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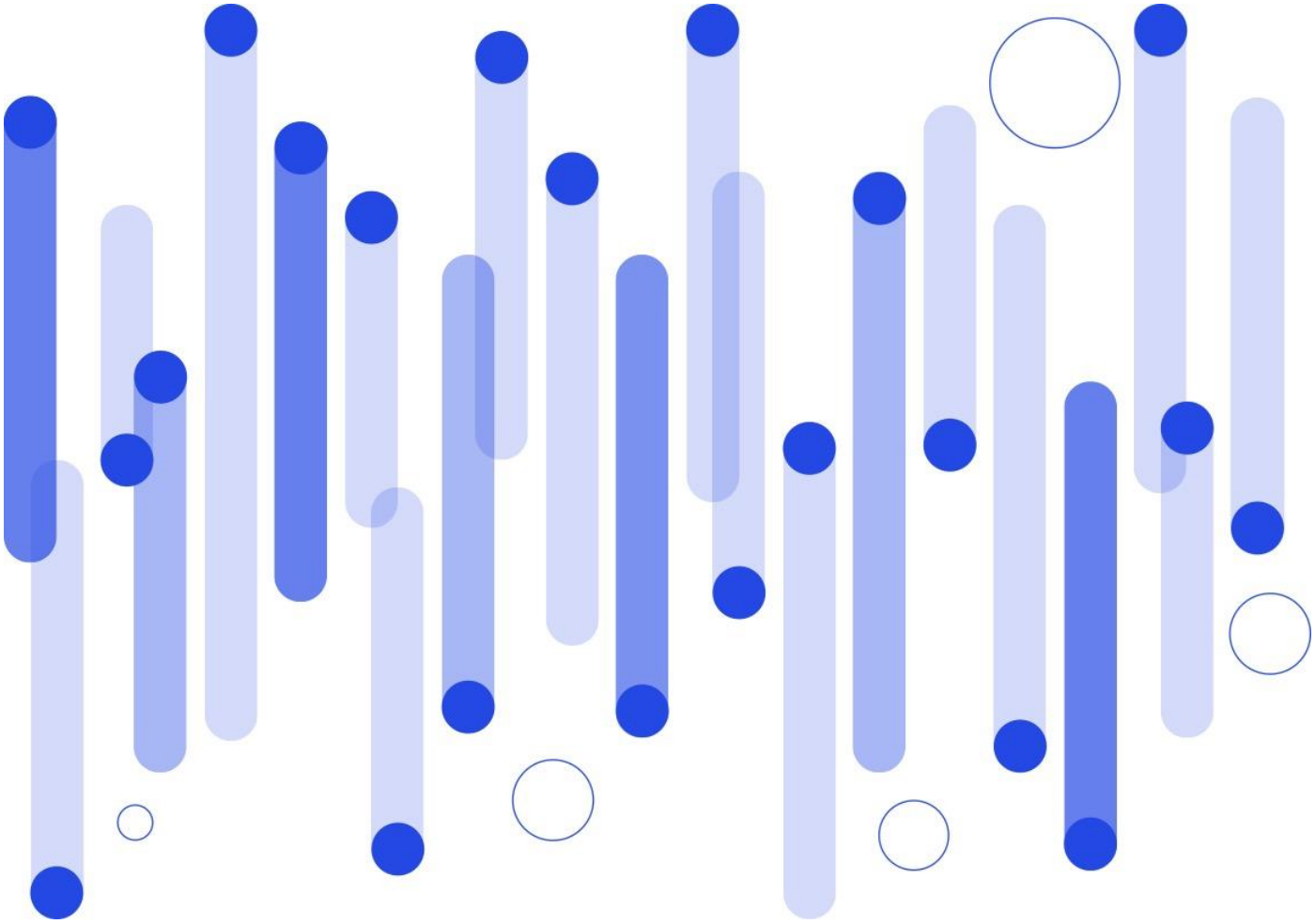

Unlocking the Potential of Cleantech Innovation in Europe

Findings from four research papers on the European cleantech ecosystem

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Executive Summary

Europe's cleantech sector isn't emerging, it's ready to scale. The common perception is that cleantech is still in its infancy. But the data tells a different story: over 60% of cleantech firms were founded before 2000. These companies are already embedded in industrial value chains and exhibit high technological readiness, 74% report high Technology Readiness Levels (TRLs). The real challenge is not invention, but deployment at scale. That means shifting from early-stage support to financing mechanisms that enable growth, market entry, and infrastructure integration.

Implication: Europe needs to pivot from nurturing to accelerating, with scale-up capital, procurement pipelines, and industrial anchoring.

Venture capital works for cleantech, but growth still stalls. There's a persistent belief that cleantech is ill-suited to VC due to its capital intensity. Yet the evidence shows otherwise: VC-backed cleantech firms grow significantly faster than their non-VC-backed peers, by over 8% in assets and nearly 8% in employment. Their performance is on par with VC-backed firms in other sectors. The real issue is not a mismatch, but a lack of follow-on and growth-stage capital. This financing vacuum, especially in later stages, is a key constraint, and is explored in depth in the VC-focused section of this paper.

Implication: Strengthen scale-up capital options, including growth equity, late-stage funds, and blended instruments. Institutions like the EIF can contribute by tailoring their tools to evolving market needs and by using data to inform policy and investment decisions.

Innovation depends on ecosystems, not just inventors. Only 12.5% of cleantech firms are core innovators. The remaining 87.5%, manufacturers, integrators, operators, are essential to deployment and market delivery. Yet these ecosystem actors often lack the regulatory, financial, and strategic capabilities needed to scale. Survey data shows that 47% of firms cite regulatory complexity as a major barrier, and ecosystem firms are disproportionately affected. Without targeted support, these actors risk becoming bottlenecks rather than enablers.

Implication: Invest in ecosystem enablers, especially those with hybrid capabilities in regulation, IP, and strategic scaling.

These insights are drawn from four interlinked studies conducted under the CLEU project, a collaboration between Politecnico di Milano, Politecnico di Torino, and Università degli Studi di Bologna, coordinated by the European Investment Fund (EIF) and supported by the European Investment Bank (EIB)'s University Research Sponsorship (EIBURS) programme. The project reflects EIF's interest in understanding the dynamics of cleantech financing, innovation, and policy, with the aim of improving the relevance and effectiveness of its support instruments.

Together, the findings offer a clear message: cleantech in Europe is mature, investable, and strategically vital, but unlocking its full potential requires a shift in how we think about innovation, risk, and growth.

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Introduction

The European Union's goal of reaching climate neutrality by 2050 has entered a critical stage. With a proposed 2040 target of reducing greenhouse gas emissions by 90%, the challenge is now to align environmental ambition with industrial competitiveness. This is the focus of the European Commission's Clean Industrial Deal[1], which calls for smarter use of financial and regulatory tools to scale green technologies, strengthen Europe's industrial base, and reduce strategic dependencies.

Cleantech innovation is central to this effort, not just as a climate solution, but as a source of resilience, technological leadership, and high-quality jobs.

To support cleantech effectively, we need a clear picture of who the relevant companies are, what challenges they face, and where support is most needed. The CLEU project addresses this by using advanced machine learning techniques to identify cleantech firms across Europe. It also draws on firm-level surveys, econometric evaluations, and venture capital analyses to build a comprehensive evidence base for better policy and financial interventions.

This paper distils the findings of four interconnected CLEU studies. Instead of presenting them in isolation, we extract cross-cutting insights, highlighting Europe's readiness to scale cleantech, persistent capital gaps, and the strategic role of ecosystem actors beyond core innovators.

These findings are particularly relevant to institutions like the European Investment Fund (EIF), which plays a central role in mobilising finance for innovation and sustainability. As the EU's specialist provider of risk capital, the EIF is uniquely positioned to help address the cleantech sector's financing bottlenecks, support emerging fund managers, and strengthen innovation ecosystems across member states.

[1] Clean Industrial Deal - European Commission

1 Mapping the European Cleantech sector

Paper number 1: Ambrois M., Buttice' V., Caviggioli F., Cerulli G., Croce A., De Marco A., Giordano A., Resce G., Toschi L., Ughetto E., Zinilli A. (2023). *Identifying Cleantech Companies to Inform Policy and Investment Decisions: A Machine Learning Approach*. EIF Working Paper 2023/91. European Investment Fund.

Cleantech innovation is central to Europe's sustainable transition. Yet, paradoxically, one of the major challenges in supporting this sector has been knowing exactly who the relevant firms are. Existing classifications, such as NACE sector codes or funding programme labels, often fail to capture the diversity and evolution of cleantech activities, especially as firms pivot their business models or operate across industrial boundaries.

This lack of clear visibility creates blind spots for policymakers, investors, and analysts. Without a reliable way to identify cleantech firms, it becomes difficult to assess their performance, target interventions, or track sector development over time.

To address this gap, the CLEU project developed a robust, data-driven methodology to systematically identify cleantech companies across Europe. The approach uses supervised machine learning (ML) techniques applied to the full-text business descriptions in the Bureau van Dijk Orbis database, allowing a granular classification based on what companies actually do, rather than what sector they nominally belong to.

This methodological innovation is significant. By moving beyond static sector codes, it captures real economic activity and reveals the structure of a sector that has previously been difficult to map. It also enables consistent, large-scale comparisons across countries and technology areas, something that was not previously feasible with available datasets.

The process involved three stages:

1. A supervised ML model trained on a hand-labelled sample to identify cleantech vs. non-cleantech firms.
2. Automated filters to reduce false positives.
3. Manual categorisation of firms into specific technological domains and roles within the cleantech value chain.

From an initial pool of over 537,000 firms, the model identified 23,858 cleantech companies (see Table 1). These were divided into:

Cleantech innovators (12.5%): companies that create and/or use clean technologies as their core business. These are the technological core of the cleantech supply chain.

Cleantech ecosystem firms (87.5%): companies that adopt, support, or commercialise clean technologies. These are subdivided into:

- **Experimenters and manufacturers**, who are upstream contributors facilitating technology development.
- **Distributors, integrators, and operators**, who support downstream deployment and market access.

	# companies	%
Cleantech innovators	2,990	12.5%
Cleantech ecosystem	20,868	87.5%
Experimenters	103	0.4%
Manufacturers	5,380	22.6%
Distributors	3,337	14.0%
Integrators	6,558	27.5%
Operators	5,490	23.0%
Total	23,858	100%

Table 1: Classification of Cleantech companies into different ecosystem segments

This classification provides a unique and previously unavailable lens into the cleantech economy, not only spotlighting the core innovators but also the larger ecosystem of firms that make deployment and market integration possible. These companies were further categorised into seven technological areas: environmental management, resources preservation, industrial energy management, capture, storage, sequestration, or disposal of greenhouse gases (GHG), sustainable modes of transport, sustainable buildings, and other categories (Figure 1).

The data also show that cleantech is deeply rooted in real industrial activity, with most firms falling under manufacturing, construction, trade, and waste management according to NACE codes. Spatially, Germany, Italy, and France lead in firm concentration (Figure 2), but cleantech activity is spread widely across Europe. Importantly, over 60% of these companies were founded before 2000, underscoring that cleantech is not a nascent sector, but an established one.

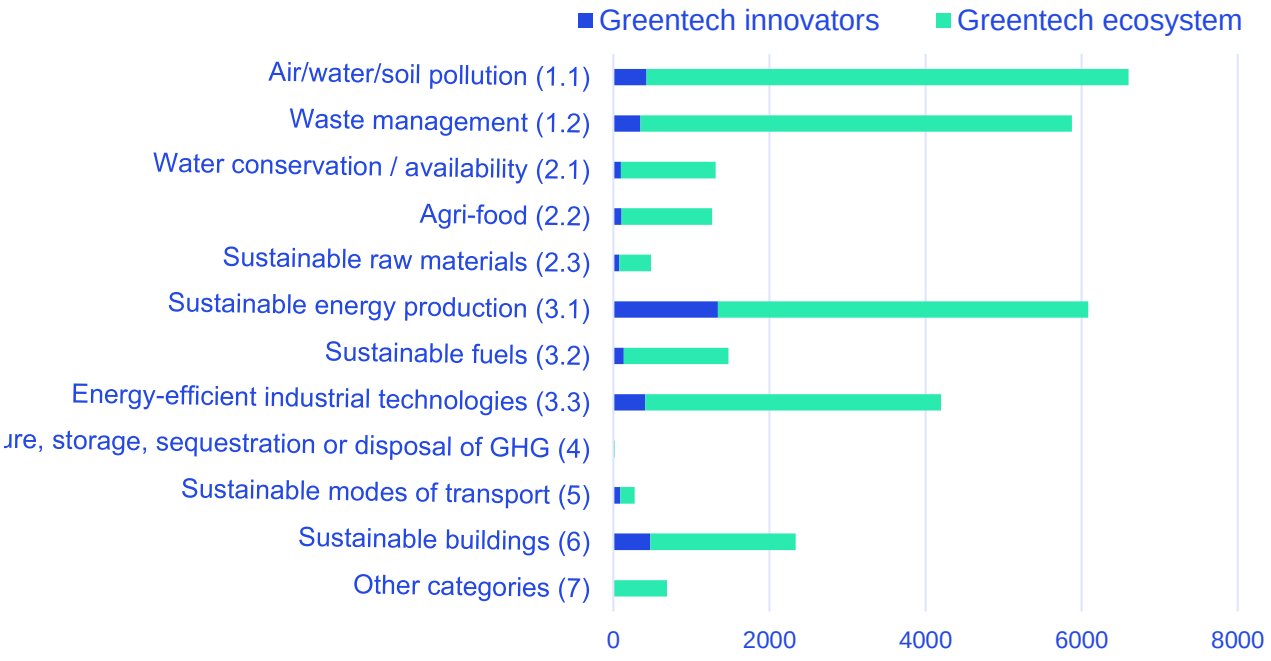

Figure 1: Cleantech innovators and ecosystem companies by technological categories

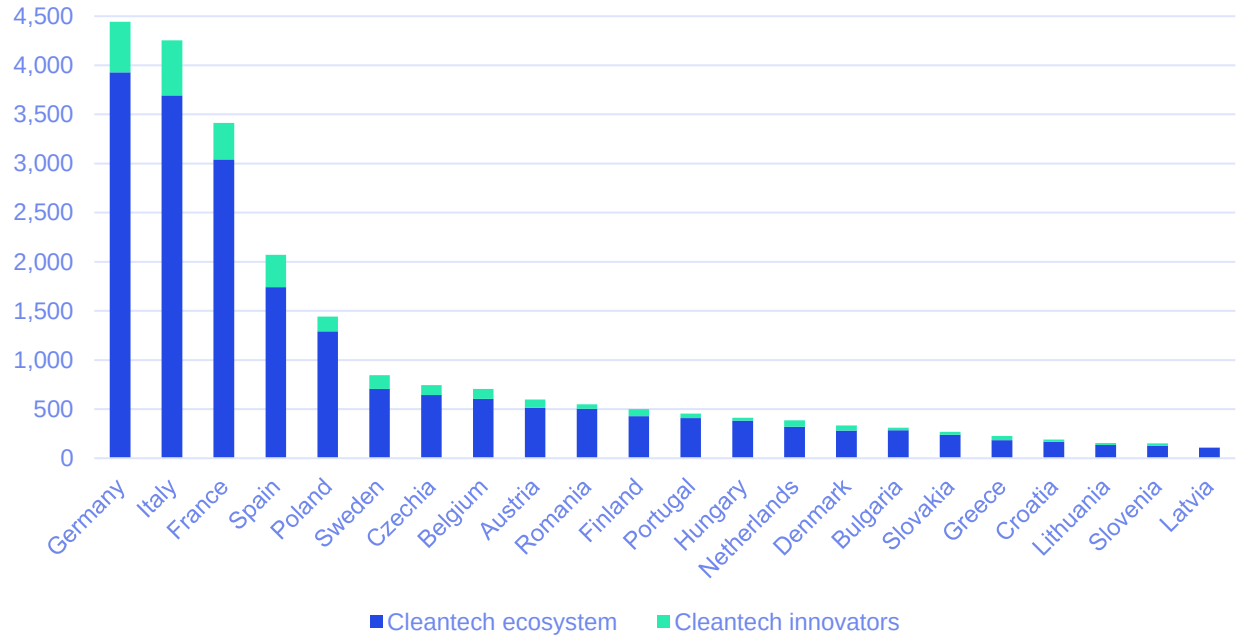

Figure 2: Distribution of Cleantech companies by country (with more than 100 companies)

2 Insights from the EIF Cleantech Survey

Paper number 2: Bosio, A., Croce, A., Toschi, L., Ughetto, E. (2024). *Cleantech Industry Survey 2023. Financing, regulatory, innovation and human capital issues.* Working Paper 2024/98. European Investment Fund.

Understanding what cleantech firms need requires hearing from them directly. That's why the CLEU project included a dedicated survey of firms identified through the machine-learning mapping. The survey[2] targeted both cleantech innovators and ecosystem firms to better understand the challenges and opportunities faced by firms in the sector, with a particular focus on financing, regulatory, innovation, and human capital issues.

The goal was to explore how these firms operate, where they encounter bottlenecks, and what kind of support they find most useful, or lacking. A major strength of the survey is that it treats innovators and ecosystem firms as distinct groups with different growth patterns and support needs.

Finance: Scaling ambitions meet capital bottlenecks

Cleantech firms, especially those developing new technologies, are capital-intensive by nature. Around half of innovators surveyed plan to raise external funds, with many targeting more than EUR 50 million over the next five years. This reflects large-scale deployment ambitions, particularly in infrastructure-heavy or industrial contexts. But access to suitable finance remains uneven.

Among **ecosystem** firms, which include manufacturers, integrators, and operators are often

[2] The survey was distributed to a subset of the full database of 23,858 identified cleantech companies. Due to limitations in contact data availability, emails were successfully sent to 17,505 firms, out of which 139 completed the survey.

beyond the R&D phase but still face high technology or market risks. Their business models are less visible to investors and often lack the margins or growth curves attractive to venture funders.

Public funding, while widely seen as important, is difficult to access. Most firms cited complex and time-consuming application processes.

The survey further reveals how cleantech firms are navigating the landscape of funding options. Internal financing emerged as the most prevalent source, utilised by over 80% of respondents, while bank loans and grants were each accessed by more than half of the companies surveyed (see Figure 3). Equity financing, indicative of the sector's capital intensity and ambition for growth, was also prominent, with around half of firms making use of it.

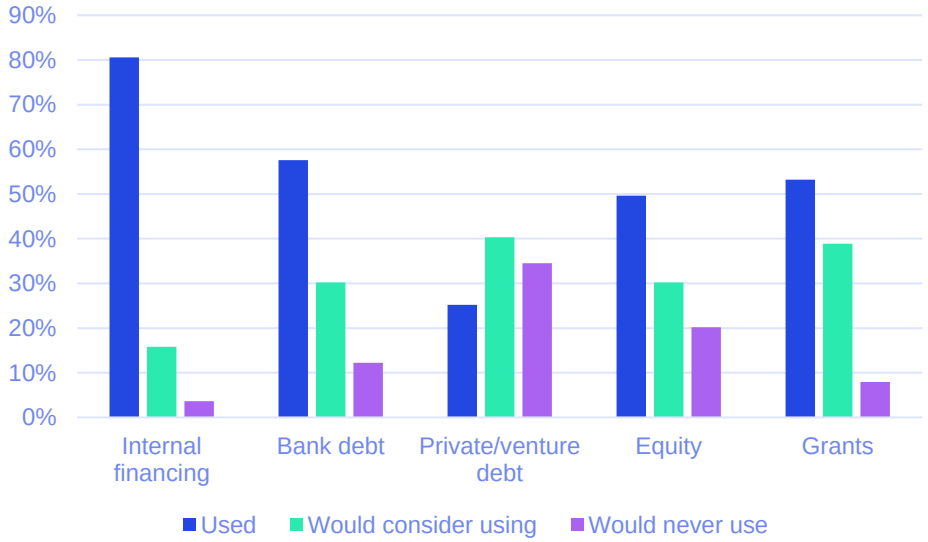

Figure 3: Financing instruments preferences
Q: "Has your company used or would consider using the following financing instruments?" (single choice for each category) (based on 139 respondents)

Takeaway: Capital gaps differ across the cleantech value chain. Innovators need large-scale, growth-stage finance; ecosystem firms need flexible, lower-risk instruments such as concessional debt, guarantees, or blended finance. Public grant programmes are critical but must be simplified and better tailored to the needs of both groups.

Regulation: Enabler and obstacle

Regulatory complexity was cited as a key barrier by 47% of respondents, but its impact is **not evenly felt** (see Figure 4).

For **innovators**, regulation often acts as a signal: clear policies can validate a market, derisk investment, or stimulate demand (e.g. through emissions targets or public procurement). These firms benefit most from targeted, forward-looking policy instruments that create predictable incentives.

In contrast, **ecosystem firms**, which make up nearly 90% of the cleantech sector, are more vulnerable to **regulatory friction**. These companies operate closer to the market and must navigate permitting, compliance, and technical standards on a daily basis. Many lack in-house legal or policy teams, and the cumulative burden of regulation can act as a deterrent to entry or growth.

Survey respondents flagged two key issues:

- **Administrative burden**, particularly around applying for public support or meeting reporting obligations (58%).
- **Uncertainty** over how environmental or technology-specific rules will evolve (47%).

Takeaway: Regulation must do more than incentivise invention, it must enable execution. That means reducing complexity and compliance costs for ecosystem firms while providing market certainty and demand signals for innovators. Public policy should be designed with both types of actors in mind.

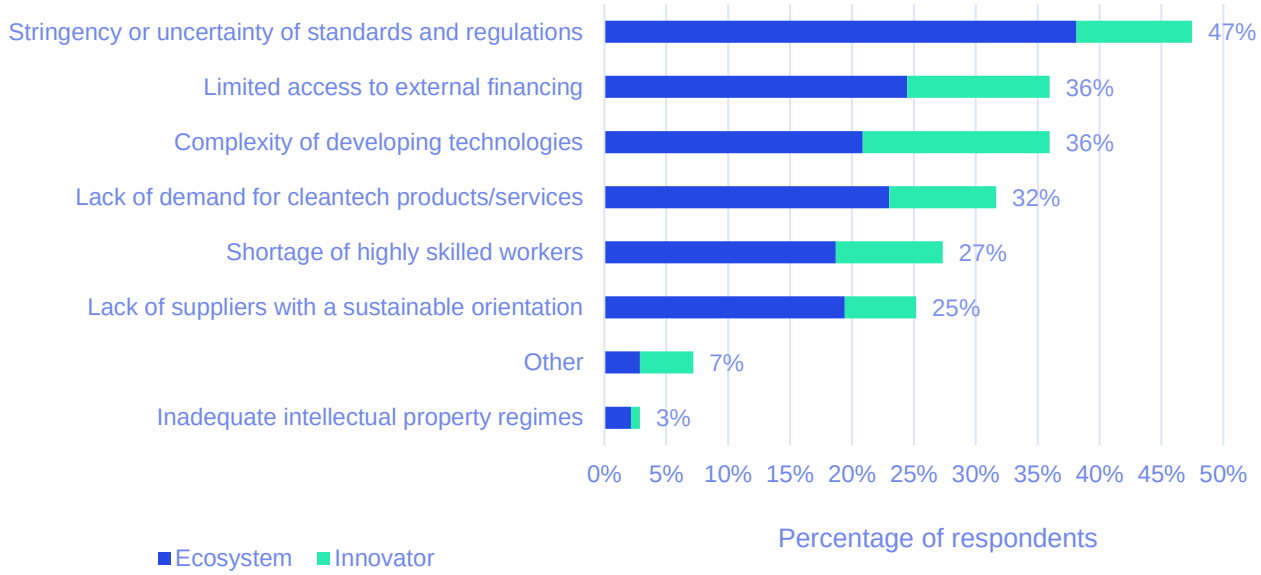

Figure 4: Main difficulties faced entering the cleantech sector
Q: "What are the main difficulties your company faced after you entered the cleantech sector?" (multiple choice) (based on 139 respondents)

Innovation: Mature among innovators, adaptive among ecosystem firms

Innovation is a defining feature of the cleantech sector, but its form and intensity vary significantly by firm type.

Among cleantech companies**,** the data point to a mature, commercially viable technology base:

- 74% report high **Technology Readiness Levels (TRLs),** meaning their technologies are close to or already at market deployment.
- Most engage in internal **R&D** (84%) or **collaborative innovation projects** (79%).
- Patents are the primary **intellectual property (IP)** protection method.

This reinforces a key finding from the CLEU project: **cleantech innovation is not emergent, it is ready to scale**. Many of these firms are well past the pilot stage but still lack access to growth finance and market-entry platforms.

High technological readiness across the sector is largely driven by the core cleantech **innovators**, the relatively small subset of firms pushing advanced solutions toward market deployment. Meanwhile, the vast majority of cleantech companies are **ecosystem** firms, and their innovation takes a different form. Their contributions focus on:

- **Product adaptation** (e.g. customizing clean technologies for end-users),
- **System integration** (e.g. embedding clean tech into existing infrastructure),
- **Service innovation** (e.g. new delivery or business models).

These forms of innovation are less likely to generate patents but are crucial for commercial

deployment. They are often under-recognised in traditional innovation metrics, yet essential for turning technological advances into market outcomes.

Takeaway: Europe's cleantech sector is already innovating at scale, but not all innovation looks the same. Innovators need scale-up support and stronger IP frameworks. Ecosystem firms need recognition and targeted support for non-patent-based, deployment-oriented innovation.

Capabilities: Strategic strengths, operational gaps

The survey also examined firms' internal capabilities, especially in areas critical to growth and market navigation.

Both **innovators** and **ecosystem firms** report strong capabilities in:

- **Business and strategic planning** (91%),
- **Finance and accounting** (92%),
- **Sustainability-related skills** (78%),
- **Soft skills** such as team management and communication (90%).

These are encouraging figures, reflecting an increasingly professionalised sector.

However, critical capability gaps remain: among **cleantech firms**, 45% plan to **outsource legal services**, and 38% expect to **outsource IP management**.

These gaps suggest that many firms, especially smaller ones, lack the resources or expertise to navigate complex regulatory environments, protect their innovations, or negotiate financing terms. For **innovators**, gaps are more about scaling execution than strategic planning. Firms may know what to do, but lack the bandwidth, support, or access to professional services to do it quickly and confidently.

Takeaway: Both groups need support, but of different kinds. Ecosystem firms need capacity-building around legal, regulatory, and IP issues to reduce risk exposure. Innovators need services and advisory support to accelerate execution and commercial growth.

Supply Chains: Mostly European, but under pressure

A resilient supply chain is critical for scaling cleantech, especially in capital goods, infrastructure, and industrial services.

The survey shows that most firms rely on **EU-based suppliers**:

- 62% for **innovators,**
- 57% for **ecosystem firms.**

This geographic anchoring is strategically valuable but does not eliminate risk. Firms cited **quality** and **price** as their top supplier selection criteria, but global competition and input volatility (e.g. raw materials, electronics) pose rising challenges.

Innovators may face upstream supply bottlenecks for specialised components or manufacturing capabilities.

Ecosystem firms, particularly those involved in integration and operations, are more exposed to downstream demand shifts and standards misalignment.

Takeaway: Europe's cleantech deployment hinges on supply chain resilience. While the current footprint is EU-centric, industrial policy should reinforce this positioning, through transparent trade rules, input diversification, and support for domestic manufacturing capacity.

3 Venture Capital's Role in Cleantech Growth

Paper number 3: Ambrois, M., Croce, A., Ughetto, E. (2025). *Greening the future: How venture capital nurtures cleantech companies' growth in Europe. Small Business Economics, forthcoming.*

Cleantech firms often face substantial funding challenges, not because they lack promise, but because they operate at the intersection of high risk, long timelines, and unfamiliar technologies. Venture capital (VC) has long been viewed as a potential solution to this financing gap, but its suitability for cleantech, especially given the capital intensity and regulatory complexity, has been a subject of debate.

To test whether VC truly adds value, this CLEU study undertook a detailed empirical analysis using matched datasets from VICO and PitchBook. These were linked to the machine-learning-based sample of ~24,000 cleantech firms. The result was a robust dataset identifying 401 cleantech firms that received at least one VC investment between 1988 and 2023, about 1.6% of the total sample.

An advanced matching methodology was used to estimate causal effects, comparing VC-backed cleantech firms to:

1. Similar cleantech firms that did not receive VC, and
2. VC-backed firms in other sectors.

VC drives short-term growth, especially for innovators. The results are clear: VC-backed cleantech firms significantly outperformed their non-VC-backed peers in both **employment** and **asset growth**. On average, VC-backed firms grew:

- +8.3% in **total assets**,
- +7.7% in **employment** in the period following investment.

The strongest effects were seen shortly after the investment, suggesting that VC plays a **supporting**, rather than **transformational**, role: it helps already promising firms sustain or accelerate their growth trajectories, rather than radically changing their paths.

Cleantech is not fundamentally VC-incompatible. The study also compared **VC-backed cleantech firms** with **VC-backed firms in other sectors**.

Takeaway: cleantech firms grew just as strongly after investment as their non-cleantech peers. This challenges the conventional view that cleantech is too risky or too slow for VC to be effective.

Provided that firms are properly screened and supported, **cleantech is fully investable under standard VC models**, at least in the earlier stages of scaling.

But scale-up remains the missing piece. While VC clearly boosts short-term growth, the study found **limited evidence of long-term momentum without follow-on funding**. Many cleantech firms, especially innovators with capital-heavy scale-up needs, struggle to secure second or third rounds. This leaves them vulnerable to stagnation just as they approach broader market uptake.

The problem is even more acute for **ecosystem firms**, who may never fit the VC model to begin with but still require financing to grow. These firms are central to industrial deployment and yet fall outside the comfort zone of most private equity and venture investors.

Takeaway: VC is part of the solution, not the whole solution. Venture capital plays a **crucial catalytic role**, especially for cleantech innovators. It delivers measurable growth, validates business models, and attracts follow-on interest. But VC alone cannot carry cleantech to scale, and it is often

inaccessible to the broader ecosystem of firms that drive deployment.

Policy action is needed to:

- **Support cleantech-focused VC funds** that can address sector-specific risks and timelines.
- **Bridge the "post-VC" gap** through public co-investment, guarantees, or blended finance instruments.
- **Broaden capital access** for ecosystem firms, many of which need working capital, concessional debt, or growth equity rather than classic venture investment.

4 Regulatory Frameworks and Policy Implications

Paper number 4: Croce, A., Toschi, L., Ughetto, E., Zanni, S. (2024). *Cleantech and policy framework in Europe: A machine learning approach.* Energy Policy, 186, 114006.

As cleantech firms move from early-stage R&D to market deployment, the design of public policy, especially regulation, plays an increasingly influential role. This study investigates how national-level cleantech policies affect firm creation and performance across Europe.

The results reveal that **policy structure matters, and not all cleantech firms respond the same way**.

Finding 1: New policy signals encourage innovation, but cumulative complexity deters deployment. For **cleantech innovators**, firms developing new technologies, the introduction of a **new cleantech-targeted policy** (defined as at least one new regulatory measure enacted in the year prior) is associated with a **statistically significant increase in new firm formation**. In other words, clear regulatory signals can act as catalysts for innovation and entrepreneurship.

However, the **stock of existing cleantech-related policies**, i.e. the cumulative number of measures already in place, has **no measurable effect** on new firm entry. This suggests that it is **policy change**, not sheer volume, that drives innovation dynamics.

By contrast, for **ecosystem firms**, including integrators, operators, and distributors, the effects are reversed. A growing stock of regulation has a **negative and statistically significant impact** on new firm formation in these segments. These firms are more vulnerable to compliance burdens and administrative costs and less able to absorb policy complexity, particularly during entry phases.

Takeaway: New policy signals encourage the creation of innovator firms. But cumulative policy complexity creates drag, especially for ecosystem firms, who often lack the internal capacity to navigate fragmented or overlapping regulations.

Finding 2: Policy effects on growth are modest and differ across firm types. Looking beyond firm entry, the study also explores the impact of cleantech policy frameworks on firm performance in the first three years after establishment, using growth in sales and employment as proxies.

For **cleantech innovators**:

- **Employment growth** responds positively to the introduction of new policies, suggesting a stimulus effect on hiring.
- However, there is **no significant effect on sales growth**, which may reflect long commercialization timelines for new technologies.

For **ecosystem firms**:

- **Sales and employment growth** respond more to the **cumulative stock of cleantech policies**, suggesting these firms benefit more from regulatory stability than from policy novelty.

This pattern holds when disaggregated further:

- **Experimenters** (upstream R&D) behave like innovators, **positively responsive** to new policy stimuli.
- **Integrators** (e.g. engineering and implementation services) see **declining** firm formation as policy complexity increases.
- **Distributors** show **limited response** to either new policies or cumulative regulations, likely due to their indirect link to innovation incentives.

Takeaway: The regulatory needs of cleantech firms differ sharply. Innovators benefit from clear new signals. Ecosystem firms, especially new entrants, need simplification and predictability. Over-regulation can deter the very deployment partners needed to bring innovation to market.

Finding 3: Policy design must reflect ecosystem realities. The study underscores the strategic importance of regulatory clarity, but also the risks of complexity. A well-designed cleantech policy framework must do more than incentivise invention. It must **enable adoption**, especially by those actors closest to market delivery.

Policy design must:

- Use **targeted instruments** for **innovators** (e.g. tax incentives, grants, green procurement).
- **Minimise administrative and compliance burden** for **ecosystem** firms.
- Ensure that **regulation evolves coherently across sectors**, so that entry and scaling are not derailed by fragmented rules.

This also has implications for financial support. Regulatory bottlenecks often increase perceived risk, making ecosystem firms even less attractive to investors. Simplifying the regulatory environment can therefore unlock private capital, particularly for firms outside the innovation spotlight.

Takeaway: Regulation is not just a public policy tool, it shapes the investability of the cleantech sector. Tailored, coherent, and proportional policy frameworks are essential to support both sides of the cleantech economy: those who invent, and those who implement.

Strategic Priorities and Policy Implications

Europe's ability to meet its climate targets, and remain globally competitive, hinges not just on developing green technologies, but on scaling them rapidly and reliably. As the CLEU project shows, cleantech in Europe is no longer an emerging niche. With over 60% of firms founded before 2000, and high levels of innovation, commercial maturity, and integration into industrial value chains, the sector is ready to scale. Yet significant structural barriers remain.

The data point to three persistent challenges: limited access to later-stage growth capital, especially for innovators; regulatory complexity, which disproportionately affects ecosystem firms; and a fragmented support landscape that does not reflect the diversity of actors involved in cleantech deployment. To address these barriers, Europe needs a more nuanced and strategic approach to cleantech policy and financing, one that recognises the distinct roles and requirements of different types of firms.

Cleantech **innovators**, often developing new technologies or commercialising advanced systems, require patient, growth-oriented capital and policy signals that create predictable demand. **Ecosystem** firms, the manufacturers, integrators, operators, and service providers who bring innovation to market, face different challenges. They are more exposed to regulatory burden, often operate on thinner margins, and typically fall outside the traditional scope of venture capital investment. Yet these firms make up the vast majority of the sector and are essential to its scale-up.

The European Investment Fund is already playing a pivotal role in supporting green innovation. In 2024, over 40% of EIF's financing, some EUR 6.1 billion, was directed toward green activities[3]. Since 2020, the EIF has supported 83 new greentech[4] funds, with commitments expected to reach around EUR 830 million in 2025 alone. The scale-up of greentech venture capital activity is especially notable, with a tenfold increase in annual commitments since before 2020. A majority of these investments support first-time fund managers, many operating in countries with less developed cleantech ecosystems.

Yet, if we want to fully unlock the potential of cleantech innovation in Europe, a broad approach is needed. The findings of the CLEU project point to several strategic priorities.

First, scale-up financing for innovators must be strengthened. While early-stage VC has proven effective in boosting asset and employment growth, many cleantech firms face difficulty attracting follow-on investment beyond the initial rounds[5]. This creates a risk of stagnation just as technologies are ready to reach the market. Larger fund sizes, blended instruments combining equity and guarantees, and support for late-stage environmental and climate funds can help address this gap.

Second, ecosystem firms require financial products designed to reflect their operational realities. These firms typically seek stable, medium-risk capital, not venture equity. Guarantee instruments and risk-sharing mechanisms can help them access debt financing, particularly where perceived technology or market risk remains high. The EIF's co-investment platforms offer additional potential to crowd in private investment across the cleantech value chain.

Third, regulatory complexity remains a critical barrier. Simplifying compliance obligations, improving policy coherence, and ensuring predictability are essential for both innovators and ecosystem actors. Ongoing EU efforts, such as the Omnibus proposal to streamline sustainability reporting, should be leveraged and furthered.

Fourth, the capability gaps identified in the survey, particularly in legal, IP, and compliance functions, need to be addressed. These gaps undermine the ability of firms, especially those in the ecosystem, to manage risk, attract investment, and operate across borders. EIF's Skills and Education Guarantee product already supports upskilling efforts and could be more explicitly targeted at cleantech-specific needs, including regulatory preparedness and cross-border market access. Partnering with intermediaries to deliver bundled financial and advisory support would amplify this impact.

Improving data transparency and reducing information asymmetries is another strategic priority. EIF's new online platform for private market data is a step forward and could be expanded to include cleantech-specific benchmarks, fund performance data, and underserved segment tracking,

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[3] eif-annual-report-2024.pdf

[4] Greentech, or green technology, is a broader term than cleantech, encompassing not only clean technologies but all innovations (technologies and new business models) aimed at mitigating, reversing and adapting to the environmental impact of human activity.

[5] eif-vc-survey-2024-market-sentiment.pdf

especially by geography or ecosystem role. This would support better decision-making by investors and public authorities alike.

Finally, because innovation and deployment do not stop at national borders, pan-European coordination must remain a priority. EIF's role in InvestEU and TechEU[6], with their focus on multi-country collaboration and innovation ecosystems, positions it well to reinforce the transnational spillovers and supply chain linkages that define successful cleantech scale-up.

In short, cleantech in Europe is not waiting to be invented, it is waiting to be deployed. The tools exist, the firms are active, and the ambitions are clear. What is needed now is a more coordinated and differentiated approach that matches capital and policy to the real needs of the sector. The EIF is already at the centre of Europe's green finance architecture. By deepening its support for cleantech firms, particularly those ready to scale, it can help turn Europe's climate goals into industrial and economic outcomes.

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[6] EIB Group 2024-2027 Strategic Roadmap

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In this role, the EIF fosters EU objectives in support of innovation, research and development, entrepreneurship, growth, and employment. The EIF manages resources on behalf of the EIB, the European Commission, national and regional authorities and other third parties. The EIF support to enterprises is provided through a wide range of selected financial intermediaries across Europe. The EIF is a public-private partnership whose tripartite shareholding structure includes the EIB, the European Union represented by the European Commission and various public and private financial institutions from European Union Member States, the United Kingdom and Turkey. For further information, please visit www.eif.org.

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