

*For immediate release*

## **ECSO initiates dialogue with the European Commission for the creation of a €1 billion cybersecurity investment platform**

**The European Cyber Security Organisation (ECSO) working in conjunction with major private investors handed a letter of intent to key commissioners to signal their joint objective to create a cybersecurity investment platform worth at least €1 billion over five years to urgently address the funding gap in the European cybersecurity sector.**

ECSO has used its convening power to bring together eight major European private investors to help promote investments in European cybersecurity start-ups and SMES as well as keeping competences and strategic solutions within Europe. The cybersecurity investment platform ties in with the key ECSO mission to support European digital autonomy and more broadly with ECSO's purpose of creating a strong, competitive European cybersecurity ecosystem.

### ***An Ambitious Agenda***

ECSO foresees the cybersecurity investment platform or 'Fund of Funds' being supported by a pan-European Investment Support Programme, with the Fund of Funds aiding the achievement of the following goals:

1. **Stimulating** the emergence of new pan-European specialised cybersecurity funds to enable the launch of specialised European investment projects.
2. **Providing** a focus on Series-A and growth stage companies to offer a level playing field for early stage companies which currently constitute the majority of investments in Europe.
3. **Creating** a more specialised investment capacity to attract large international "limited partners" on the European market.
4. **Leveraging** the Smart Specialisation Platform Cyber Valleys to widen the deployment of an inter-regional acceleration programme and trigger large business-technology partnerships.
5. **Supporting** the creation of the synergies in relevant R&D&I funding schemes across Europe.

### ***Addressing the Cybersecurity Funding Deficit***

Cybersecurity represents a complex and fragmented market in Europe leading to a funding gap of over €4 billion in 2019 when compared with the USA. The lack of specialised growth capital, strategic buyers as well as international marketing and business skills is leading Europe to fall behind the US, Israel and China in this key strategic sector and European digital and cybersecurity champions are required to bridge the gap. Within this operating context, a new initiative was urgently needed to help address the funding deficit, leading to ECSO's move to create the cybersecurity investment platform.

### ***Next Steps***

On Friday 18<sup>th</sup> September, ECSO sent a letter co-signed by eight investment partners (listed below) to Vice Presidents Margarethe Vestager and Margaritis Schinás, as well as Commissioner Thierry Breton, calling for support and the opening of dialogue with the European institutions on this matter. With the support of the Smart Specialisation Platform “Cyber Valleys” led by the Brittany Region, ECSO will also discuss the Fund of Funds with the European Investment Bank and the European Investment Fund to understand how the initiative can move forward to maximise access-to-finance for the European cybersecurity industry.

The eight European investors who signed the Letter of Intent in conjunction with ECSO are as follows:

- Ace Management, France
- Adara Ventures, Spain
- eCAPITAL ENTREPRENEURIAL PARTNERS AG, Germany
- KPN Ventures, The Netherlands
- P101, Italy
- Primomiglio, Italy
- TIIN Capital, The Netherlands
- Vendep Capital, Finland

### ***Call for Participation***

The Letter of Intent is now open to additional signatories and ECSO welcomes contributions to the design of the investment platform from private investors, industry and regional ecosystems.

### **About European Cyber Security Organisation (ECSO)**

European Cyber Security Organisation (ECSO) is a non-for-profit organisation, established in 2016. ECSO unites more than 260 European cybersecurity stakeholders, including large companies, SMEs and start-ups, research centres, universities, end-users, operators, associations, as well as regional and national administrations. ECSO works with its members and partners to develop a competitive European cybersecurity ecosystem providing trusted cybersecurity solutions and advancing Europe’s cybersecurity posture and its technological independence. More information: [www.ecs-org.eu](http://www.ecs-org.eu).

To learn more about this exciting new initiative, contact the ECSO communications team: [media@ecs-org.eu](mailto:media@ecs-org.eu)