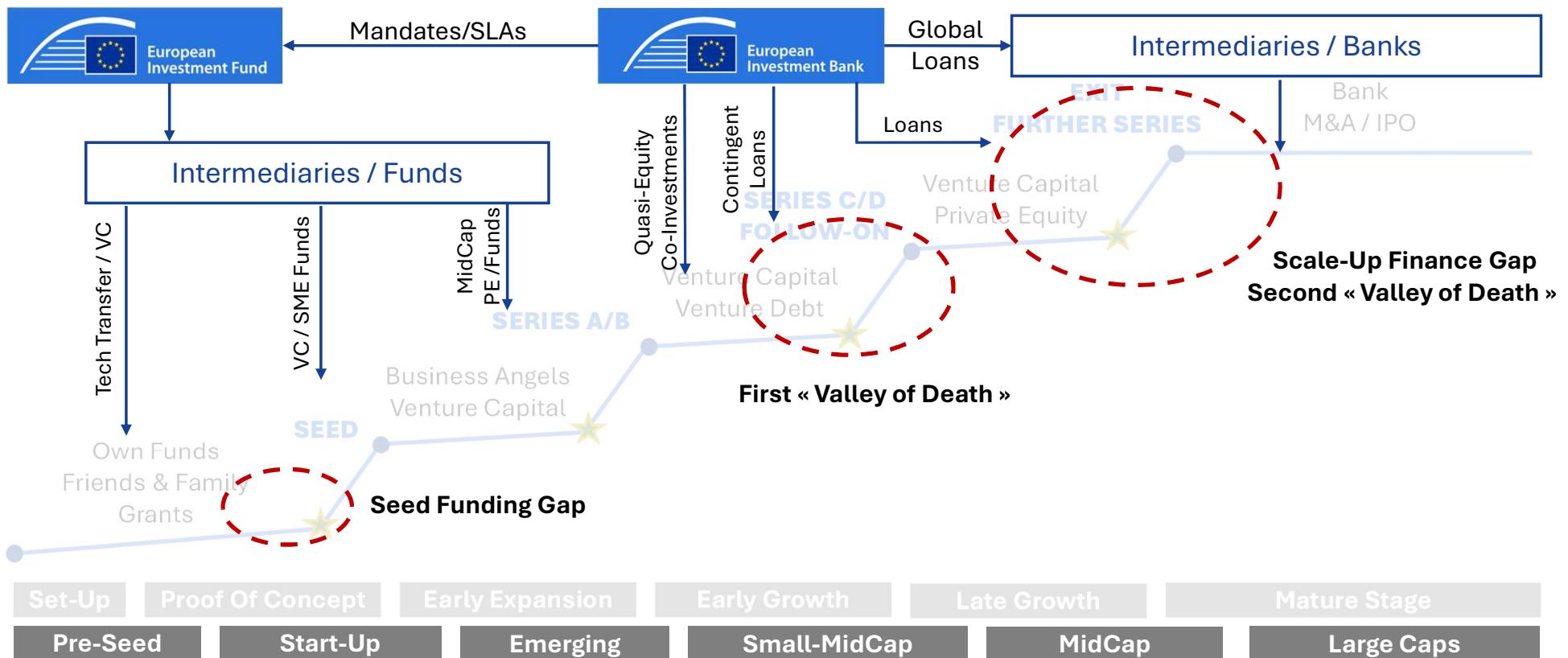
EIB SUPPORTING THE INNOVATION



European
Investment Bank

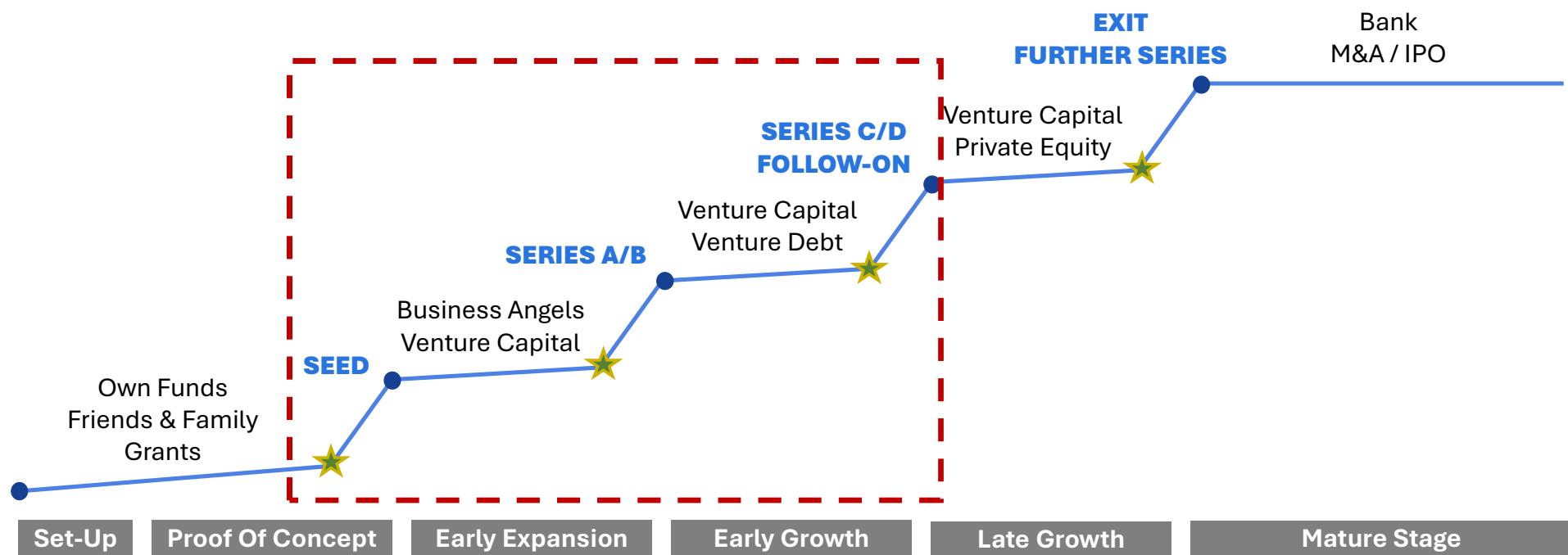
FINANCIAL LIFECYCLE OF ENTERPRISES

Catalytic Effect of the EIB Group



FINANCIAL LIFECYCLE OF ENTERPRISES

The most challenging Financing Gap for Entrepreneurs





SUPPORTING INNOVATION...

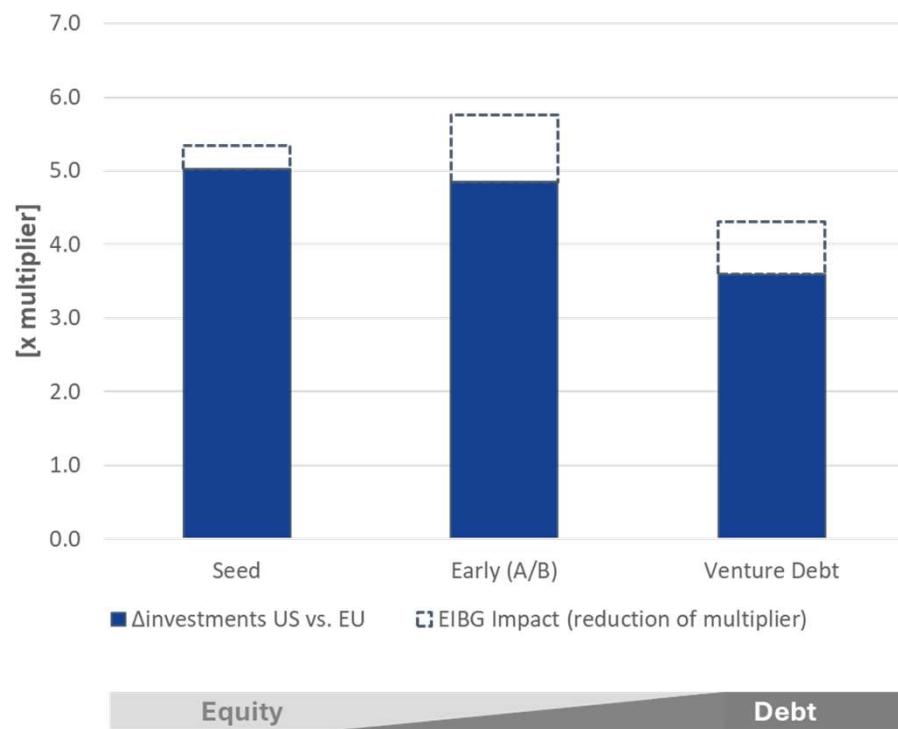
LARGEST PROVIDER OF VENTURE FINANCING TO START-UPS IN EUROPE

- 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

Comparison of US-EU Equity Markets by Deal Stage
(annual averages 2017-2023)



STRUCTURAL MARKET CHATACTERISTICS 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 States¹

PUBLIC INVESTMENTS HELPS CLOSING THE INNOVATION FINANCING GAP

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

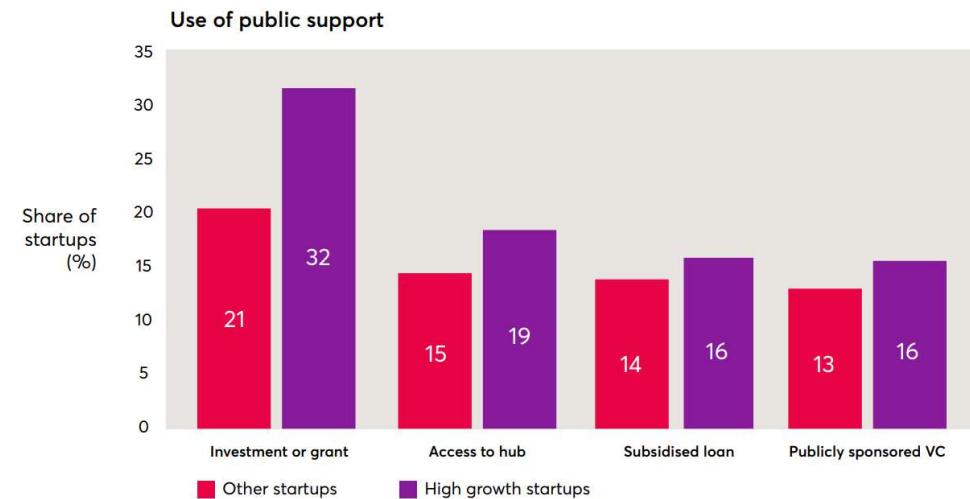
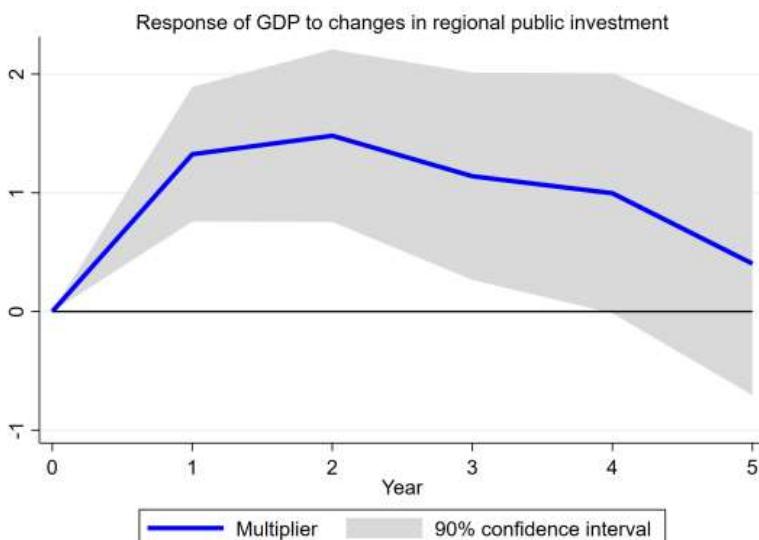
Note: author's analysis from EIB Group and PitchBook data. The graph represents the differential between US and EU markets. It should be read as a multiplier of the former compared to the latter (e.g., for 'Early-Stage (A/B)' investments, the capital available in the US is 4.9x the capital available 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



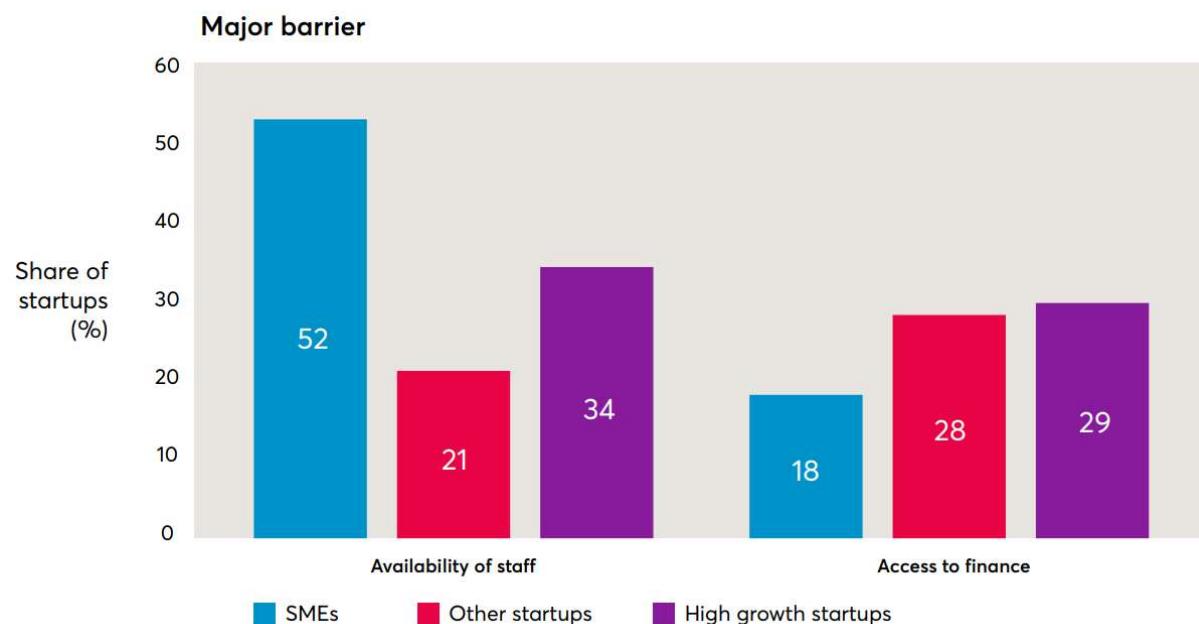
PUBLIC SUPPORT RESULTING IN REDUCED CONSTRAINTS

- Lower pressure on exists
- 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

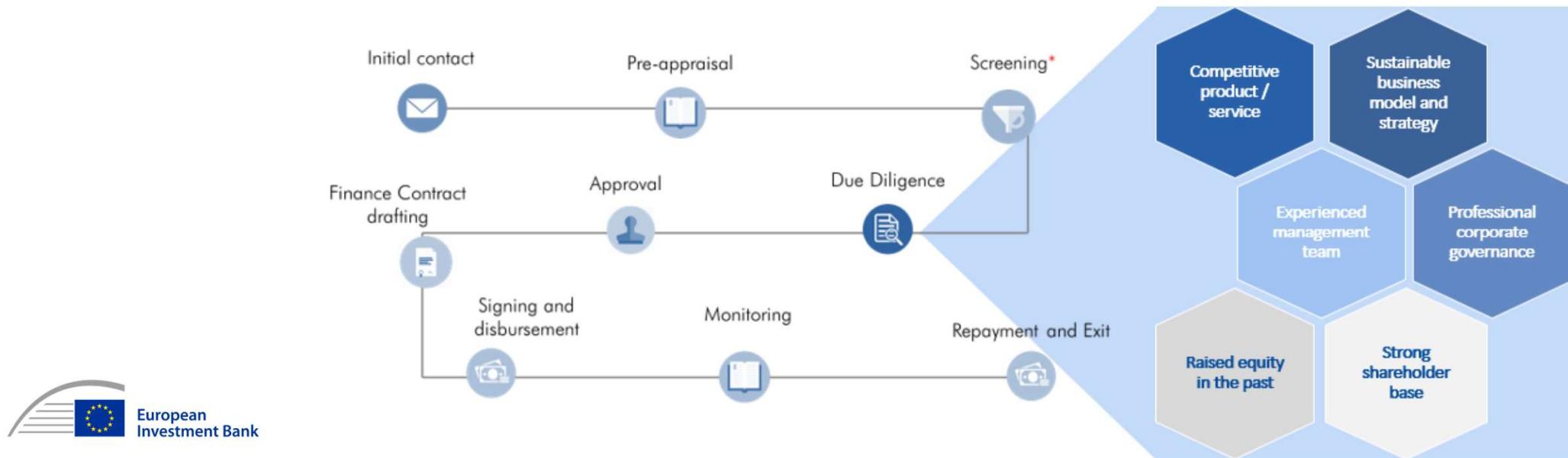
Note: EIB Report "From starting to scaling. How to foster startup growth in Europe", May 2020. Available at the URL: from_starting_to_scaling_en.pdf.

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



A photograph of a modern glass and steel building, likely the European Investment Bank, during sunset. The sky is a gradient of blue, purple, and orange. The building's glass facade reflects the warm colors of the setting sun. In the foreground, there is a parking lot and some trees.

THANK YOU

a.izzo@eib.org

