

New report:

Europe's angel investment landscape continues to grow and consolidate into larger, more professional networks

Stockholm, 13 November 2025 – A new report from Nordic Angels and BCG highlights Europe's evolving early-stage landscape amid shifting investor sentiment.

Despite a turbulent investment climate across global and European markets, the continent's startup ecosystem continues to demonstrate resilience and innovation potential, according to the third annual State of European Angels 2025 report initiated by Nordic Angels in collaboration with Boston Consulting Group (BCG).

To unlock the full potential of its early-stage ecosystem, the report calls for greater risk-taking—backing exceptional founders with redefining ideas—and enhanced collaboration both across the continent and between angels and VCs, enabling more startups to scale successfully from within Europe.

*“Periods like this make investors more selective - but also more strategic,” says **Andreas Grape, CEO & Co-Founder of Nordic Angels.** “The data shows a clear shift from chasing deals to creating lasting impact. Collaboration and capital pooling among investors is needed now more than ever, and that’s exactly what we’re unlocking at Nordic Angels.”*

Europe's VC Ecosystem Attracts Foreign Investments

Overall, and despite easing inflation and lower interest rates, global uncertainty remains at a decade high, with investors shifting towards safer, late-stage bets both globally and in Europe. While this shift underscores a cautious sentiment in the market, Europe's strong fundamentals provide grounds for optimism. Foreign investor participation in European VC increased from 36% in 2023 to 45% in the first half of 2025, driven mainly by North American investors, whose share rose from 19% to 27%.

Across Europe, the angel investment landscape continues to grow and consolidate into larger, more professional networks, with average deal sizes having risen by 7% per annum since 2020.

Early-Stage Strength Amid Market Downturn

Europe experienced one of the sharpest declines in venture capital (VC) activity in 2024, with investments falling by 7% and the number of funding rounds down by 9%

year-on-year. The global picture was similar, with total VC fundraising dropping by 40% and investors increasingly favoring larger, later-stage rounds.

Despite this contraction, Europe increased its share of global VC investments to 12%, supported by growing foreign participation and a solid base of early-stage activity. Europe now accounts for roughly one-third of all global early-stage funding.

“Even in a challenging environment, Europe continues to prove its strength in early-stage investment,” said **Nicolas Schmidt, Managing Director & Partner at BCG**. “But to secure long-term growth, we need to make it easier for promising startups to scale within Europe, not abroad.”

Europe Punching Above Its Weight in Industrial, Climate, and Deep Tech

According to the report, Europe significantly outperforms its size in sectors where the region holds structural advantages. It ranks among the global leaders in Industrial Tech, Climate Tech, and Deep Tech, supported by policy initiatives, public funding, and an increasingly sophisticated investor base.

- **Industrial Tech:** Europe has overtaken the U.S. in industrial tech VC investments, representing a strong industrial base and a growing clean-tech focus.
- **Climate Tech:** Investments in climate technology have grown by 28% annually over the past decade, underpinned by EU initiatives such as the Green Deal and REPowerEU.
- **Deep Tech:** The continent now attracts over \$20 billion in annual investments, with areas such as defense, AI, and semiconductors gaining traction.

*“Europe is proving that resilience and innovation can coexist,” says **Ash Pournouri, Executive Chairman & Co-Founder of Nordic Angels**. “What’s emerging here will define Europe’s future industries. Now is the time for angels to lead, scale impact, and back the ideas that move society forward.”*

About the Report

The State of European Angels 2025 is a comprehensive annual analysis of Europe’s early-stage and angel investment landscape. Initiated by Nordic Angels in collaboration with Boston Consulting Group (BCG), the report combines quantitative data from leading financial databases with qualitative insights from prominent investors and ecosystem leaders across the continent.

Full report available at: <https://www.stateofeuropeanangels.com/>

About Nordic Angels

Nordic Angels is an independent initiative with the mission to unite angel investors in a high-trust network, catalyzing collaboration, sparking innovation, and building a more resilient economy. Founded in 2020, Nordic Angels has grown to become the largest investor network in the Nordics.

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