

»»» Investments in European Venture Capital and Venture Debt Funds

KfW Capital Investment Criteria
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KfW Capital's Investment Criteria

KfW Capital is an institutional investor that invests in venture capital and venture debt funds which have a focus on Germany. These funds are selected across all phases and sectors on a performance-oriented basis. Thereby, the goal is to finance young, technology-oriented companies that put new, innovative ideas into practice, create jobs and secure Germany's and Europe's future prosperity and growth.

General Criteria

- Venture capital or venture debt funds based in Europe / Germany with a corresponding distribution licence/marketing authorisation
- Proven experience/track record in investing in German start-ups (minimum requirement: 1x KfW Capital-Commitment to be invested in Germany)
- Majority (>50%) of private investors
- No Limited Partner with majority shareholding
- Compliance with KfW Capital exclusion list
- Independent, private fund management (no captive structure)
- Relevant experience & track record (for first-time funds: personal track record)
- Closed-end fund structure
- Investment strategy consistent with team track record: KfW Capital is sector-agnostic but requires a focus on minority shareholdings (no pure buyout/leverage financing)
- ESG/sustainability guideline for fund manager
- Fund currency in EUR, GBP, CHF, or USD
- Minimum fund volume of EUR 50 million

Additional Criteria for Emerging Manager Facility

To promote diversity in the VC ecosystem, KfW Capital also invests in **smaller funds (less than EUR 50 million)** on a performance-oriented basis if one of the following criteria is met:

- At least one third of the management team consists of female and/or non-binary persons, or
- At least 40% of the senior investment team consists of female and/or non-binary persons, or
- The investment committee (the body of the investment fund that decides on its investment activities) consists of at least 40% female and/or non-binary persons.