

## PRESS RELEASE

### **New study shows steady growth of European impact investments, but more acceleration is needed**

**Brussels/London, 1 December 2022 –European impact investments are growing, but not quickly enough to deliver on the Sustainable Development Goals by 2030. This is the main finding of a report released today by EVPA – the European investing for impact network and the Global Steering Group for Impact Investment (GSG) on the impact investment market in Europe.**

The study estimates the European direct impact investment market – i.e. investments directly made into enterprises addressing social and environmental challenges – at € 80 billion. European impact investment assets under management grew by a substantial 26% from 2020 to 2021, but still represent only 0.5% of the European mainstream investment market.

The top areas covered - decent work and economic growth, reduced inequalities and climate action - include a mix of social and environmental goals, which shows how impact investors represent a force for change on both impact categories.

Looking at the sources of funding for impact investment, more than a quarter comes from individual investors. This trend is driven by countries with favourable regulations, which have proven to democratise access to impact investment and mobilise significant resources from retail investors, who are increasingly demanding sustainable and impact opportunities. This indicates that policy makers – both national and European – have a key role to play in making access to funding for retail investors easier.

At the low end of the spectrum, foundations' endowment assets and high net worth individuals represent an untapped potential of resources which could be mobilised to support impact funds. EU funding accounts for 5% of the funding available to impact investors. This is heading in a positive direction, growing from 1% in 2020, and reflects the increased engagement of the European Investment Fund to deploy EU funds into public-private co-investments.

*“The continued growth in the European impact investment market is encouraging. But we urgently need greater acceleration to address today’s pressing social and environmental needs”, said Roberta Bosurgi, EVPA CEO. “This is a wake-up call to all investors: we need more impact investments that identify, nurture and take big risks for innovative solutions to complex social and environmental challenges – from the climate crisis to sustainable food systems.”*

*“This coordinated cross-border market size study, targeting investments into unlisted assets, is important for attracting more capital providers and mobilising more capital for impact investment in European countries”, said Cliff Prior, GSG CEO. “The open-source transparency and detail in the report provides valuable data to investors and governments and will support future impact growth in the region.”*

This report is the result of the first harmonised European impact investment market sizing, a joint effort by EVPA and GSG, as well as several of GSG’s National Advisory Boards and their academic

partners. It will help create more transparency around impact investing trends and practices, and quantify their transformative impact on society and planet. It also allows for an aligned, credible and recognised baseline across Europe against which to measure progress. This is a critical first step to mobilise more capital providers interested in playing a bigger role in the impact space.

**For more information and interview requests, contact:**

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**Notes to editors:**

- The [study](#) includes 285 organisations, representing 512 impact investment vehicles from 18 European countries. Venture capital and private equity impact funds represent over a third of the organisations active in the impact ecosystem (36%), followed by financial institutions (20%) and foundations (10%). Together, these first three categories correspond to two thirds of the sample; the remaining third is made of 10+ different categories of respondents.
- The report is being launched at the [EVPA Impact Week](#), which gathers 800+ impact leaders in Brussels to accelerate positive change for people and planet.

**About EVPA**

[EVPA](#), the European investing for impact community, is a unique network at the intersection of business and purpose, driven by knowledge and focused on impact. We rally people, capital, knowledge, and data to catalyse, innovate and scale impact. EVPA brings together a diverse group of capital providers (impact funds, corporations, foundations, private equity, banks, public funders) and social innovators of all sorts – from household names to emerging new players. Together we work to increase prosperity and social progress for all, fix inequalities and injustices and preserve the planet.

**About GSG**

The Global Steering Group for Impact Investment (GSG) is an independent global steering group promoting sustainable development and advancing education in impact investment. The GSG was established in 2015 as the successor to, and incorporating the work of, the Social Impact Investment Taskforce established under the UK's presidency of the G8. The GSG's National Advisory Boards (NABs) currently cover 35 countries. The GSG brings together leaders from finance, business, philanthropy and governments to drive a shift towards impact economies. For more information visit [www.gsgii.org](http://www.gsgii.org) and follow the GSG on [Twitter](#) and [LinkedIn](#).