

# Luxembourg: EIB Announces First Direct financing for a start-up in the European “New Space” sector – €20 million venture loan for Spire Global



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- The financing supports Spire Global’s nanosatellite development and launches, space infrastructure, data analytics, and high-skilled job creation in Luxembourg and the EU.
- This represents the First-ever direct EIB financing for the emerging European “New Space” industry

Today at Web Summit 2020, the European Investment Bank (EIB), the long-term lending institution of the European Union and [Spire Global](#), a company with the world’s largest multi-purpose constellation of satellites announced a [venture debt](#) financing agreement of up to €20 million. The financing will back capital expenditure and research and development (R&D) activities to further develop Spire’s constellation of small satellites and high-quality maritime, aviation and weather space data and analytics. It will also back the development of new software applications for customers and create high-skilled jobs in Luxembourg. The transaction follows the EIB’s commitment to strengthen support for European space start-ups and cooperate with space agencies such as the European Space Agency ([ESA](#)). It is backed by the European Fund for Strategic Investments (EFSI), the main pillar of the [Investment Plan for Europe](#).

Spire Global is active in the space data industry as a global data and

analytics company that leverages proprietary satellite technology to forecast the weather and track maritime and aviation movements. It designs, manufactures and operates the world's largest constellation of small satellites.

**EIB Vice-President Teresa Czerwińska**, responsible for innovation and digitalisation: "Like many other sectors, space is undergoing disruptive changes driven by innovation and digitalisation. We shouldn't miss the opportunity to play a decisive role in the emerging New Space industry and reap the many benefits it can bring to the whole economy and Europe's future competitiveness. I am therefore particularly pleased about our agreement with Spire. For the first time ever, the EIB is directly supporting a highly innovative, disruptive start-up in the New Space sector. It shows that the European Union can attract late-stage, fast-growing companies that develop new business models and commercialise new technologies in sectors that will define our future."

**European Commissioner for the Economy Paolo Gentiloni** said: "The 'New Space' economy, which remains little explored by private entrepreneurs, offers great potential for economic growth and job creation. I am glad that the Investment Plan for Europe is extending its support to this promising sector. The EIB financing will help the Spire Global start-up to accelerate its R&D activities, expand its network for space data analysis and create many high-skilled jobs."

**Peter Platzer, CEO and founder of SPIRE** said: "Spire is pleased to be working with EIB to drive product innovation and scalability in Europe. Our satellite constellation is monitoring every point on the planet in near real-time, producing unique datasets that can be processed into decision-making tools that help to solve some of the world's biggest problems, such as achieving net zero emission targets, illegal fishing, excessive fuel consumption, early warning of extreme weather events, and more efficient movement of global resources. Europe has exceptional high-tech talent, including in data analytics, AI/ML, and product development, making it an ideal location for Spire to scale our team to meet new customer demands through product innovation. We applaud EIB's decision to fill the growth financing gap between early stage and mature companies, which positions Europe as a competitive location for technology start-ups and particularly attractive for business scaling."

## **Financing New Space**

The global space economy has been growing at nearly twice the rate of the broader economy (pre-COVID) and is undergoing considerable changes. Many new private companies are entering this market that has long been dominated by government-run entities. According to ESA, every €1 invested in the space sector returns an average of €6 to the economy, making the sector essential for growth, competitiveness and high-tech employment. Space technology in orbit and applications on Earth are relevant across a large number of industries, including maritime, aviation, agriculture, natural resource management, insurance, financial trading and logistics.

The European Union has flagship programmes like Copernicus and Galileo that provide Europe with autonomous space capabilities, and is also embracing the changes of the “New Space” sector with various funding vehicles. However, Europe still lags the United States and China in terms of risk capital available to the space sector, which particularly affects the growth stage of space ventures. At this stage of development, grants are no longer adequate to drive scalability and commercialisation, but companies are not mature enough to access private equity markets. To fill this gap, the EIB Group provides direct [venture financing](#) for later-stage, fast-growing companies, and through the European Investment Fund (EIF) backs various venture funds to support European space start-ups at earlier development stages.

In addition to its financing, the EIB is supporting the development of a European New Space sector through its [Advisory Services](#), in collaboration with the European Commission. The services produced a [market study](#) on *The future of the European space sector* and initiated the EIB Space Finance Lab. The lab connects space companies and financiers, helping companies tap into EIB and other patient capital sources. Spire has been actively contributing to the Space Finance Lab initiative launched in 2019, representing the voice of New Space companies in the scale-up phase looking for debt financing. Spire was first identified by the Bank’s Advisory Services as a potential venture financing candidate, and benefited from its advisory support in preparation for the EIB financing application.

Spire has been in operation since 2012 with institutional investors from around the world and locations in four countries. The company’s data and analytics are backed by a wholly owned and developed constellation of more than 100 nanosatellites, global ground station network, and 24/7 operations. The support from EIB allows Spire to accelerate R&D investments and product innovation in Europe, leading to expanded customer capture and entry into new markets.

## **Background information**

### **Spire Global Luxembourg**

Spire is the leading space data company and Earth solutions platform – building, owning and operating the world’s largest multi-purpose constellation of commercial nanosatellites. Spire provides the most advanced tracking of the world’s ships, planes and weather systems with the best-in-class near real-time coverage of the entire globe. Our exclusive predictive data-analytics engine offers a competitive advantage to our customers as they navigate a rapidly digitizing economy. Sitting at the nexus of answers to the world’s toughest challenges, Spire empowers businesses and governments to make critical, time-sensitive decisions about what to do next in a rapidly changing, and digital world. To learn more, visit <https://www.spire.com>

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# Spain: Web Summit – EIB finances Worldsensing with €10 million to develop next-generation industrial monitoring solution



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- The EU bank supports the start-up's R&D strategy, focused on innovative growth and market expansion.
- The company's product Loadsensing increases reliability, efficiency and safety of critical infrastructures through monitoring within mining, construction and rail.
- The project is supported by the Investment Plan for Europe and is expected to create 50 new highly skilled jobs in the R&D sector.

The European Investment Bank (EIB) will provide a €10 million financing to support the R&D strategy of the Spanish start-up Worldsensing, a widely recognised Internet of Things (IoT) pioneer that focuses on designing IoT solutions for monitoring sensors and operates in more than 60 countries. The

EIB long-term and advantageous financing of Worldsensing will support the company's innovation efforts aimed at increasing its production capabilities, developing a portfolio of new products and at enhancing the company's commercial and distribution network. The agreement was announced today at Web Summit by EIB Vice-President Ricardo Mourinho Félix and Worldsensing CFO David Deprez.

Thanks to the EU bank support, the Barcelona-based start-up will further develop the [Loadsensing](#) product portfolio, a battery-powered, wireless, wide-area data transmission solution, to monitor in near real-time the status of infrastructures, improve efficiency and prevent disasters. The company's monitoring solution collects sensor data of critical infrastructure, including tailings dams in the mining sector, thus improving the safety of workers that normally collect this data manually and the communities that often live near these sites. Moreover, the EIB backing will enable Worldsensing to not only help preserve monuments in cities and to monitor the status of urban infrastructures, but will also create safer work environments and address the lack of infrastructure resilience through predicting landslides, floods, infrastructure fatigue and collapse.

**EIB Vice-President [Ricardo Mourinho Félix](#), who is responsible for the Bank's operations in [Spain](#), highlighted:** *"Preserving our cultural heritage, creating safer work environments and monitoring the status of our infrastructure are only some of the results that can be achieved using Worldsensing's technology. This is a very good example of a project whose impact will improve our day-to-day life, wellbeing and security. EIB is pleased to support the company's RDI strategy to further develop its next generation monitoring solution and wide range of important applications. Boosting this type of cutting-edge technologies is critical for the competitiveness of the European economy, not only to face the COVID-19 crisis but also to address Europe's long-term challenges. The Web Summit is the ideal place to announce these ground-breaking projects."*

**Commissioner for the Economy, Paolo Gentiloni, said:** *"This agreement between the EIB and Spanish start-up Worldsensing, supported by the Investment Plan for Europe, shows how technology can be put at the service of society. Thanks to the new financing, Worldsensing will develop a solution to monitor remotely the status of critical infrastructure like bridges and railways: helping to prevent disasters and save lives."*

**David Deprez, Chief Financial Officer at Worldsensing, said:** *"The EIB investment will enable us to accelerate our solution development. As a market leader in the space, we see safeguarding critical infrastructures as a mission that Worldsensing is uniquely positioned to deliver on," said Deprez. "At this point in our growth, the EIB funding will help us to expand our global footprint and continue driving infrastructure resilience and safety through our partner network."*

Some recent examples of projects where Worldsensing's technology has been applied include new infrastructure projects like the expansion of the Paris metropolitan underground system, the metro tunnel construction monitoring of the U5 metro line extension in Frankfurt (Germany), and monitoring water

wells across one of the largest open pit mines in the world (Chile).

The EIB is financing this RDI project through a venture debt operation backed by the European Growth Finance Facility (EGFF) – a programme loan under [Investment Plan for Europe](#). It is a financing instrument used by the EU bank that supports leading companies in innovative sectors. Since it was launched in 2016, this initiative has granted over €2 billion in financing for projects in areas such as robotics, artificial intelligence and biomedicine. The project will help create 50 new highly skilled R&D jobs in *Worldsensing's* headquarter, located in Barcelona (Spain).

## **Background information:**

### **EIB venture debt**

The EIB's venture debt product is a financing instrument that supports startup and fast-growing innovative companies in cutting-edge technology sectors. It combines the advantages of a long-term loan with a remuneration model based on the company's performance. Venture debt transactions help strengthen the borrower's economic capital without diluting the shares of existing investors. The product, developed four years ago in response to market needs, is backed by the European Fund for Strategic Investments (EFSI), the financial pillar of the Investment Plan for Europe.

### **Worldsensing**

Worldsensing is a global IoT pioneer. Founded in 2008, the industrial monitoring expert works with over 270 engineering partners in more than 60 countries to provide safety through critical infrastructure monitoring in mining, construction, rail and structural health. The company is a [member of the EIT RawMaterials](#), initiated and funded by the EIT (European Institute of Innovation and Technology), a body of the European Union, and has recently joined the [European Raw Materials Alliance](#). Worldsensing has more than 80 employees and offices in Barcelona, London, Los Angeles and Singapore and investors include Cisco Systems, Mitsui & Co, McRock Capital and ETF Partners, among others.

### **About Web Summit**

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**[EIOPA publishes its fifth annual analysis on the use and impact of](#)**

# Long-term guarantees measures and measures on equity risk

Today, the European Insurance and Occupational Pensions Authority (EIOPA) submitted to the European Parliament, the Council of the European Union and the European Commission, its 2020, fifth and last Annual Report on Long-Term Guarantees Measures (LTG) and Measures on Equity Risk.

The analysis carried out by EIOPA in the annual reports on long-term guarantees measures and measures on equity risk since 2016 has served as a basis for the Opinion on the 2020 review of Solvency II, to be delivered by the end of 2020 with regulatory proposals to improve the design of the measures.

Similar to previous years' analysis, this year's results show that most of the measures are widely used. 651 (re)insurance undertakings in 21 countries with a European market share of 80 % use at least one of the following voluntary measures:

- The matching adjustment
- The volatility adjustment
- The transitional measures on the risk-free interest rates
- The transitional measures on technical provisions
- The duration-based equity risk sub-module

The volatility adjustment and the transitional measure on technical provisions are particularly widely used. The volatility adjustment is applied by 651 undertakings in 21 countries to mitigate the effect of exaggerations of bonds spreads. The transitional measure on technical provisions is applied by 136 undertakings in 11 countries with respect to contracts concluded before the start of Solvency II in order to ensure a smooth transition to the new regime.

The average Solvency Capital Requirement (SCR) ratio of undertakings using the voluntary measures is 247 % and would drop to 204 % if the measures were not applied. This confirms the importance of these measures for the financial position of (re)insurance undertakings.

Consistent with the trends observed in the last years, availability of long-term guarantee products is mainly stable or decreasing across EEA. In the 2019 report, approximately half of the jurisdictions observed a reduction in the availability of traditional life insurance products with long-term guarantees and an increase in the availability of unit-linked business. All jurisdictions that observed this trend last year, have responded that the trend has continued this year. Overall, national supervisory authorities have observed a decrease in the size and duration of guarantees.

[Download the report](#)

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