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FINANCE FOR INNOVATION IN SUPPORT OF SPACE-BASED VENTURES: THE EXPERIENCE  
OF E. AMALDI FOUNDATION IN THE VENTURE CAPITAL INVESTMENT SECTOR

**Abstract**

The Space Economy is today a booming ecosystem. The entry of new non-space actors as customers, the growth of private space actors with commercial purposes, the possibility offered by new sensors and algorithms, the increasing launching capacity, the pursuit of new commercial and economic results, have clearly influenced the space market. As widely known, the United States play a pivotal role in this ecosystem. However, if on the industrial side they are challenged by new players willing to affirm their leadership, on the financial side they dominate the scene thanks to a wide access to a competitive economic ecosystem. In this sense, Europe is shaping its own role in the global context, trying to fill the medium-term gap in terms of financial strategies. Under Horizon 2020, the EU research and innovation programme for 2014-2020, the European Commission and the European Investment Bank Group launched a new generation of financial instruments and advisory services to help innovative firms access finance more easily. In this framework, it has been launched the InnovFin Space Equity Pilot, a EUR 100 million programme specifically dedicated to support the innovation and growth of European SMEs operating in the sector of space technologies. This, together with tools like the EIB Venture Debt as Growth capital fund, represents a turning point for the venture capital ecosystem in Europe, being a boost for the European risk capital investments ecosystem as a whole. This paper intends to explore the potential and constraints of venture capital investments in Italy and in Europe starting from the experience of the E. Amaldi Foundation. It starts with an analysis of the risk finance panorama in the European New Space Economy and focus on a comparison between the SpaceTech and DeepTech which, for multiple reasons, is the vertical that act as a comparative paradigm. Having conducted this analysis, the paper illustrates the current rapidly expanding space venture capital operations in European regions (i.e. UK, France, Italy, Germany, Luxembourg) and present the experience of the E. Amaldi Foundation in the setup of Primo Space fund. This has been the first European Venture Capital fund dedicated to the space sector selected by the European Investment Fund within the InnovFin Space Equity Pilot in which the E. Amaldi Foundation serves as technical advisor.