

EIT InnoEnergy and Demeter launch €500m European battery raw materials fund

18 January 2024, Davos: [EIT InnoEnergy](#), the leading innovation engine in sustainable energy; and [Demeter Investment Managers](#), a major European private equity and venture capital firm; today announced the launch of a fund dedicated to the development of a resilient and diverse battery raw material supply chain for Europe.

With a target size of €500 million, the ‘EBA Strategic Battery Materials Fund’ (EBA Materials Fund or the “Fund”) builds upon the success of the European Battery Alliance (EBA250) in its mission to create a resilient European battery industry. The fund is launched amidst soaring European demand for batteries which is exposing significant gaps in the upstream (mining, processing) of the EU’s battery material supply chain. In line with the EU’s Critical Raw Materials Act (CRMA) requirements to decrease the EU’s overreliance on foreign supply, the fund aims to boost domestic capacities for strategic battery materials such as lithium, nickel, cobalt, manganese, and graphite.

Diego Pavia, CEO of EIT InnoEnergy said: “To secure a thriving and resilient European battery industry, we must intensify our efforts in domestic battery raw materials production. While it’s encouraging to see a growing list of ambitious initiatives and financial stimuli from public and private players, their focus is typically on mature projects (post-Final Investment Decision). Yet these initiatives need a deal flow of de-risked projects, and therefore we also need a focus on early-stage upstream projects (scoping, PFS and DFS), committed to a sustainable, traceable and transparent battery materials supply chain – and that’s exactly what the EBA Materials Fund will deliver.”

Demeter will act as fund manager, bringing its wealth of experience in greentech and infrastructure. EIT InnoEnergy will tap into its sector heritage, evidenced by leadership of EBA250 since its inception in 2017, along with broader early-stage investment expertise to identify and support risky projects.

Societe Generale will act as the exclusive financial advisor for the capital raising.

Commission Executive Vice-President Maroš Šefčovič in charge of the European Green Deal and the European Battery Alliance said: “The battery industry is of strategic importance and a key battleground for global competitiveness. Therefore, it is vital to continuously up our game, with securing battery raw materials being the single biggest task ahead. Today’s innovative announcement shows that we mean business – on both, boosting our domestic European capacities and bolstering diversification via trade and cooperation with reliable partners. We need to be strategic, bold, agile.”

At least 70% of investments from the EBA Materials Fund will be dedicated to projects increasing EU domestic production from mining, processing, refining and recycling in EU and neighbouring countries. The remaining 30% will focus on increasing raw material supply from EU Raw Material Partnership countries, such as Canada, Namibia, and Argentina.

The EBA Materials Fund will support projects in obtaining the highest environmental standards, following the robust sustainability criteria set under the EU Battery Regulation on traceability, sustainability and circularity, and other criteria which are currently being set under the CRMA. The fund will have one of the highest ESG classifications as an Article 8 fund under the EU’s Sustainable Finance Disclosure Regulation (SFDR).

Antoine Troesch, Managing Partner at Demeter, added: “Demeter is delighted to launch this initiative together with EIT InnoEnergy, in a critical segment for European countries to succeed in energy and ecological transition. Demeter will bring its recognized expertise in green investments and its methodologies for ensuring those investments meet the highest ESG standards.”

ENDS

[About EIT InnoEnergy](#)

[EIT InnoEnergy](#) operates at the centre of the energy transition and is the leading innovation engine in sustainable energy. It brings the technology, business model innovation and skills required to accelerate the green deal, progress towards Europe's decarbonisation and re-industrialisation goals, whilst also improving energy security.

Recognised as Europe's top Cleantech and Blue Economy venture capital firm and investor in 2023 by [Startup Genome](#), one of Europe's top 10 most active deeptech investors by [Sifted](#) in 2023 and the most active investor in the energy sector in 2022 by [Pitchbook](#), InnoEnergy backs innovations across a range of areas. These include energy storage, transport and mobility, renewables, energy efficiency, hard to abate industries, smart grids and sustainable buildings and cities.

InnoEnergy has a portfolio of more than 200 companies, which are estimated to generate €110 billion in revenue and save 2.1G tonnes of CO₂e accumulatively by 2030. Collectively, these companies have raised more than €9.7 billion in investment to date.

InnoEnergy is the driving force behind three strategic European initiatives which include the [European Battery Alliance](#) (EBA), [the European Green Hydrogen Acceleration Center](#) (EGHAC) and the [European Solar Photovoltaic Industry Alliance](#) (ESIA).

InnoEnergy was established in 2010 and is supported by the European Institute of Innovation and Technology ([EIT](#)), a body of the European Union. Since its inception, InnoEnergy has screened more than 7,000 start-ups, launched more than 300 products to market and overseen its portfolio companies filing 370+ patents. Today, InnoEnergy has a trusted ecosystem of 1200+ partners and 35 shareholders and a 200+ strong team with offices across Europe and in Boston, US. www.innoenergy.com

[About Demeter](#)

Demeter Investment Managers is a major European player in venture capital, private equity and infrastructure investment in the field of energy and ecological transition. Its funds invest from 1 to 50 million euros to support companies in the sector at all stages of their development: innovative startups, small and medium-sized enterprises, and infrastructure projects. The Demeter team consists of 38 individuals based in Paris, Lyon, Bordeaux, Madrid and Düsseldorf. Managing 1.3 billion euros, the team has executed 230 investments over 17 years.

Disclaimer

- This is a Marketing Material;
- This Fund is a project of Fund that will be managed by Demeter Investment Managers, a Management Company authorized under AIFM Directive by the French Market Authority

under No. GP-05000027;

- This Fund is only open to Professional Investors within the meaning of Directive 2014/65/EU;
- This Fund invest mostly in non-listed companies meaning that the unitholders undertake a liquidity risk: some assets held by the Fund may not be sold before a long time;
- This Fund entails a risk of loss in capital: you may or may not recover the full amount invested in the Fund;
- The Fund is currently being pre-marketed and authorized to be pre-marketed in the following jurisdictions: France, Germany, Austria, Spain, the Netherlands, Italy, Belgium, the Republic of Ireland.

➤ Pursuant to EU Directive 2019/1160 and article D.214-32-4-1-1 of the French Monetary and Financial Code:

- This information does not amount to an offer of placement or a potential investment offer;
- The pre-marketing is carried out without:
 - *Providing the investor with sufficient information enabling him to make an informed decision so as to invest in the Fund;*
 - *No subscription form or definitive Fund by-laws are given to the investor;*
 - *All documents including this press release should not be considered as an offer or an invitation to subscribe to the Fund;*
 - *The information provided hereafter may be varied by Demeter Investment Managers and shall not be regarded as complete.*