EuroGEOSec – CS#9: Blending of funding sources for service development

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List of Abbreviations

Abbreviation	Description
AI/ML	Artificial Intelligence / Machine Learning
BICs	Business Incubation Centres
DIGITAL	Digital Europe Programme
DestinE	Destination Earth
DS4SSCC	Data Space for Smart Communities
DSSC	Data Spaces Support Centre
EIB	European Investment Bank
EIC	European Innovation Council
EIF	European Investment Fund
EO	Earth Observation
ESA	European Space Agency
ESG	Environmental, Social and Governance
EU	European Union
EUSPA	EU Agency for the Space Programme
GNSS	Global Navigation Satellite System
HPC	High Performance Computing
IACS	Integrated Administration and Control System
IRIS²	Infrastructure for Resilience, Interconnectivity and Security by Satellite
IPOs	Initial Public Offerings
OEMC	Open-Earth-Monitor Cyberinfrastructure
PCP	Pre-Commercial Procurement
R&I	Research and Innovation
SaaS	Software-as-a-Service
TOB	Tender Opening Board
TRL	Technology Readiness Level
VC	Venture Capital

1. Introduction

This case study examines how Earth Observation **(EO) service development** in Europe is enabled by a **combination of public funding, institutional support programmes, and private investment**. It takes a practical view of "**blended funding**" as the way EO downstream companies and project teams typically progress from early innovation to deployment and growth: drawing first on non-dilutive public instruments to de-risk development and increasingly complementing these with investment capital to scale products, platforms, and market reach.

The analysis maps **key European and national funding and financing mechanisms** that directly or indirectly support EO downstream innovation and commercialisation. It highlights how different instruments tend to align with different stages of maturity, ranging from R&I grants and pilot funding, to deployment-oriented programmes, procurement contracts, and growth financing routed through financial intermediaries. By situating these instruments side by side, the case study **clarifies what each mechanism is best suited for**, where barriers commonly arise (e.g., timing, administrative burden, eligibility constraints), and how organisations can combine tools more strategically over time.

In parallel, the case study reviews the **evolving role of private capital** in the EO downstream sector. While public programmes remain critical for anchoring capability and early-stage innovation, private investment can accelerate commercial scaling, particularly for software- and analytics-driven EO companies with repeatable business models. The study therefore discusses **how public and private funding logics differ**, why they can be complementary, and what market signals and investment patterns imply for EO service providers seeking to grow beyond project-based revenues.

Finally, the case study addresses the practical side of accessing finance by outlining **key elements of investment readiness**. It focuses on how EO companies can strengthen their fundraising strategy, identify the right types of investors, communicate their value proposition credibly, and approach valuation as both a negotiation anchor and a strategic management tool. Taken together, these insights support a more coherent understanding of blended funding pathways and how they can be used to move EO services from innovation into sustainable operational and commercial delivery.

2. Financial instruments for Earth Observation companies

2.1. European Union programmes and instruments

Various instruments and budgets exist at European and national levels, as well as in the private investment domain, that directly or indirectly benefit companies in the Earth Observation (EO) downstream sector. An overview of some of the most relevant and significant European public programmes in this context is provided below. This overview focuses on instruments that (also) support the development and commercialisation of EO products and services. It does not include budgets earmarked for large infrastructure or mission development, such as the operation of the Copernicus Sentinel satellites, the ESA Space Safety Programme, or new EU flagship constellations like IRIS² (Infrastructure for Resilience, Interconnectivity and Security by Satellite).

Table 1: European public funding mechanisms suitable for Earth Observation (downstream) companies

Programme / Instrument	Institution	Description	Period	TRL Focus	Budget (€m)	Comments
Horizon Europe - Cluster 4 (Space)	European Commission	R&I programme funding EO applications, Copernicus service evolution, AI/ML, digital twins	2021-2027	3-8	~1,500	Regular biennial work programmes include EO downstream calls
EU Missions (Climate, Cities, Oceans, etc.)	European Commission	Cross-sector missions funding EO-enabled solutions for climate resilience, urban monitoring, water quality	2021-2027	5-9	~5,000 (missions total)	EO services often integral (climate adaptation, sustainable cities)
Digital Europe Programme (DIGITAL)	European Commission	Supports deployment of AI, data spaces, HPC, cybersecurity, digital skills	2021-2027	6-9	7,500	Critical for scaling EO digital platforms & geospatial digital twins
European Innovation Council (EIC) Accelerator /	European Commission	Grants and equity for deep tech, high-risk innovations	2021-2027	1-9	10,000	Accelerator particularly relevant for EO SMEs scaling services

Programme / Instrument	Institution	Description	Period	TRL Focus	Budget (€m)	Comments
Pathfinder / Transition						
CASSINI Space Entrepreneurship Initiative	European Commission	Hackathons, accelerators, matchmaking, fund-of-funds investing in space VCs	2021-2027	4-9	~1,000	Dedicated EU space entrepreneurship initiative
ESA InCubed	ESA	Co-funding of industry-driven EO service/product development	Ongoing	4-9	176 (2023-2025)	Rolling calls; directly focused on EO downstream
ESA FutureEO	ESA	Supports innovative EO science & applications (incl. pilots, feasibility studies)	Ongoing	3-7	~100+/yr	Good for early-stage EO service innovation
ESA Business Applications / Space Solutions	ESA	Funds downstream services across sectors (climate, energy, mobility, retail)	Ongoing	4-9	~50+/yr	Up to 75% co-funding; thematic rolling calls
ESA ScaleUp (Innovate & Invest)	ESA	Supports space companies (incl. EO) to reach market faster, advisory + co-invest	2023-2025	5-9	98	Bridge between R&D and investment readiness
EUSPA Horizon Europe Calls	EUSPA (EU Agency for the Space Programme)	Calls for downstream apps combining EO (Copernicus) & GNSS	2021-2027	5-9	~15-30 per call	Recurring calls for EO and GNSS services
Copernicus Procurement (CCM, DPS, Incubation, Masters)	European Commission / ESA	Anchor contracts for EO data/services; prizes & incubation	2021-2027	6-9	~100+	Provides recurring service contracts & visibility

Programme / Instrument	Institution	Description	Period	TRL Focus	Budget (€m)	Comments
InvestEU / EIF-managed Funds	European Commission / EIF	Provides guarantees & fund-of-funds to VCs investing in digital/space	2021-2027	6-9	3,750	Includes European Tech Champions Initiative
EIB Venture Debt & Blended Finance	EIB	Quasi-equity loans for scaling innovative companies	2021-2027	6-9	>350	Can support mature EO providers with infrastructure needs
National Programmes (e.g. CNES Connect, DLR INNOspace, UKSA EO Centre)	National agencies	National-level support schemes for EO applications & commercialisation	Ongoing	3-9	varies	Often co-fund with ESA/EU initiatives

2.1.1. Horizon Europe (Cluster 4 - Digital, Industry & Space)

Horizon Europe remains the EU's largest R&I framework programme (2021-2027, €95.5 billion)[1]. Within **Cluster 4 - Space**[2], a recurring stream of calls supports Copernicus service evolution, new applications for environmental monitoring, AI/ML-based EO analytics, and integration of EO data into digital twins. These work programmes are updated every two years, ensuring continuous opportunities for EO service providers to join multi-partner consortia.

Table 2: Examples of EO R&I activities funded under Horizon Europe (and predecessor Horizon 2020), matched to EuroGEO Action Groups, Source: RIO

Action Group	Project	Short Description	Funding Amount
Agriculture & Food	NIVA – New IACS Vision in Action, https://www.niva4cap.eu/	Develops and tests digital and EO-based solutions to modernise the Integrated Administration and Control System (IACS) used for the Common Agricultural Policy.	€10.60 m

[1] https://research-and-innovation.ec.europa.eu/funding/funding-opportunities/funding-programmes-and-open-calls/horizon-europe/how-horizon-europe-was-developed_en

[2] https://research-and-innovation.ec.europa.eu/funding/funding-opportunities/funding-programmes-and-open-calls/horizon-europe/cluster-4-digital-industry-and-space_en

Action Group	Project	Short Description	Funding Amount
Biodiversity, Ecosystems & Geodiversity	EuropaBON – European Biodiversity Observation Network, https://europabon.org/	Builds a European biodiversity monitoring system integrating EO, in-situ data, and modelling for policy support.	€2.995 m
Climate	CLIMAAX – Climate Risk Assessment Framework, https://www.climaax.eu/	Provides a toolbox and framework to assess climate risks and vulnerabilities, supporting adaptation planning across Europe.	€20.00 m
Disaster Resilience & Health	ANYWHERE (Horizon 2020)	Develops a pan-European early warning platform using EO and modelling to improve emergency management and response to extreme weather.	€11.97 m
Energy	RESPONDENT, https://respondent-project.eu/	Improves renewable energy integration by forecasting and synchronising RES power outputs using EO and advanced modelling.	€2.745 m
Green Deal Data Spaces	Open-Earth-Monitor Cyberinfrastructure (OEMC), https://earthmonitor.org/	Builds an open cyberinfrastructure for monitoring and integrating EO with environmental data spaces to support the Green Deal.	€12.73 m
Land Cover & Land Intelligence	EUROPE-LAND, https://europe-land.eu/	Develops strategies and tools for sustainable land-use management, integrating EO data with socio-economic assessments.	€6.288 m
Marine	IMMERSE, https://immerse-ocean.eu/	Improves European marine models and forecasting services to better address ecosystem dynamics and environmental pressures.	€4.999 m
Urban	Urban ReLeaf, https://urbanreleaf.eu/	Deploys citizen-powered data ecosystems and EO-based services to foster greener, climate-resilient European cities.	€4.206 m

The Open Calls are published on the EU Funding and Tenders Opportunities portal. A consortium of at least three partners is needed to apply. The required TRL of the technology in question depends on

the call; generally, the Research and Innovation actions require lower TRL (e.g. 3-5) and the Innovation Actions have slightly higher TRL (e.g. 5-6).

2.1.2. European Innovation Council (EIC)

The **EIC Accelerator**[3] continues to be a flagship instrument for scaling SMEs (grants and equity up to €17.5m). EO companies at TRL 6-9 can use it to move from pilot to market entry. The **EIC Pathfinder**[4] (TRL 1-3) and **EIC Transition**[5] (TRL 3-6) also provide recurring opportunities for EO-related deep tech.

In April 2025, Berlin-based EO / AI company LiveEO received €7.65 million equity investment through the EIC Accelerator[6] for their predictive infrastructure monitoring solutions (vegetation near power lines, etc.).

2.1.3. CASSINI Space Entrepreneurship Initiative

CASSINI[7] (2021-2027, €1bn+ across actions) offers hackathons, business accelerators, matchmaking with investors, and a **Seed & Growth Funding Facility** (fund-of-funds investing in space-focused VCs). While cross-sectoral, it regularly channels capital toward EO downstream startups by improving investor readiness and visibility.

The second batch[8] of the **CASSSINI Business Accelerator** included a large number of EO companies, incl. e.g. constellr (thermal infrared EO for agriculture & water monitoring), EarthPulse (AI platform turning EO data into actionable insights), Murmuration (EO & modelling for environmental impact metrics in tourism/urbanism), WEO (EO-based environmental analytics for cities and risk), WaltR (EO-driven emissions mapping), LLcloud (platform for automated multi-sensor EO data gathering/analysis/visualisation). The current fourth batch[9] likewise supports a number of EO companies, incl. e.g. Aistech Space (thermal data from own constellation), Applied Aerial Technology (forestry and environmental monitoring), Kermap (predictive analytics, empowering regenerative agriculture and strategic planning), Sensar (identifies risks related to displacements of the soil, surface and infrastructure), or WeavAir (leveraging satellite imagery, predictive AI models to assess ESG performance).

Winners of the 2024 **CASSINI Challenge**[10] (offering cash awards and EU-level visibility) included many EO initiatives and companies at idea, prototype, and product trach, including e.g. FlyPix AI (AI model creation for EO analytics).

CASSINI Hackathons & Mentoring[11] offers smaller cash prizes and mentoring, with many winning EO innovators across different thematic tracks, e.g. SignalVoid (satellite images for drone geolocalisation

[3] https://eic.ec.europa.eu/eic-funding-opportunities/eic-accelerator_en
[4] https://eic.ec.europa.eu/eic-funding-opportunities/eic-pathfinder_en
[5] https://eic.ec.europa.eu/eic-funding-opportunities/eic-transition_en
[6] https://www.futuro-perfecto.eu/post/earth-observation-for-a-greener-future-liveeo-secures-7-65m-eic-accelerator-equity-investment
[7] https://www.cassini.eu/cassini-initiative
[8] https://defence-industry-space.ec.europa.eu/21-companies-selected-2nd-batch-cassini-business-accelerator-2023-11-27_en
[9] https://www.cassini.eu/accelerator/blog/fantastic-4th-cohort
[10] https://www.euspa.europa.eu/cassini-challenges-winners-2024
[11] https://www.cassini.eu/hackathons/

in GPS-Denied environments), TerraMetallum (detecting heavy metals in soil through satellite data analysis), CrOptimise (agroclimatic zoning and optimal Crop Recommendation), or Neamo (fish disease risk estimation from satellite images).

Finally, the **CASSINI Matchmaking**[12] and **Investor Network**[13] facilitate partnerships and private investments. The CASSINI Investment Facility (managed by the European Investment Fund, EIF) has itself invested into a number of space-focused and multi-focused venture capital (VC) funds.

2.1.4. Digital Europe Programme (DIGITAL)

DIGITAL[14] (2021-2027, €7.5 billion) is not space-specific but strongly complements EO downstream. Calls are issued regularly to strengthen Europe's data spaces, AI, HPC, cybersecurity, and digital skills. EO companies benefit when deploying large-scale data services, building geospatial digital twins, or integrating EO into public-sector digital platforms.

Projects and activities funded under DIGITAL include e.g. Green Deal Data Space (GREAT)[15], the Data Spaces Support Centre (DSSC)[16] which funds shared infrastructure EO services can be built on, the Data Space for Smart Communities (DS4SSCC)[17] which is open to EO companies to participate in pilots and deployments, further data spaces that rely on EO input (e.g. DEPLOYTOUR[18]). DIGITAL has also supported a number of EO companies through **direct procurement** via the EU's Destination Earth (DestinE)[19] initiative.

Table 3: Examples of contracts awarded to EO companies via DestinE[20], Source: ESA, ECMWF

Company	DestinE activities	DIGITAL (DestinE) contract amount
Serco Italia	Core Service Platform (platform data management) and User Space Platform	€3,880,929 (2023); €2,996,428 (2024); €5,000,000 (2024).
Atos France	Advanced application services for the DestinE Core Service Platform	€9,992,742 (2024).
Thales Alenia Space (FR)	Core Service Platform, platform data management	€2,030,012 (2023).
DEIMOS Engineering & Systems (ES)	Core Service Platform, platform data management	€590,113 (2023).

[12] https://www.cassini.eu/matchmaking/
[13] https://www.cassini.eu/cassini-initiative/investor-network
[14] https://digital-strategy.ec.europa.eu/en/activities/digital-programme
[15] https://www.greatproject.eu/
[16] https://dssc.eu/
[17] https://www.ds4sscc.eu/
[18] https://deploytour.eu/
[19] https://destination-earth.eu/
[20] https://www.esa.int/Applications/Observing_the_Earth/Destination_Earth_contracts

Company	DestinE activities	DIGITAL (DestinE) contract amount
MEEO (IT)	Core Service Platform, platform data management	€515,572 (2023).
CGI Italia	Core Service Platform, platform data management	€907,682 (2023).
Exprivia (IT)	Usage assessment framework: digital identity/traceability/impact and CSP services	€798,364 (2023); €899,938 (2024).
B-Open Solutions (IT)	Harmonised Earth-data provision service (DESP Forerunner)	€1,498,766 (2022); €497,954 (2023); €499,810 (2024).
GAEL Systems (FR)	User Modelling Framework service (DESP Forerunner)	€1,500,000 (2022); €500,000 (2023); €500,000 (2024).
ALIA Space Systems (IT)	UI services & 3-D visualisation (DESP Forerunner) and CSP data-management work	€1,484,329 (2022); €1,010,525 (2023); €533,902 (2024).
Starion Italia	DestinE Use Cases (applications)	€5,267,693 (2023).

2.1.5. EU Missions and thematic initiatives

Horizon Europe "Missions"[21] (e.g. *Adaptation to Climate Change*[22], *Climate-neutral and Smart Cities*[23], *Healthy Oceans and Waters*[24]) provide recurring **thematic opportunities**. EO downstream companies can join projects targeting resilience, decarbonisation, and urban sustainability, where geospatial intelligence is critical. Examples of companies having benefited from these activities are listed below:

Table 4: Examples of companies receiving finance from Horizon Missions, Sources: CORDIS, RIO

Mission	Project (call/topic)	What it funds (EO angle)	EO/geo companies benefiting	Amounts (if published)
Adaptation to Climate Change	**CLIMAAX – CLIMAte risk and vulnerability Assessment toolboX**	Standardised Climate Risk Assessment toolbox that taps pan-EU datasets &	**KAJO s.r.o.** (geospatial/EO SME, SK) –	Project EU contribution **€19,999,772.50**; KAJO s.r.o. **€85,000**

[21] https://research-and-innovation.ec.europa.eu/funding/funding-opportunities/funding-programmes-and-open-calls/horizon-europe/eu-missions-horizon-europe_en
[22] https://research-and-innovation.ec.europa.eu/funding/funding-opportunities/funding-programmes-and-open-calls/horizon-europe/eu-missions-horizon-europe/adaptation-climate-change_en
[23] https://research-and-innovation.ec.europa.eu/funding/funding-opportunities/funding-programmes-and-open-calls/horizon-europe/eu-missions-horizon-europe/climate-neutral-and-smart-cities_en
[24] https://research-and-innovation.ec.europa.eu/funding/funding-opportunities/funding-programmes-and-open-calls/horizon-europe/eu-missions-horizon-europe/restore-our-ocean-and-waters_en

Mission	Project (call/topic)	What it funds (EO angle)	EO/geo companies benefiting	Amounts (if published)
	(HORIZON-MISS-2021-CLIMA-02-01)	Copernicus; plus a fund supporting ≥50 regions	beneficiary listed on CORDIS	(net EU contribution)
Climate-neutral & Smart Cities	**CityCLIM – Next-gen City Climate Services** (H2020 LC-GD-9-2-2020; supports Cities Mission goals)	Urban climate services using satellite EO (Copernicus) + ground sensors for 4 pilot cities	**OHB System AG** (DE, coordinator; space/EO), plus OHB Digital Services & OHB Digital Connect as linked entities	Project EU contribution **€4,997,790**; OHB System AG **€526,200**; OHB Digital Services **€649,935**; OHB Digital Connect **€212,478.75** (as third parties)
Restore our Ocean & Waters	**REMEDIES – Prevent & eliminate (micro)plastics** (HORIZON-MISS-2021-OCEAN-03)	Detection & monitoring of marine litter (EO used alongside field data); prevention and valorisation demos across Med sites	**VITO NV** (BE – EO/remote-sensing powerhouse) among partners; multiple SMEs in data/monitoring	Project EU contribution **€7,999,645**; overall budget **€9,137,345**. (Per-partner splits not published on CINEA; partner list includes VITO)
Adaptation / cross-mission, PCP route	**PCP-WISE – Pre-Commercial Procurement on climate adaptation using space & EO** (HORIZON-CL6-2024-GOVERNANCE-01-5)	A joint buyers-group will run a **PCP** to contract multiple companies to develop EO-based climate/water services (flood, drought, subsidence, fire). This is **direct company funding via R&D contracts**, not grants.	To-be-awarded to suppliers (expected launch Sept 2025); typical EO/geo SMEs & primes can bid	**€12 million** earmarked for the PCP R&D phases (est. value for contracts)
Cities / EO and citizen observatories	**CitiObs – Enhancing Citizen Observatories for cities** (HORIZON-CL6-2022-GOVERNANCE-01-08)	Integrates citizen-generated measurements with **in-situ EO systems** to support city decisions (air quality etc.)	SMEs incl. **DRAXIS Environmental SA** (GR, geo/ICT), **Secure Dimensions GmbH** (DE), **Airly** (PL – sensors)	Project EU contribution **€4,991,205**. Per-company examples: DRAXIS **€120,750**; Secure Dimensions **€286,580**; Airly **€41,825**

Open Calls related to the Missions are published on the EU Funding and Tenders Opportunities portal, typically listed on the Mission Implementation Platforms of the different Missions.

2.1.6. EUSPA (EU Agency for the Space Programme)

EUSPA manages the CASSINI initiative (see above) and regularly launches Horizon Europe (see above) calls focused on downstream applications that combine EO (Copernicus) with GNSS (Galileo, EGNOS). This dual-use angle creates recurring opportunities for service providers in different thematic areas, e.g. mobility, logistics, energy, and climate resilience. Further, EUSPA offers direct procurement[25].

Table 5: Examples of EO companies receiving funds through EUSPA, Sources: EUSPA, CORDIS

Opportunity type	Specific activity	Company (country)	What it funded (EO angle)	Amount
Procurement / contracts	EUSPA 2023 contractors & specific contracts (ex-post lists)	**GMV Aerospace and Defence** (ES)	Multiple Galileo/GRC ops contracts (GMV is an EO-capable integrator; contract itself is GNSS ops).	€35,699,035 (WP3x deployment), €1,515,665.88 (GRC facilities) + €1,972,793.80 (GRC bridging), etc.
	EUSPA 2023 contractors & specific contracts	**Thales Alenia Space France** (FR)	Ground Mission Segment work (company is also active in EO; this contract is GNSS ops).	€26,720,000 (GMS exploitation), €893,000 (CS-SE & GSS Bonaire deploy)
	EUSPA 2023 contractors & specific contracts	**FDC S.r.l.** (IT)	Governmental/infrastructure/emergency market development (EO/GNSS downstream).	€719,982 (Lot 6)
CASSINI (prizes)	**#myEUspace 2022** winners (ex-post prizes list)	**Orbify** (PL)	EO analytics platform; prize under "Submission of an Idea".	€10,000
	#myEUspace 2022	**Latitudo 40** (IT)	Urban EO analytics (Copernicus); prize.	€10,000
	#myEUspace 2022	**Struqt BV** (NL)	Geospatial/AI (downstream); prize.	€10,000
	#myEUspace 2022	**Vantu AS** (NO)	Maritime/nav downstream using EO+GNSS; prize.	€10,000
	#myEUspace 2022	**ALTIWAVE** (IE)	Satellite-derived wave heights (marine EO); announced winner.	€25,000 (reported)

[25] https://www.euspa.europa.eu/opportunities/procurement-grants

Opportunity type	Specific activity	Company (country)	What it funded (EO angle)	Amount
	(public article)			
	#myEUspace 2022 (public article)	**EO4ART**, **SPAI**, **E20.Green**, **Agricircle** (various)	EO-centric apps named as winners; prize money "up to €50,000 per winner."	Up to €50,000 per winner
CASSINI (accelerator)	CASSINI Business Accelerator cohorts	Multiple EO/GNSS startups (e.g., batches 2–4)	6-month growth programme (non-grant; benefits + potential follow-on).	Cohorts listed (no cash grant stated)
Horizon Europe (managed by EUSPA)	**DINOSAR** HORIZON-EUSPA-2022-SPACE-02-56	**eLEAF** (NL) €427,375; **SARVision** (NL) €388,092.50; **Agroap SAS** (CO) €196,600	Copernicus optical/IR/SAR crop monitoring	Total EU contrib €1,498,481
	COMUNIDAD HORIZON-EUSPA-2022-SPACE-02-56	**Lesprojekt** (CZ, coord.), plus EO SMEs in Chile/Colombia	EU–LATAM Copernicus+EGNSS platform & pilots	Total EU contrib €1,499,894 (per-partner splits not public)
	SWIM HORIZON-EUSPA-2023-SPACE-01-46	**Offshore Monitoring** (CY) €379,562.50; **e.Ray Europa** (DE) €380,000; **Rayner Software** (US) €99,950	EO + IoT for water quality & hydrology	Total EU contrib €999,779
	COASTS HORIZON-EUSPA-2023-SPACE-01-43	**EOMAP** (DE) €833,500; **Fugro Innovation & Tech** (NL) €490,625; **Fugro Belgium** (BE) €258,125	Blue-carbon / coastal mapping with Copernicus	Total EU contrib €1,971,988
	ENHANCE (HORIZON-EUSPA-2023-SPACE-01-43)	**Nazka Mapps** (BE) €253,750; **SingularLogic** (GR, coord.) €424,375	One-Health coastal mgmt using Marine Copernicus + citizen data	Total EU contrib €1,998,688
	ThinkingEarth HORIZON-EUSPA-2022-	Multiple partners incl. **GlobeEye** (FR)	AI/HPC "foundation models" for Copernicus	Total EU contrib €2,999,875 (per-partner splits not public)

Opportunity type	Specific activity	Company (country)	What it funded (EO angle)	Amount
	SPACE-02-55			

2.1.7. InvestEU

The InvestEU Fund[26] is the EU's flagship investment instrument designed to mobilise **private and public financing** in support of four policy priorities: sustainable infrastructure, research, innovation and digitalisation (the most relevant window for space and Earth observation companies), SMEs, and social investment and skills.

InvestEU is operated by the European Investment Fund (EIF) and **does not provide funding directly to companies**. Instead, it channels EU guarantees through a wide network of financial intermediaries—including commercial banks, venture capital and private equity funds, and other specialised financiers. Through these intermediaries, SMEs, small mid-caps, microfinance providers and social enterprises can access loans, equity, or guarantees tailored to their growth needs.

With more than 1,000 intermediaries across Europe, InvestEU offers space and geospatial companies a pathway to scale-up financing beyond grants. Interested companies can identify local intermediaries via the InvestEU portal.

2.1.8. Eurostars (part of EUREKA)

Eurostars is a joint funding programme under the EUREKA network, which brings together national innovation agencies and funding bodies across Europe and beyond. It provides public **co-funding** to innovative SMEs that collaborate internationally on R&D projects aiming to develop new products, processes, or services with strong commercial potential.

The funding rules and levels vary depending on the national agency through which support is requested, as each participating country provides financing under its own scheme. Full information on eligibility, national contacts, and funding rates is available on the Eurostars website[27].

To qualify, a project must meet the following criteria:

- It is led by an innovative SME based in a Eurostars country.
- The consortium includes at least two independent entities from different countries.
- SMEs from participating countries contribute ≥50% of total project costs (excluding subcontracting).
- No single partner or country accounts for more than 70% of the total budget.
- The project duration is 36 months or less.
- The work has an exclusive focus on civil applications.

[26] https://investeu.europa.eu/index_en
[27] https://www.eurekanetwork.org/countries/belgium-brussels/eurostars/funding

Eurostars thus offers a flexible route for SMEs in sectors such as space, Earth observation, and geospatial services to pursue transnational R&D partnerships, while securing **non-dilutive** national funding tailored to their location.

2.2. ESA programmes

2.2.1. ESA InCubed

InCubed[28] is ESA's dedicated EO downstream programme, **co-funding industry-driven projects that exploit EO data** (TRL 4-9). Calls are open on a rolling basis, making it one of the most accessible programmes for EO service providers.

Applicants need to first pitch their idea (15 minutes, with slots about twice a month). Following a successful idea pitch and with agreement from the supporting national delegation(s), they will be invited to fill in and submit part 1 of the InCubed proposal. If successful at assessment, up to eight weeks will be granted to submit part 2 of the InCubed proposal, taking into account ESA's detailed feedback.

A large number of successful examples can be found in the InCubed activity portfolio[29].

2.2.2. ESA FutureEO

FutureEO supports innovation in EO science, applications, and digital technologies, with regular open calls for innovative activities. EO service providers can use it for feasibility studies, pilots, and market-oriented research.

2.2.3. ESA Business Applications / Space Solutions

This programme funds application development across multiple sectors (energy, climate, mobility) where EO is one of the core enablers. Calls are thematic and regularly updated, with co-funding up to 75% for feasibility studies and demonstration projects.

- *Example:* **SATIM** (Poland) used ESA Business Applications support to develop EO-based change detection services for infrastructure monitoring.

2.2.4. ESA ScaleUp (Innovate & Invest)

ESA ScaleUp provides co-funding and investment facilitation for space companies (both upstream and downstream) to reach market faster. It plays a bridging role for EO startups between prototyping and commercial scale.

[28] https://incubed.esa.int/
[29] https://incubed.esa.int/activity-portfolio/

2.2.5. ESA BICs

The ESA Business Incubation Centres (BICs) help entrepreneurs turn their space-connected business ideas into commercial companies. The programme runs up to two years at one of the currently 36 centres across Europe. It includes zero-equity funding for product and IP development, technical support from leading experts in the region and ESA, business coaching, legal and IPR advice, etc.

To apply, most ESA BICs suggest to first contact the BIC manager for an introduction. Then, a formal application including business plan and incubation proposal needs to be submitted alongside other information. A Tender Opening Board (TOB) will review the formal requirements. If all requirements are met, the business plan will be pitched to the TOB as a final step in the application process.

2.3. Other European financing and investment facilities

2.3.1. European Investment Fund (EIF) & InvestEU

The EIF, through **InvestEU** and the **European Tech Champions Initiative (€3.75bn)**, provides recurring capital to VC funds and growth-equity investors. EO service providers can indirectly benefit through European VC funds that receive EIF commitments.

- *Example:* Climate analytics firm **Kayrros** attracted VC investment from EIF-backed funds, enabling rapid scaling.

2.3.2. European Investment Bank (EIB)

While the EIB's focus is broader than EO, its venture debt and blended finance products can support mature EO firms investing in infrastructure-heavy platforms (e.g. large-scale cloud processing, global data distribution networks).

2.3.3. National and Regional Instruments

Member States offer recurring downstream EO support via innovation agencies and space agencies (e.g. **DLR's INNOspace** in Germany, **Connect by CNES** in France, **UKSA's EO Centre**). These often align with EU priorities (climate, digital) and co-fund with ESA.

2.4. Private investment

Especially in Europe, EO service providers have relied heavily on public sector funding through institutional programmes (e.g. Horizon Europe and its predecessors, ESA) and national space agencies. This support has been crucial in de-risking early technology development, creating open data infrastructures, and sustaining anchor demand from public institutions. However, such funding mechanisms are often bound by programme cycles, strategic priorities, and procurement rules that can limit flexibility and speed. They may also not be sustainable as the sole source of finance.

Private capital plays a different role. Venture capital, growth equity, and strategic corporate investors can provide:

- Faster, milestone-driven financing aligned with **commercial scaling** needs rather than long programme cycles.
- Market discipline, pushing EO firms to build products that **meet customer demand** beyond government contracts.
- Follow-on capital for **scale-up**, helping companies move from pilot projects to recurring revenue and international expansion.
- **Exit opportunities** through trade sales or Initial Public Offerings (IPOs), signalling the maturity of the sector and recycling capital into the ecosystem.

For downstream EO companies in particular, where competitive advantage lies in e.g. data fusion, analytics, and software, **private investment can be especially well-suited**. These companies operate on lighter CAPEX, software-driven models, with potential for recurring Software-as-a-Service (SaaS) revenues and vertical market penetration. As such, they fit more naturally into venture and growth investors' portfolios compared with upstream infrastructure, which often demands very large, longer-term capital commitments. Further, private investors are already more familiar with these underlying technologies and verticals than with the space sector as such[30].

The result is a **financing mix** where public funding continues to anchor the EO value chain, while private investors increasingly underwrite the commercial growth of applications and services. This combination is essential if Europe aims both to sustain a strategic EO capability and to build competitive, globally scalable businesses.

Sector trackers show that most EO startup funding now concentrates in **data & applications** (downstream), not satellites. TerraWatch estimates ~$1.7B invested across EO in 2024, with the "Data" and "Application" layers accounting for ~95% (over $1B into downstream firms alone)[31]. That was a slight dip from 2023 (~$1.9B) but downstream remained the dominant magnet for capital.

Seraphim's Space Index shows **private investment resilience** through 2024 (601 deals; $8.6B for the year, +25% year-over-year), noting sustained recovery in application-layer companies that monetise space data (including EO analytics)[32].

Space Capital's Q2-2025 review likewise highlights the **application layer as a key driver of space startup activity**, framing EO analytics inside the "Applications/Distribution" tiers where software multiples and capital efficiency remain relatively stronger than hardware[33].

Regulation (e.g. on climate), increased defence intelligence demand, and emerging use cases in finance and insurance continue to pull budgets toward EO analytics. Based on Euroconsult data, ESA considers Europe to account for ~22% of the global EO data & services market in 2023, second to North America (~45%), underscoring both a strong base and headroom to grow private revenues[34]. EUSPA estimates

[30] EIB. 2023. "Investment report on funding needs & gaps of selected segments of the upstream market."
[31] https://newsletter.terrawatchspace.com/earth-observation-investments-2024-review/
[32] https://seraphim.vc/wp-content/uploads/2025/01/seraphimspaceUK-q4-2024_v1.pdf
[33] https://www.spacecapital.com/publications/space-investment-quarterly-q2-2025
[34] https://space-economy.esa.int/documents/b61btvmeaf6Tz2osXPu712bL0dwO3uqdOrFAwNTQ.pdf

that EO data and services revenues will expand from ~€3.4 billion in 2023 to almost €6 billion within a decade, driven by demand in sectors such as climate monitoring, agriculture, and finance[35].

These signals on **growing demand** from both public anchors and the private sector can attract venture capital, growth equity, and corporate investment into European EO companies, accelerating their path from pilot projects to scalable, revenue-generating businesses.

Recent examples of private investment in EO companies support this trend:

Table 6: Examples of private investment in EO companies, 2022-2025

Company	Country	Recent private investment	Related EuroGEO Action Groups	Investment Stage
LiveEO	DE	€25M Series B (Jun 2024)[36]; Investors: NordicNinja, DeepTech & Climate Fonds, Helen Ventures, Matterwave Ventures, MMC Ventures, Deutsche Bahn Digital Ventures	Disaster Resilience, Energy, Land Intelligence	Series B / Growth
OroraTech	DE	€37M Series B extension (May 2025)[37]; Investors: Findus Ventures, Ananda Impact Ventures, APEX Ventures, Bayern Kapital, ses-imagotag (now VusionGroup), Fluxunit (OSRAM)	Climate, Disaster Resilience	Series B / Growth
SatVu	UK	£20M equity + insurance (Nov/Dec 2024)[38]; Investors: Molten Ventures, Lockheed Martin, OTB Ventures, In-Q-Tel, Seraphim Space	Climate, Urban	Other
Overstory	NL	$14M Series A (Oct 2023)[39]; Investors: B Capital, The Venture Collective, Convective Capital, Semapa Next, Pale blue dot	Biodiversity, Energy, Land Intelligence	Series A / Early Growth

[35] https://www.euspa.europa.eu/sites/default/files/external/publications/euspa_market_report_2024.pdf
[36] https://www.live-eo.com/article/liveeo-raises-eu25-million-to-leverage-ai-powered-satellite-data-for-critical-infrastructure-and-climate-risk-management
[37] https://ororatech.com/resources/news-blog/ororatech-extends-its-series-b-to-euro37m-with-investments-from-two-leading-european-banks
[38] https://www.satellitevu.com/news/satvu-secures-20m-cash-injection-to-expand-high-resolution-thermal-imaging-for-global-climate-action
[39] https://www.overstory.com/blog/series-a-announcement

Company	Country	Recent private investment	Related EuroGEO Action Groups	Investment Stage
Vortexa	UK	$34M Series C (Jan 2024)[40] and $25M debt (Oct 2024)[41]; Investors: Notion Capital, Dawn Capital, Octopus Ventures, MMC Ventures	Energy, Marine	Series C / Late Growth
Kpler	BE/FR	Growth stage, $100M ARR (2024)[42]; Investors: Five Arrows Growth Capital (Rothschild), Insight Partners, Goldman Sachs Growth Equity	Energy, Marine	Growth / Scale-up
Spottitt	UK	$800k bridge (Jun 2024)[43]; Investors: Bethnal Green Ventures, angel investors (undisclosed)	Energy, Disaster Resilience	Bridge / Pre-Series A
UP42	DE	Acquired by Neo Space Group (2024/25)[44]; Investors: Airbus (corporate parent until 2024), now part of Neo Space Group	Green Deal Data Spaces	Exit / M&A
Preligens	FR	Acquired by Safran for ~€220M (Sep 2024)[45]; Investors pre-acquisition: Definvest (French MoD fund), Innovacom, Airbus Ventures	Disaster Resilience, Defence	Exit / M&A
PlanetWatchers	UK/Israel	$11M Series A (2022)[46]; Investors: Seraphim Capital, Creative Ventures, Future Positive Capital, Imagery Capital	Agriculture	Series A / Early Growth
Mitiga Solutions	ES	€13.25M Series A (May 2023)[47]; €8M extension (Jun 2024)[48]; Investors: Kibo Ventures, Microsoft Climate Innovation Fund,	Climate, Disaster Resilience, Energy	Series A / Early Growth

[40] https://www.privatebankerinternational.com/news/morgan-stanley-expansion-capital-leads-34m-funding-round-for-vortexa/
[41] https://siliconcanals.com/londons-vortexa-gets-23m-debt-financing/
[42] https://www.kpler.com/blog/kpler-reaches-100-million-annual-recurring-revenue-milestone
[43] https://spottitt.com/company-news/spottitt-closes-800k-usd-bridge-financing-round/
[44] https://up42.com/blog/big-news-for-up42
[45] https://www.safran-group.com/pressroom/ai-leader-preligens-joins-safran-2024-09-02
[46] https://www.planetwatchers.com/latest/planetwatchers-raises-11m-series-a-for-sar-crop-monitoring/
[47] https://techcrunch.com/2023/05/17/mitiga-series-a/
[48] https://www.mitigasolutions.com/blog/mitiga-annouces-a-eu8m-series-a-extension-round-led-by-paris-based-elaia

Company	Country	Recent private investment	Related EuroGEO Action Groups	Investment Stage
		Nationwide Ventures, Faber, CREAS Impacto; extension led by Elaia with existing backers		
blackshark.ai	AT	€13.8M Series A extension (Nov 2023) - total Series A ~$35M[49]; Investors: M12 (Microsoft), Point72 Ventures, i5invest	Urban, Disaster Resilience, Land Intelligence	Series A / Early Growth
Latitudo 40	IT	Undisclosed investment (Jul 2024)[50] from CRIF & Open Venture; Investors: CRIF, Open Venture	Urban, Climate, Land Intelligence	Seed/Early
QuantCube Technology	FR	Series B (Dec 2022) led by SDF (amount undisclosed)[51]; Investors: Strategic Development Fund (SDF, UAE), Moody's, Five Capital	Energy, Marine, Green Deal Data Spaces	Series B / Growth
Deep Planet	UK	Angel/EIS investment (circa 2023–2024, undisclosed)[52]; Investors: Oxford Innovation Finance (EIS/angel), UKI2S, Innovate UK grants	Agriculture, Biodiversity	Seed/Early
Xoople	ES	Cumulative financing €115M (2023–2025)[53] incl. public & private backers; Investors: CDTI (Spain), AXIS (ICO), other institutional backers	Urban, Land Intelligence, Climate	Growth / Scale-up
Kayrross	FR	€40M financing (Mar 2022)[54] incl. €15M EIB loan; Investors: French Tech Souveraineté (Bpifrance), European Investment Bank (loan), NewSpace Capital, Opera Tech Ventures (BNP Paribas VC), historical investors	Climate, Energy, Land Intelligence	Growth / Scale-up

[49] https://startup-weekly.com/Graz-based-Blackshark-ai-closes-oversubscribed-extension-to-its-Series-A-round-to-expand-3D-mapping-technology/
[50] https://www.crif.com/knowledge-events/press/crif-and-open-venture-invest-in-the-start-up-latitudo-40/
[51] https://www.quant-cube.com/insights-contents/quantcube-technology-raises-series-b-funding
[52] https://www.oxfordinnovationfinance.co.uk/oxford-innovation-finance-invest-in-sustainable-farming-tool-for-viticulture/
[53] https://www.xoople.com/resources/xoople-reaches-e115m-in-funding/
[54] https://www.kayrros.com/de/press_release/kayrros-the-french-climate-tech-leader-raises-e40-million-in-funding/

Company	Country	Recent private investment	Related EuroGEO Action Groups	Investment Stage
Picterra	CH	$6.5M Series A (Apr 2022)[55]; Investors: VI Partners (lead), ACE & Company	Land Intelligence, Urban, Biodiversity	Series A / Early Growth

Table 7: Examples of investors known to have recently invested in EO companies

Investor	Type	HQ	Backed European EO companies (year)
ACE & Company (ACE Ventures)	VC	Switzerland	Picterra (2022, $6.5m round participant)
Adara Ventures (Energy Fund)	VC	Spain	SatVu (2024, £10m equity co-lead)
Ananda Impact Ventures	Impact VC	Germany	OroraTech (2021 A; 2022 A-ext)
APEX Ventures	VC	Austria	OroraTech (2021 A; 2022 A-ext)
AXIS (ICO)	Public VC manager	Spain	Xoople (2025 equity round)
B Capital	VC	USA	Overstory (2023, Series A)
Bayern Kapital / Wachstumsfonds Bayern	Public VC	Germany	OroraTech (2024 B co-lead; 2021 A; 2025 B-extension)
Bentley iTwin Ventures	CVC	USA	Overstory (2023, Series A)
BNP Paribas Solar Impulse Venture Fund	CVC	France	OroraTech (2025, Series B extension lead)
Bpifrance – French Tech Souveraineté	Public sovereign tech fund	France	Kayrros (€40m round, 2022)
Buenavista Equity	VC	Spain	Xoople (€10.5m, 2025)
CDTI (Innvierte)	Public investor	Spain	Xoople (2025 equity round; multiple commitments)
Communitas Capital	VC	USA	Vortexa (2024, Series C)
Convective Capital	VC	USA	Overstory (2022, extension) & 2023 A participant
CREAS Impacto	Impact VC	Spain	Mitiga Solutions (2023, Series A)
Creative Ventures	VC	USA	PlanetWatchers (2022, Series A co-lead)
CRIF	Corporate (Fintech)	Italy	Latitudo 40 (2024 investment, with Open Seed)
DeepTech & Climate Fonds (DTCF, KfW Capital)	Public VC	Germany	LiveEO (2024, Series B)
Deutsche Bahn Digital Ventures	CVC (Rail)	Germany	LiveEO (earlier round)

[55] https://picterra.ai/blog/picterra-raises-6-5m-to-accelerate-its-mission-of-democratizing-geospatial-mapping/

Investor	Type	HQ	Backed European EO companies (year)
Dieter von Holtzbrinck Ventures (DvH)	VC	Germany	LiveEO (2024, syndicate)
Earth Sciences Foundation	Foundation	UK	SatVu (2023, A2 participant)
Edaphon	Impact VC	Belgium	OroraTech (2022, Series A extension lead)
Elaia	VC	France	Mitiga Solutions (2024, €8m A-extension)
European Circular Bioeconomy Fund (ECBF)	VC (EU-sponsored)	Luxembourg	OroraTech (2024 B co-lead; 2025 B-extension participant)
European Investment Bank (EIB)	Dev. bank (venture debt)	Luxembourg/EU	Kayrros (2022, €15m loan supporting the round)
Faber	VC	Portugal	Mitiga Solutions (2023, Series A)
Findus Venture	VC	Germany	OroraTech (2021, Series A lead; 2022 A-ext)
Five Arrows Growth Capital (Rothschild & Co)	Growth equity	UK/France	Kpler (2022 growth investment)
Five Capital	Growth equity	France	QuantCube Technology (2022, Series B participant)
FJ Labs	VC/Angel	USA	Vortexa (2024, Series C)
Goldman Sachs Growth	Growth equity	USA	Kpler (2022 round participation reported)
Helen Ventures	CVC (Energy)	Finland	LiveEO (2024, follow-on in B round syndicate)
Insight Partners	PE/VC	USA	Kpler (2022 growth investment)
Kibo Ventures	VC	Spain	Mitiga Solutions (2023, Series A lead)
Korys	Family office/VC	Belgium	OroraTech (2024, Series B co-lead)
Lockheed Martin Ventures	CVC	USA	SatVu (2023 A2 participant; earlier strategic)
M12 (Microsoft's venture fund)	CVC	USA	blackshark.ai (2023, expanded investment / A extension)
Matterwave Ventures	VC	Germany	LiveEO (2024, syndicate)
Metaplanet	VC	Estonia	Vortexa (2024, Series C)
Microsoft Climate Innovation Fund	CVC	USA	Mitiga Solutions (2023, Series A)
MMC Ventures	VC	UK	LiveEO (2024, syndicate)
Molten Ventures	VC	UK	SatVu (2023, Series A2 lead; 2024 co-lead)
Monashees	VC	Brazil	Vortexa (2024, Series C)
Moody's	Corporate	USA	QuantCube Technology (2022, Series B participant)

Investor	Type	HQ	Backed European EO companies (year)
Morgan Stanley Expansion Capital	Growth equity	USA	Vortexa (2024, Series C lead)
Nationwide Ventures	CVC	USA	Mitiga Solutions (2023, Series A)
NewSpace Capital	VC	Luxembourg	Kayrros (€40m round, 2022)
NordicNinja VC	VC	Finland	LiveEO (2024, Series B)
Notion Capital	VC	UK	Vortexa (2024, Series C)
Open Seed Fund	Seed VC	Italy	Latitudo 40 (2024, alongside CRIF)
Opera Tech Ventures (BNP Paribas)	CVC	France	Kayrros (€40m round, 2022)
Pale Blue Dot	VC	Sweden	Overstory (2023, Series A)
Point72 Ventures	VC	USA	blackshark.ai (2023, expanded investment / A extension)
Rabo Ventures	CVC (Rabobank)	Netherlands	OroraTech (2025, Series B extension)
Ridgeline Ventures	VC	USA	SatVu (2023, A2 participant)
Segenia Capital	VC	Germany	LiveEO (2024, syndicate)
Semapa Next	CVC	Portugal	Overstory (2023, Series A)
Seraphim Space (fund)	VC / Listed	UK	PlanetWatchers (2022, Series A co-lead)
Seraphim Space Investment Trust	Listed VC	UK	SatVu (2023, A2); PlanetWatchers (2022, Series A co-lead)
SpaceTec Capital	VC	Germany	OroraTech (2022, A-extension participants)
Stellar Ventures	VC	USA	SatVu (2023, A2 participant)
Strategic Development Fund (SDF)	Sovereign/Strategic	UAE	QuantCube Technology (2022, Series B lead)
The Nature Conservancy	Foundation investor	USA	Overstory (2023, Series A)
VI Partners	VC	Switzerland	Picterra (2022, $6.5m round lead)

2.5. Blended finance for EO service development

Blended finance or funding refers to the sequential and complementary use of multiple public and private financing instruments to support service development, market entry, and scale-up. Rather than relying on a single source of finance, EO companies typically combine grants, contracts, and investment capital over time, aligning each instrument with their stage of maturity, risk profile, and commercial objectives.

Public funding plays a foundational role in this blended model. European and national programmes, such as Horizon Europe, ESA programmes, Digital Europe, and thematic initiatives under EU Missions,

provide non-dilutive funding that helps de-risk early-stage innovation, develop prototypes, validate use cases, and build initial customer traction. These instruments are particularly well suited to EO services, where development often requires significant upfront investment in data processing, analytics, and system integration before revenues can be generated. Public funding also supports open data infrastructures and policy-driven demand, which lowers entry barriers for SMEs and enables experimentation across sectors.

As EO services mature, private investment becomes increasingly important to support commercial scaling. Venture capital, growth equity, corporate investment, and venture debt can provide faster and more flexible financing than grant-based instruments, enabling companies to expand teams, invest in productisation, strengthen sales and marketing capabilities, and enter new markets. For many EO downstream companies, especially those operating software- and analytics-driven business models, private capital may be better aligned with recurring revenue strategies and international growth ambitions.

Blended finance or funding therefore emerges not as a single financial product, but as a financing pathway. Early-stage public funding reduces technical and market risk, making EO companies more attractive to investors at later stages. Conversely, private investment can amplify the impact of public funding by accelerating the uptake and exploitation of EO-enabled solutions beyond the lifetime of individual projects. Successful EO companies often move back and forth between instruments, combining grants, contracts, and equity as their needs evolve.

However, blending funding sources also introduces challenges. Differences in timelines, reporting requirements, eligibility rules, and strategic objectives can create friction for companies, particularly SMEs with limited administrative capacity. Misalignment between public programme cycles and commercial fundraising timelines can delay growth, while insufficient investment readiness can prevent companies from fully capitalising on the opportunities created by public support.

In this context, blended funding should be understood as a strategic capability rather than an ad hoc financing choice. EO service providers that are able to plan funding trajectories, anticipate future capital needs, and align public funding with a credible commercial roadmap are better positioned to transition from innovation projects to sustainable market offerings. Strengthening this capability, through guidance, coordination, and targeted support, can significantly enhance the effectiveness of public investments and improve the long-term competitiveness of the European EO downstream sector.

3. Preparing for funding and investment

Becoming investment-ready goes **beyond** identifying potential sources of funding and investment. It requires a deliberate strategy for raising capital, a clear understanding of which investors best fit the venture's objectives, and the ability to communicate the investment opportunity convincingly. This section outlines **three core pillars of investment readiness**: fundraising strategy, selecting the right investor, and pitch preparation and training.

3.1. Fundraising strategy

A fundraising strategy defines how much capital to raise, when to raise it, and in what form, in alignment with the company's stage of development, risk profile, and business model. Importantly, fundraising should not be treated as a one-off event, but as a staged process that evolves as risks are reduced and value is created.

Most ventures raise capital incrementally, moving through seed, early-stage, and growth rounds, because early-stage risk makes large financings impractical and expensive in terms of dilution. By raising capital in stages and tying each round to the achievement of concrete technical, commercial, or organisational milestones, companies can progressively improve valuation and retain greater long-term ownership. Raising too much capital too early may also dilute focus, reduce financial discipline, and weaken feedback loops from customers and investors alike.

A sound fundraising strategy also recognises that minimising dilution is not the primary objective. The overriding goal is to avoid running out of cash while maintaining strategic flexibility. Over-optimising for valuation can increase the risk of down rounds later, which tend to be more damaging than accepting a fair valuation earlier in the company's lifecycle. Planning should therefore extend beyond the immediate round and consider capital needs up to cash-flow breakeven or the next major value inflection point

Finally, founders should seek the lowest-cost capital appropriate to their circumstances. While equity financing is often the default for early-stage ventures, public grants can provide non-dilutive funding aligned with R&D and innovation objectives, albeit with longer timelines and administrative complexity. Debt instruments, including venture debt, may become attractive as revenues stabilise, but they introduce fixed obligations and constraints that can amplify risk if adopted prematurely. The optimal strategy typically combines multiple instruments over time, adjusted as predictability and scale increase.

With a commercialisation assistance offering in place, the **EuroGEO Secretariat** could potentially support EO companies in developing their fundraising strategies by providing tailored guidance on financial planning and market positioning, helping ventures align their capital needs with relevant EU and national funding instruments, and signposting them to funding opportunities and preparatory resources that improve their readiness to approach investors and grant programmes.

3.2. Selecting the right investor

Selecting investors is not merely about securing capital; it is about choosing long-term partners whose incentives, expectations, and behaviours align with the company's strategy. Different investor types (e.g., friends and family, public grant providers, angels, venture capitalists, or corporate investors) serve different purposes at different stages of development.

Public grants are often particularly relevant for technology-driven ventures, as they provide non-repayable funding without equity dilution. However, they require a strong alignment between the company's roadmap and policy objectives, a compelling articulation of societal or economic impact, and the operational capacity to manage complex application and reporting processes.

Private investment, by contrast, can often be raised more quickly and offers greater flexibility in execution, but might come at the cost of ownership dilution and, frequently, reduced founder control.

Venture capital deserves particular scrutiny. While it can enable rapid scaling, VC investment often entails board representation, veto rights, and strong pressure to pursue high-growth trajectories. Founders must therefore assess whether the investor's definition of success, often driven by fund size and return targets, matches the company's long-term vision. In some cases, accepting VC capital may effectively mean hiring a new decision-maker, or even a future employer.

Due diligence should run in both directions. Founders are well advised to speak with current and former portfolio company CEOs, understand the investor's follow-on capacity, and clarify how they behave in periods of underperformance or strategic change. Accepting capital from the wrong investor can be more damaging than delaying a funding round altogether.

EuroGEO has a role in fostering collaboration, mobilising industry contacts, and linking EO innovators with broader funding communities. Institutionalising that role, the EuroGEO Secretariat could help EO companies identify and connect with suitable investors and funding ecosystems by leveraging its broad network across the European EO landscape, facilitating introductions to stakeholders (including public, private, and hybrid funding actors), and advising firms on investor profiles that best fit their stage, technology focus, and strategic goals.

3.3. Pitch preparation and training

Pitching is both a **fundraising tool and a strategic exercise**. A well-prepared pitch forces founders to distil their business into a coherent narrative that answers an investor's fundamental questions: Why this problem? Why this solution? Why now? Why this team? And why this opportunity?

Investors typically review dozens, if not hundreds, of pitch decks each year. As a result, clarity and conciseness are critical. A strong pitch deck usually consists of no more than 10–15 slides and covers, in a logical flow, the company's vision, the problem and solution, the product, market opportunity, competitive context, business model, team, financial plan, and the investment opportunity itself. Thus, the pitch deck should include the following aspects:

- Company purpose and vision
    - Clear description of what the company does and its long-term vision for success.

- Problem to be solved
    - Definition of the customer problem or pain point and why it is significant.
    - Solution and value proposition
    - Description of the solution and the unique value it delivers to customers.
- Product
    - Overview of the product, its key features, intellectual property, and development roadmap.
- Market opportunity
    - Definition of the target customer and the size and accessibility of the addressable market.
- Context and competition
    - Competitive landscape, differentiation, and timing rationale.
- Business model and unit economics
    - Explanation of how the company makes money and the economics at transaction level.
- Team
    - Presentation of founders and key team members, including relevant experience and gaps.
- Financials and execution plan
    - Historical (if available) and forward-looking financials, capital needs, and execution assumptions.
- Investment opportunity
    - Funding history, proposed deal structure, capitalisation considerations, and return potential.

Beyond content, pitch training focuses on delivery and preparation. Founders should be able to explain their business model, unit economics, and assumptions fluently, while remaining transparent about uncertainties and risks. Dry runs with trusted advisors or existing investors help refine the narrative, identify weak points, and anticipate likely questions. Backup materials, such as detailed financials or product demonstrations, should be prepared for deeper follow-up discussions.

Ultimately, pitching is not about perfect forecasts or polished slides, but about demonstrating mastery of the business and building investor confidence. A credible, well-rehearsed pitch signals execution capability and significantly increases the likelihood that an initial conversation will progress toward a concrete investment opportunity.

EuroGEO's Innovation Support aims to improve commercialisation success through targeted assistance, including investment readiness and communication strategies. With such role in place, the EuroGEO Secretariat could enhance EO companies' pitching capabilities by offering or facilitating training, resources, and feedback loops that strengthen how they communicate value propositions, investment cases, and market potential, thereby increasing confidence and effectiveness when engaging investors, partners, and funding bodies.

3.4. Company valuation

Company valuation plays a central role in fundraising because it directly determines how ownership, control, and future upside are shared between founders and investors. More than a simple numerical outcome, valuation is a structured assessment of a company's current position, future potential, and risk profile, and it forms the backbone of any serious investment discussion.

A credible valuation establishes a fair starting point for negotiations. Investors need to understand how a company's value has been derived, which assumptions underpin it, and how it compares to peers and benchmarks. Valuations that are grounded in transparent methodologies and supported by evidence, such as revenue forecasts, market positioning, intellectual property, and execution capability, help reduce uncertainty and shorten decision cycles. For early-stage and deep-tech companies in particular, where revenues may still be limited, valuation exercises often focus on qualitative and forward-looking value drivers, translating innovation, defensibility, and growth potential into a coherent investment narrative.

Valuation also has a strong influence on investor confidence and deal dynamics. A well-substantiated valuation demonstrates that founders understand both the financial and strategic dimensions of their business, which reassures investors that expectations are realistic and aligned. This becomes especially important during term sheet negotiations, where valuation affects equity dilution, governance rights, and future financing flexibility. Independent or professionally prepared valuations can provide a neutral reference point, helping founders defend their position while avoiding inflated expectations that could lead to difficult down rounds later.

Beyond negotiations, valuation serves as a strategic management tool. The process of valuing a company highlights the factors that contribute most to enterprise value, such as proprietary technology, customer traction, regulatory positioning, or scalability of the business model. By identifying these value drivers, companies gain clarity on where to focus resources to maximise future valuation, whether by strengthening intellectual property, accelerating commercial traction, or reducing execution risk. In this sense, valuation is not only backward-looking but also guides strategic prioritisation ahead of fundraising.

Valuation is also closely linked to investor due diligence and fundraising materials. Financial models, pitch decks, and business plans all implicitly or explicitly reflect a company's valuation logic. A consistent valuation framework ensures that projections, capital requirements, and return scenarios presented to investors are coherent and defensible. This alignment reduces friction during due diligence and helps investors assess whether the proposed investment offers an attractive risk–return profile.

Finally, valuation must be seen as a dynamic concept that evolves over time. As companies progress through funding rounds, achieve milestones, and operate in changing market conditions, their valuation should be reassessed to reflect reduced risk or increased opportunity. Regular, professional valuation exercises help companies navigate this evolution in a structured way, supporting smoother transitions between funding stages and reducing the likelihood of misalignment with investors.

In summary, company valuation is fundamental to successful fundraising because it shapes negotiations, underpins investor confidence, reveals strategic priorities, and supports credible

investment communication. Treated properly, it becomes a powerful tool not only for raising capital, but for steering the company toward sustainable, long-term value creation.

Building on the experience from the e-shape project, where a dedicated company valuation service was developed, piloted, and tested in real market conditions, EuroGEO is well positioned to play a meaningful, credible role at the intersection of valuation, investment readiness, and access to finance for EO companies.

4. Conclusion

This case study illustrates that Europe already offers a rich and diverse ecosystem of public funding instruments, institutional programmes, and private capital relevant to EO service development. From early-stage R&I grants and pilot funding to procurement contracts, scale-up programmes, and venture capital, most stages of the EO innovation and commercialisation journey are, in principle, supported. The challenge for EO companies is therefore less about the absence of funding and more about navigating complexity: understanding which instruments are appropriate at which stage, how to sequence them effectively, and how to align public funding with credible commercial and investment strategies.

Blended funding emerges as a central organising concept. Successful EO service providers rarely rely on a single source of finance; instead, they combine non-dilutive public funding to de-risk innovation with private investment to accelerate market entry and scale. Doing so requires strategic foresight, investment readiness, and the ability to translate technical excellence into compelling commercial and financial narratives. Without these capabilities, even strong technological solutions may struggle to progress beyond project-based funding or pilot deployments.

In this context, there is a **clear opportunity for EuroGEO** to play a strengthening and enabling role within the European EO ecosystem. Rather than acting as a funding body itself, EuroGEO can add value by operating at the interfaces between innovation, funding, and markets. Through its Innovation Support activities, EuroGEO is well placed to help EO companies better understand blended funding pathways, anticipate future capital needs, and align their development roadmaps with suitable European, national, and private financing instruments.

More specifically, EuroGEO can act as a connector and capacity builder by:

- providing structured guidance on funding and financing strategies across different maturity stages;
- introducing EO innovators to relevant EU and national programmes, procurement opportunities, and investment-readiness resources;
- facilitating access to expertise on fundraising strategy, valuation, and investor communication;
- leveraging its network across public institutions, research communities, and industry to improve visibility and matchmaking with funding and investment actors.

By lowering informational and capability barriers, particularly for SMEs and first-time founders, EuroGEO can help ensure that public investments translate more effectively into sustainable EO services and commercially viable companies. In doing so, it supports not only individual firms, but also the broader objectives of European strategic autonomy, climate resilience, digital transformation, and competitiveness in EO-enabled markets.

Finally, strengthening Europe's EO downstream sector is not solely a question of increasing budgets, but of improving coherence, continuity, and commercialisation outcomes across the innovation lifecycle. Positioned at the intersection of policy, science, and industry, EuroGEO can make a meaningful contribution to this objective by helping EO companies transition from innovation to impact.