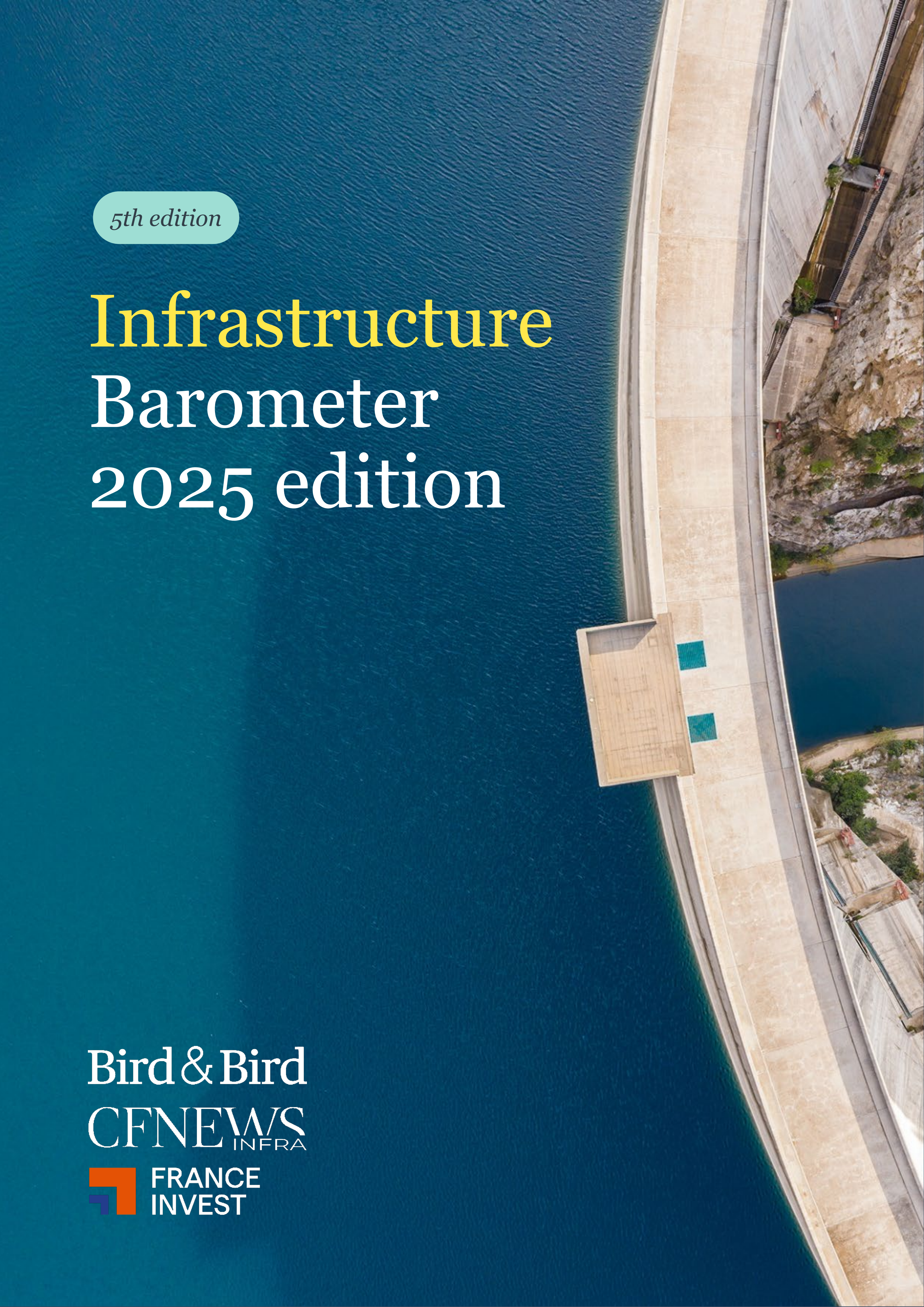


5th edition

Infrastructure Barometer 2025 edition

Bird & Bird

CFNEWS INFRA

FRANCE INVEST

Bird & Bird's Energy & Infrastructure group proudly presents the 5th edition of its barometer, focusing on infrastructure fund activity in 2024.

This long-term publication aims to provide a comprehensive overview of the activities of financial investors dedicated to the infrastructure sector over the past year. In the same spirit as previous editions, the 2025 barometer is based on data gathered through a survey conducted in partnership with CFNews INFRA, supplemented by interviews with infrastructure fund managers overseeing between €300 million and €15 billion in assets under management. It also results from collaboration with France Invest, an association of growth-focused investors that collects its figures via the European Data Cooperative platform, subsequently audited by Grant Thornton.

Introduction

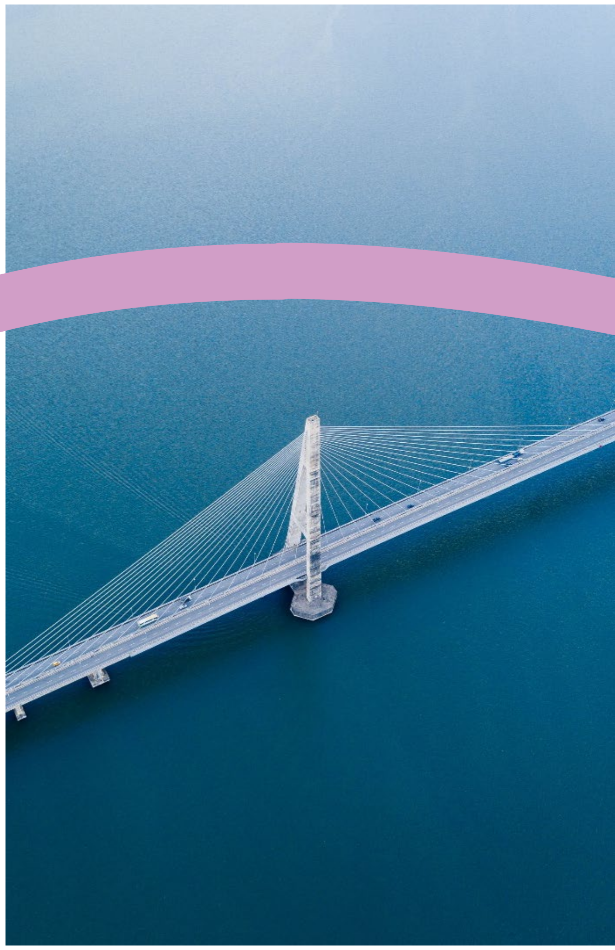
Despite an uncertain context, 2024 showed positive trends in capital raising, infrastructure fund operations, and investment volumes. Notably, the stabilisation of financial markets, supported by stimulus policies, encouraged infrastructure sector investment. Additional impetus stemmed from the growing need for infrastructure—particularly in energy autonomy and European sovereignty—amid the ongoing war in Ukraine.

The first half of 2024 remained on par with the first half of 2023; however, improving corporate financing conditions catalysed further activity in the second half. Over 2024, total capital raised rose by 3 percentage points to reach €38.9 billion, of which €13.7 billion targeted infrastructure funds and €25.2 billion was directed towards private equity outside of infrastructure. As a result, infrastructure fundraising alone increased by over 16% in 2024, confirming several characteristics of the infrastructure market:

- 79% of capital came from three main categories of institutional investors (funds of funds, pension funds, and insurers);
- Strong international outreach in fundraising (80% of capital raised from abroad).

Investments in renewable energy and environmental sectors continue to prevail, now accounting for 50% of the sector's portfolio assets[1].

In 2024, international capital raising also gained momentum—particularly among European investors—driven by French players who are among the global leaders.



Source: France Invest / Grant Thornton

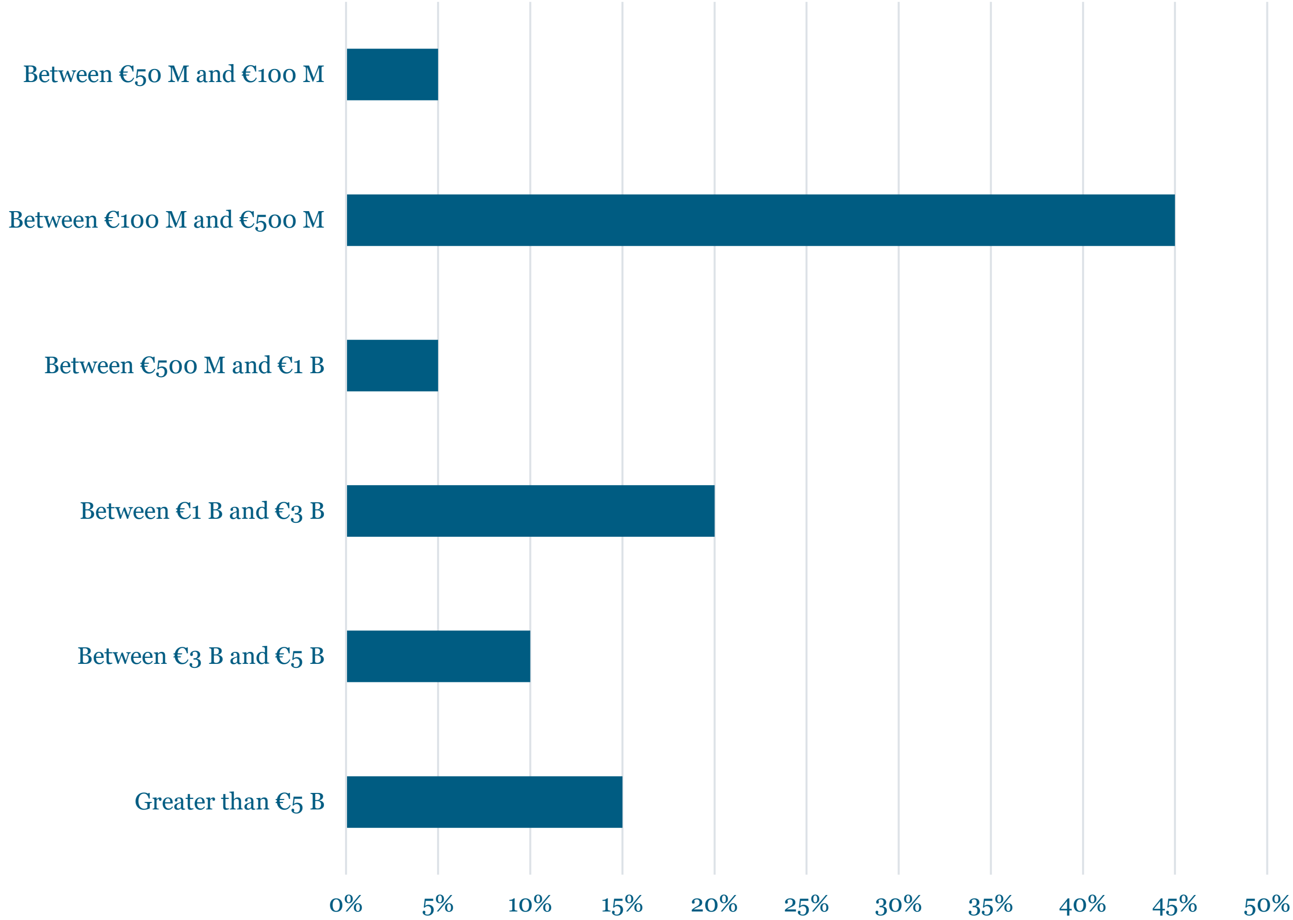
[1] Boston Consulting Group, Infrastructure Strategy 2025 "*How investors can gain advantage as the asset class Matutes"*, March 2025

For reference, 50% of the respondents to this edition of the Barometer represent teams managing assets between €50 million and €100 million.

Managers holding between €1 billion and €3 billion account for 20% of respondents.

Of the respondents, 15% manage more than €5 billion in assets.

Amount of funds under management of our respondents



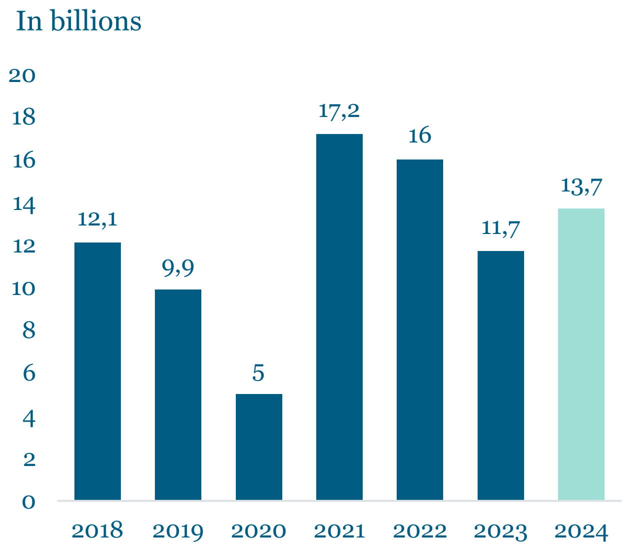
Raising capital

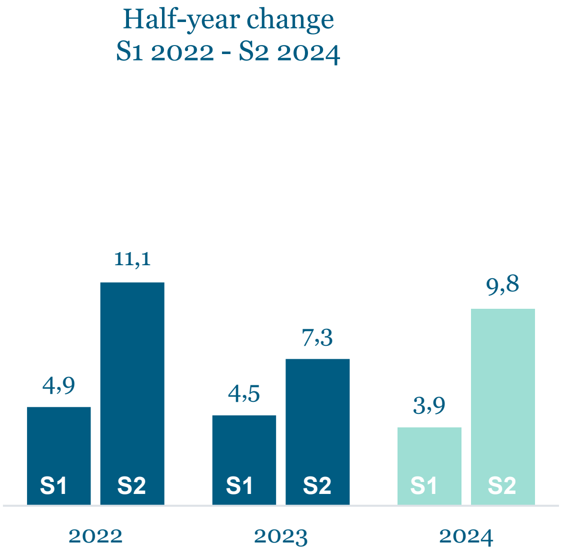
While 2023 confirmed a downturn in fundraising for the infrastructure asset class—despite an otherwise extremely favourable decade—2024 demonstrates renewed growth compared to the previous year, particularly in the latter half. Infrastructure funds' fundraising rose by 16% overall.

As in previous years, the first half of 2024 recorded lower capital raises than earlier periods, but the second half saw a marked upturn, in line with 2022 trends. In total, €9.8 billion was raised in the latter half of 2024, reflecting a 151% increase over the first half and bringing the second half of 2024 to a level comparable with the strong performance observed in the second half of 2022.

Bertrand Rambaud, Chairman of France Invest, highlights the positive implications for the French economy of this second-half rebound: “There have been uncertainties in France and internationally, but despite them, our industry still tends to attract capital and investors primarily into the French economy. We all recognise how crucial this is for financing major economic and strategic transitions, including national sovereignty, especially in the defence sector.”[2]

Capital raised





[2] 2024 Business Review, Quote from Bertrand Rambaud, Chairman of France Invest.

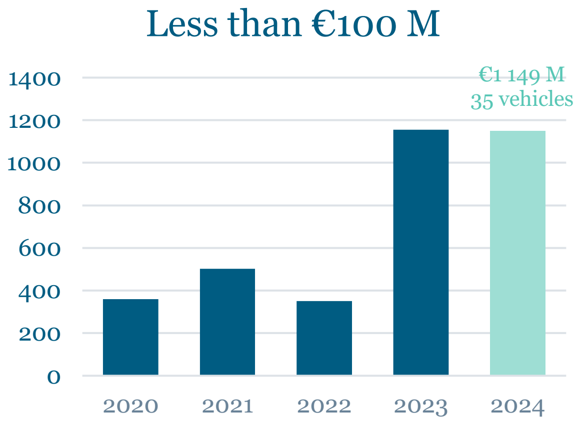
Source: France Invest / Grant Thornton

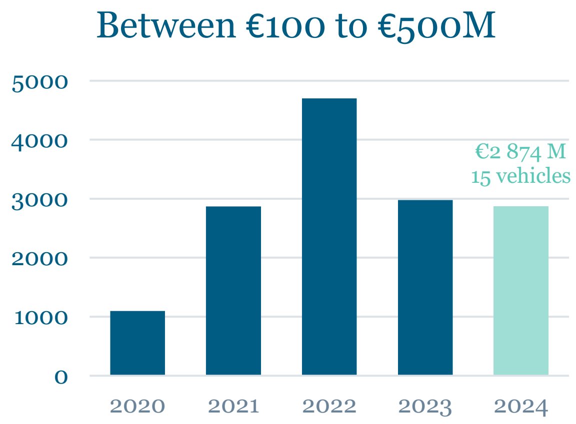
Fundraising history by size

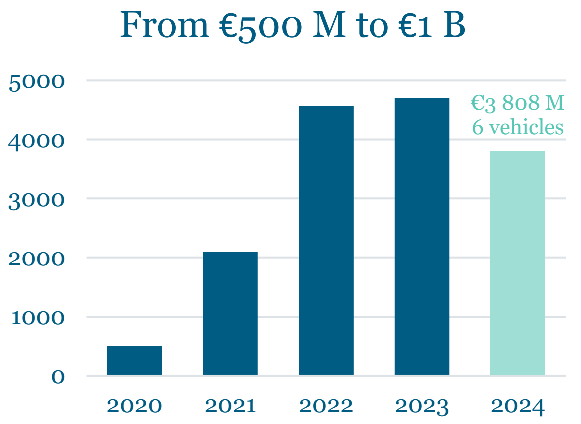
Although fundraising of less than €1 billion declined compared to the previous year, it remained above its long-term average. In 2024, funds surpassing €1 billion rebounded to levels seen in 2022, totalling €5.8 billion across two vehicles—up 103% in value relative to 2023

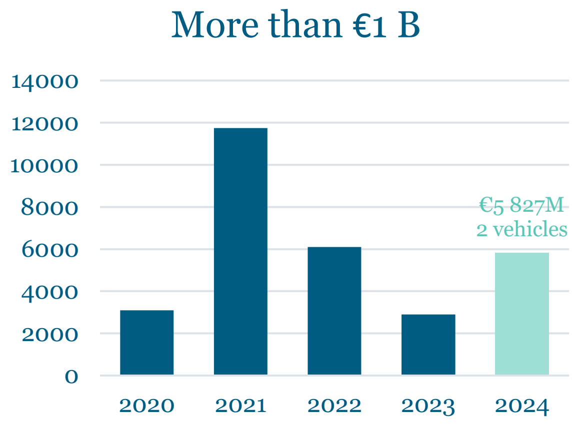
Meanwhile, funds raised between €500 million and €1 billion dropped compared to the preceding two years, totalling €3.8 billion over six vehicles.

Lastly, amounts between €100 million and €500 million and those under €100 million remained steady relative to 2023, reaching €2.9 billion across 15 vehicles and €1.15 billion across 35 vehicles, respectively.



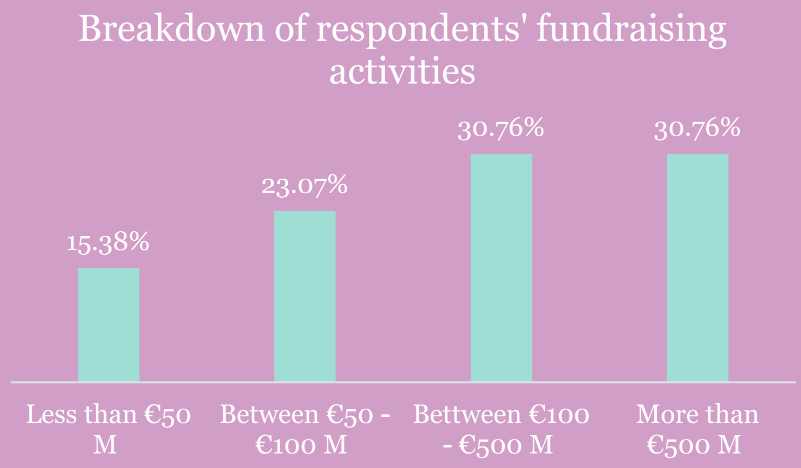


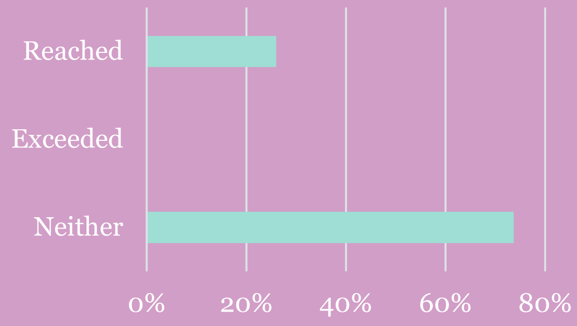




Source: France Invest / Grant Thornton

These findings were confirmed by fund managers surveyed by Bird & Bird; a majority indicated they successfully raised between €100 million and €500 million, and in some cases, sums above €500 million, during 2024.





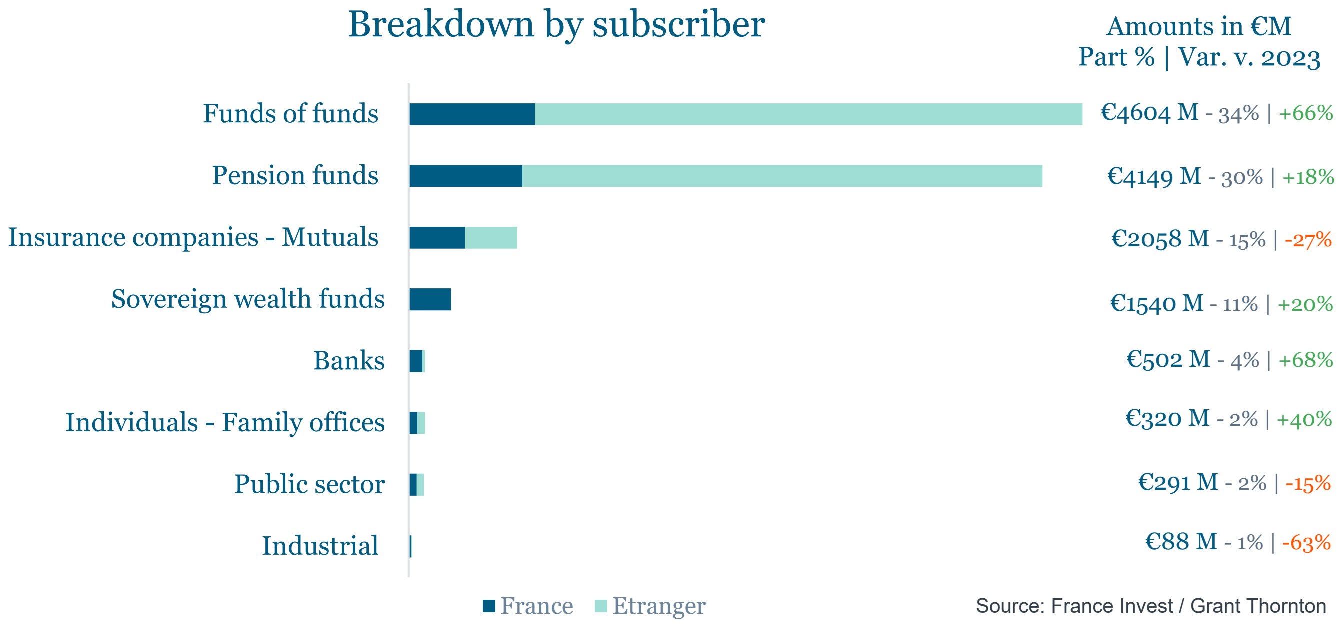
However, most respondents indicated they had neither reached nor exceeded their fundraising objectives.

In an effort to attract new capital, several investment funds emphasised specific points of differentiation. While these drivers are broadly consistent with the previous year, “operational capacity to monitor projects” has declined somewhat. Track record and the investment team’s experience remain the major factors.

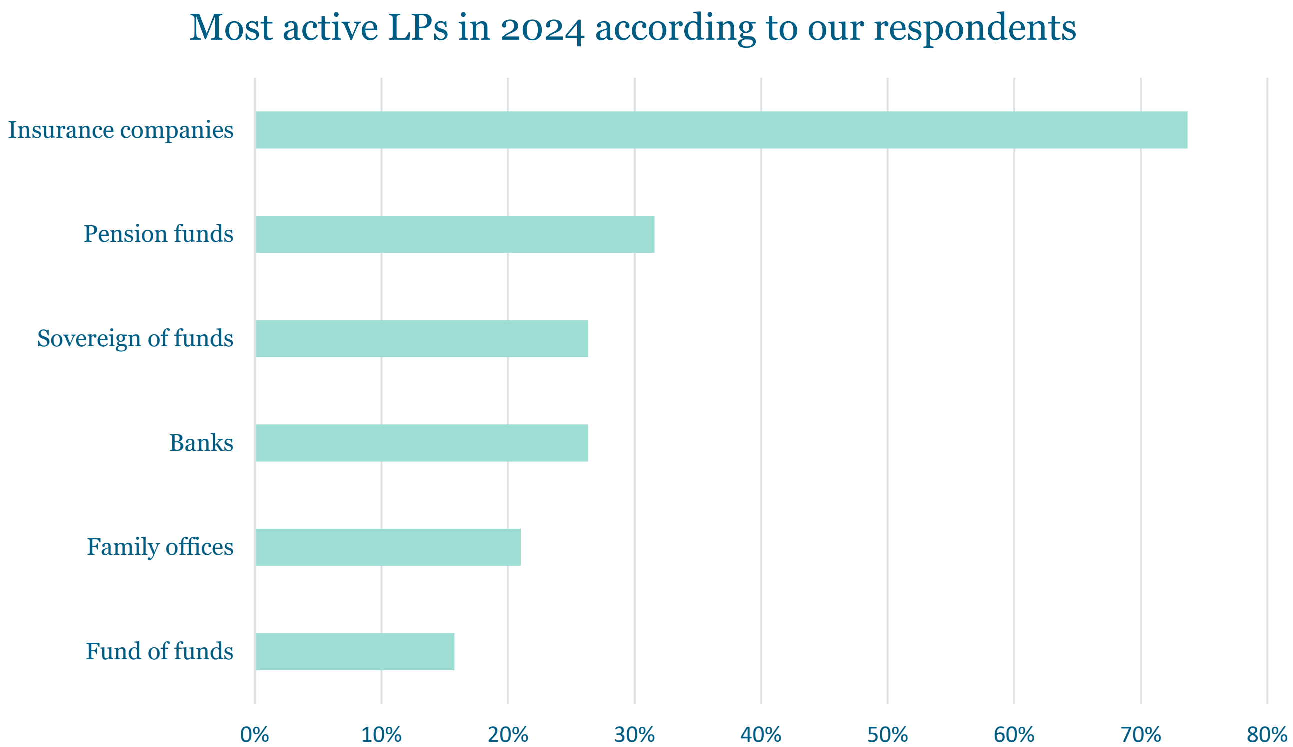
Respondents categorised under “Other” also cited origination capacity, greater risk appetite, and potential state funding.

Class of subscribers and geography of funds raised

All subscriber classes raised more in 2024 than in 2023 except for insurance companies, public sector and industrial investors.



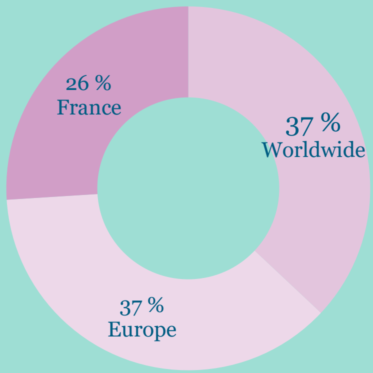
As in 2023, funds of funds and pension funds remain the dominant categories driving 2024 fundraising. Insurance companies rank third, followed by sovereign wealth funds. Where pension funds topped the list in 2023, funds of funds have now taken first place by around €500 million. Family offices (individuals) also rose from last place to 6th this year.



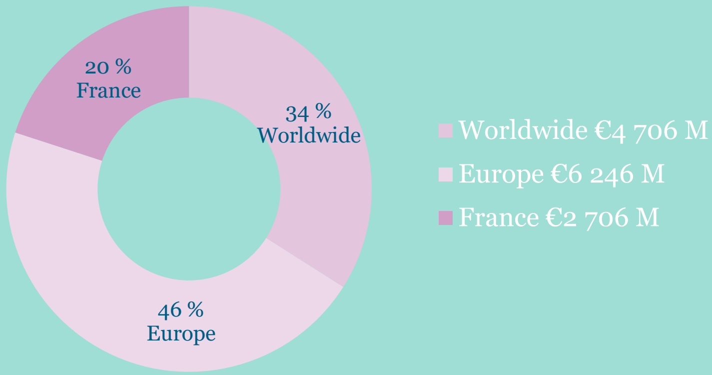
Surveyed infrastructure funds confirm their strong international standing.

Indeed, in 2024, 80% of infrastructure fund capital was sourced from foreign investors, a figure that remains close to the average weighting of 74% between 2018 and 2023, and to 2023's 80%.

Annual average over the 2018-2023 period €71957 M



2024
€13 658 M raised



Reminder 2023

44%
Worldwide: €5 180 M

36%
Europe: €4 208 M

20%
France: €2 354 M

Source: France Invest / Grant Thornton

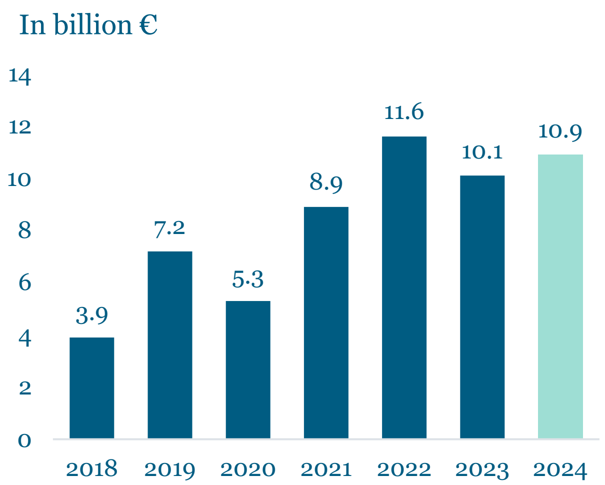
Investments

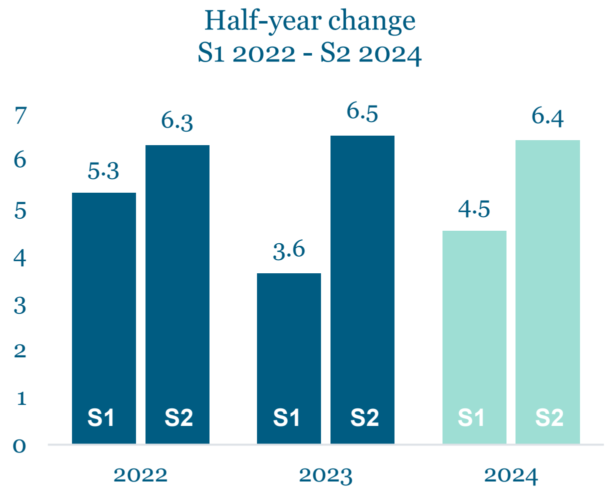
Infrastructure investments in 2024 rose slightly compared to the previous year, with nearly 190 projects supported, amounting to almost €11 billion. This strong performance aligns with the continued growth recorded in 2022, post-pandemic. Although investment volumes increased in the first half of 2024, the second half was close to 2023 levels.

Europe remains the primary geographic zone for infrastructure investments, followed by North America, which together account for 75% of the 932 portfolio companies held by the 58 largest investors[3]. Asia, Australia, Latin America and the Caribbean, then the Middle East and Africa follow. France Invest studies indicate that over half of all projects are carried out abroad, representing almost 80% of the amounts invested.

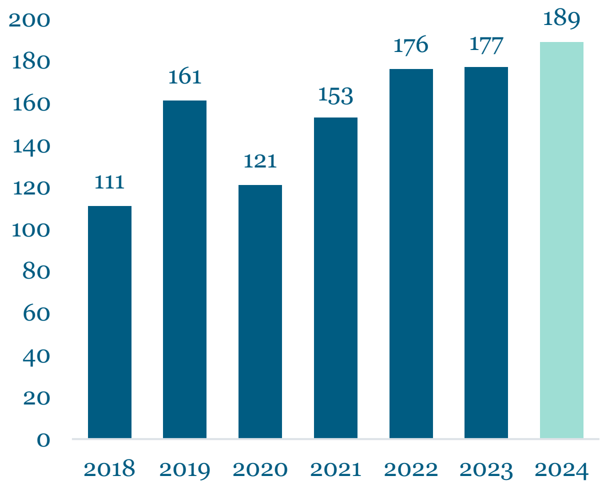
Renewable energy remains the dominant investment sector with 40% of the total. Transport also continues to attract interest, though to a lesser extent.

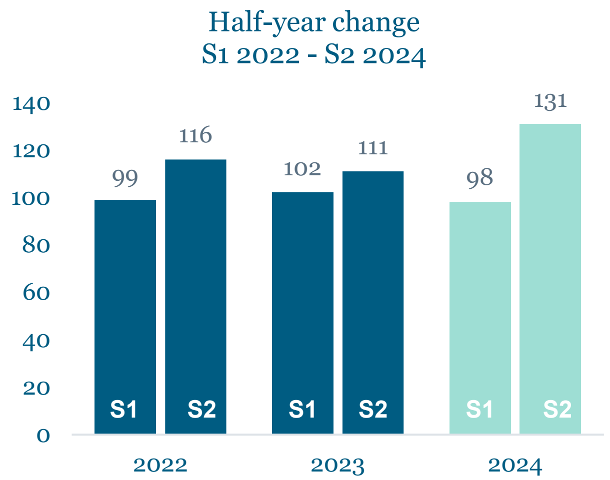
Amount invested





Number of infrastructure projects supported

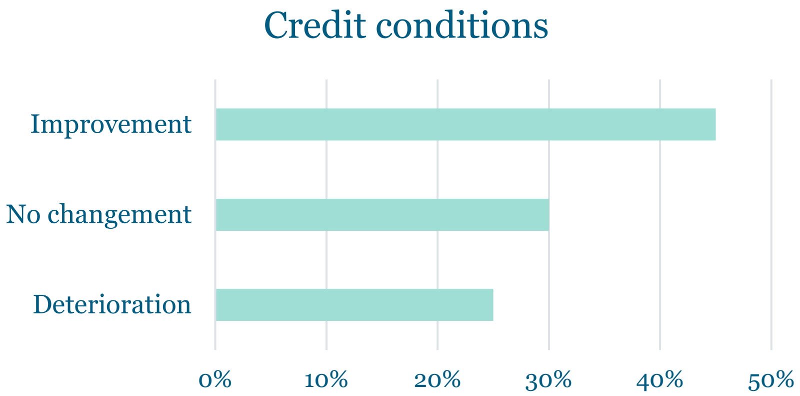




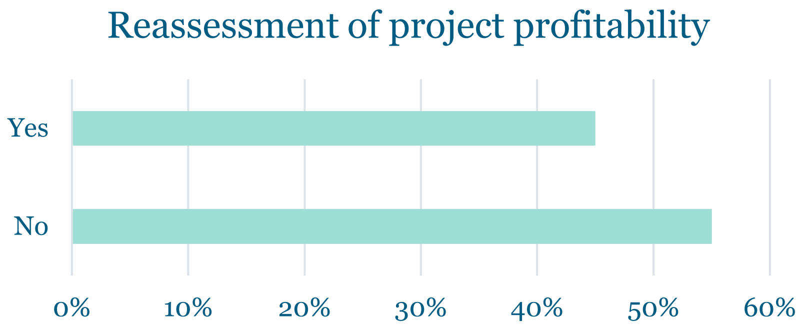
[3] *Op. cito. Boston Consulting Group, Infrastructure Strategy 2025*

Source: France Invest / Grant Thornton

Nearly 50% of surveyed players anticipate improved credit conditions in 2024.



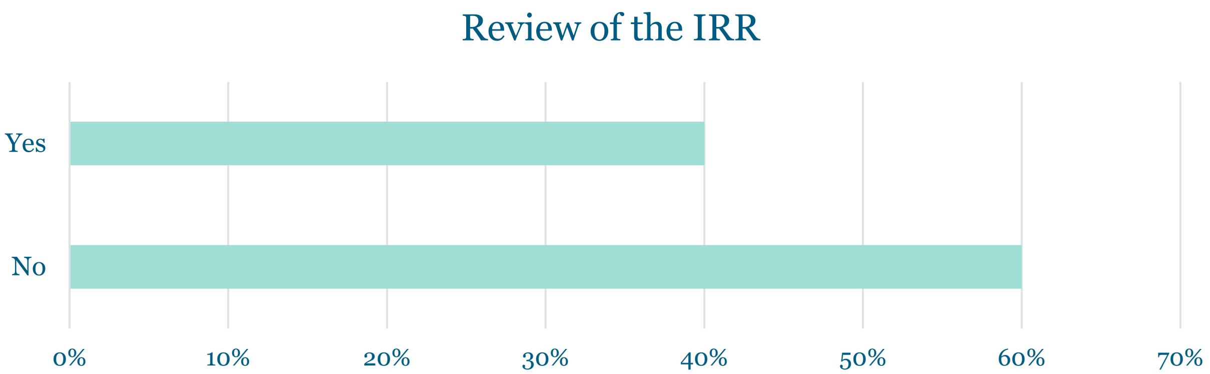
This anticipated improvement has influenced the assessment or re-examination of project profitability.



Close to 60% of Bird & Bird respondents, however, indicated they have not reassessed their projects' profitability.

Most respondents also reported no meaningful change in their investment habits. Some stated they are opting for unit-linked or syndicated debt or, in certain cases, equity investments.

The marketplace appears more favourable than last year, easing investor pressures.

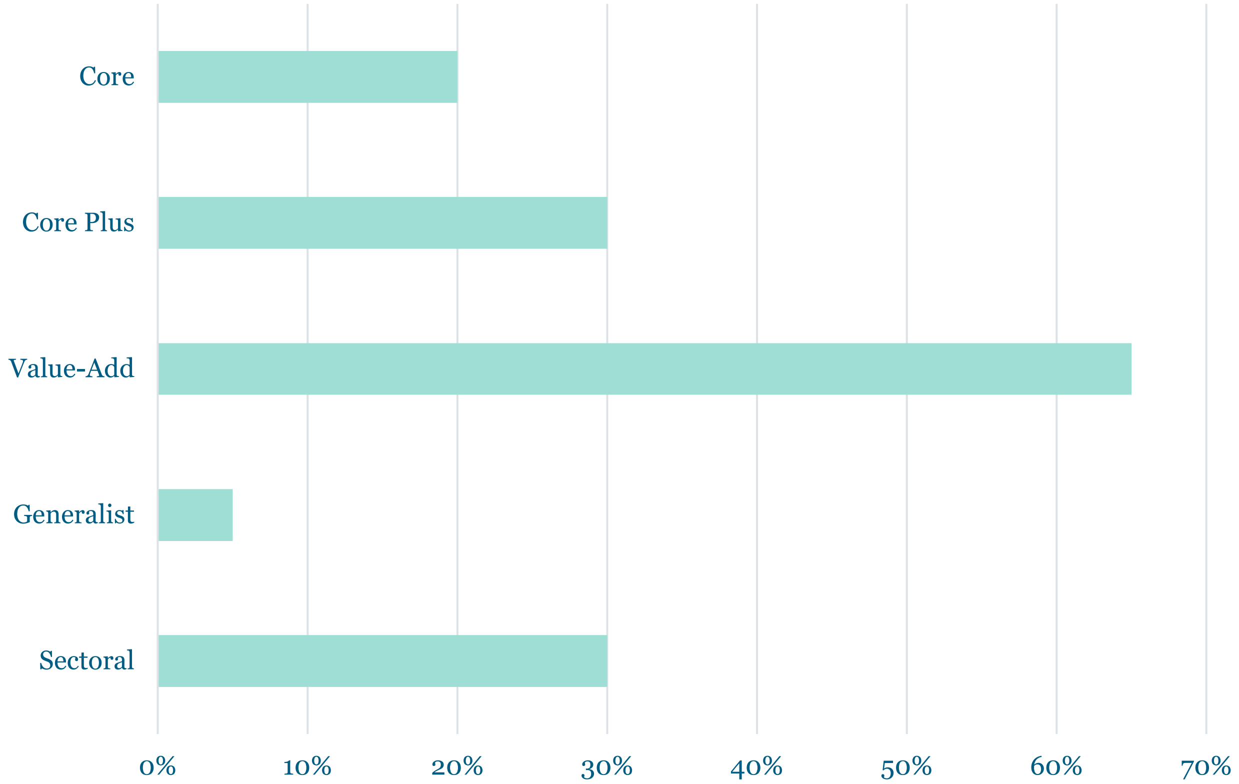


Hence, a majority confirmed they did not need to revisit their internal rate of return (IRR).

Regarding *preferred investment strategies*, Value-Add dominates with over 60%. Next are Core Plus, Sector, and Core strategies in nearly comparable proportions.

In general, investors opt for strategies posing slightly higher risk (and lower cost) than Core, but with potentially stronger total returns.

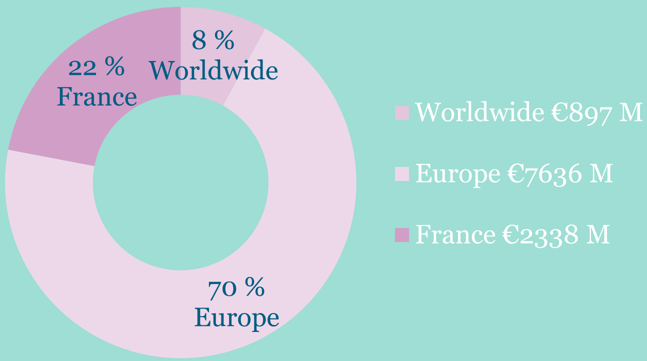
Our respondents' investment strategies



Geographical breakdown of investments

Infrastructure funds of French origin are still very active internationally: 57% of projects are carried out abroad, accounting for almost 80% of the amounts invested.

€10 870 M invested by 2024



Reminder 2023

8%

Worldwide: €774 M

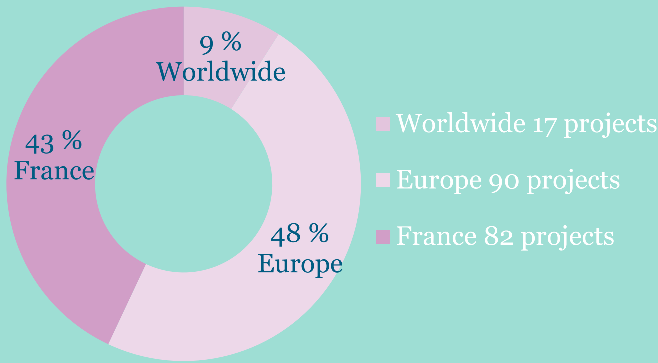
70%

Europe: €7087 M

22%

France: €2260 M

... in 189 infrastructure projects



Reminder 2023

7%

Worldwide: 12 projects

52%

Europe: 92 projects

41%

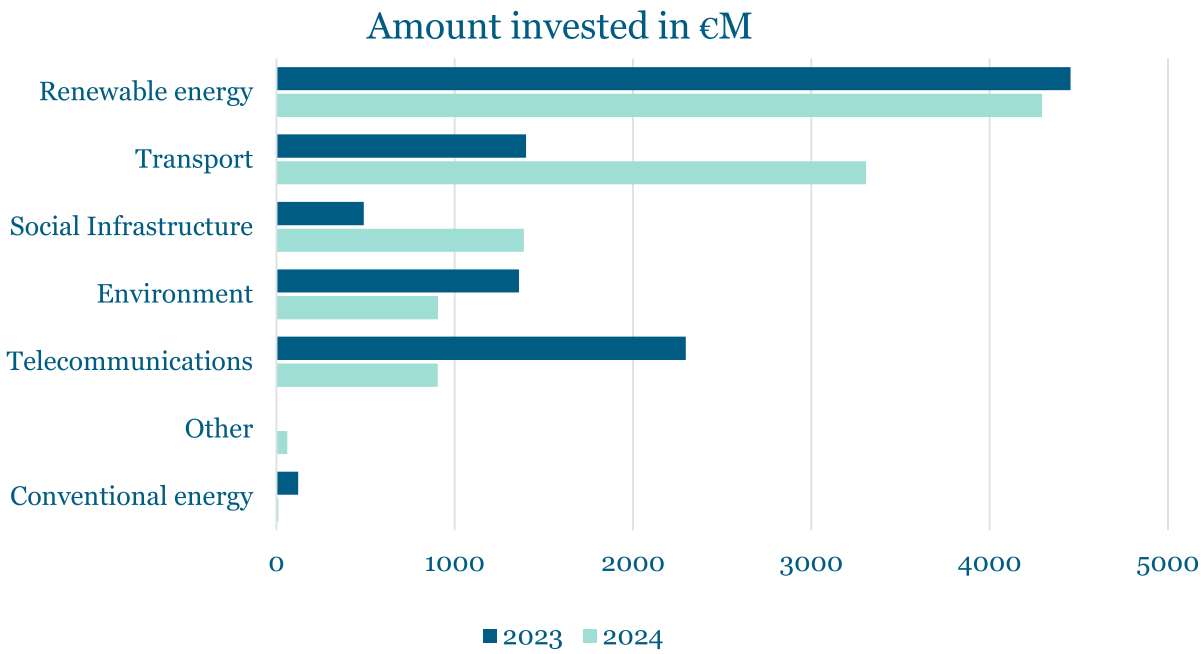
France: 73 projects

Source: France Invest / Grant Thornton

Breakdown of investments by sector

Renewable energy saw substantial growth, receiving approximately €4.3 billion for 120 projects. Transport surged by €1.9 billion to €3.3 billion for 29 projects. Social infrastructure also rose by €900 million, reaching €1.4 billion across 9 projects. However, as in the previous year, the environment and telecoms sectors each recorded €900 million in investments.

Across a broader dataset and on a global scale, Europe's distribution of infrastructure investment saw little change. Although the number of projects grew from 709 to 743, the investment distribution across sectors remained steady. [4]

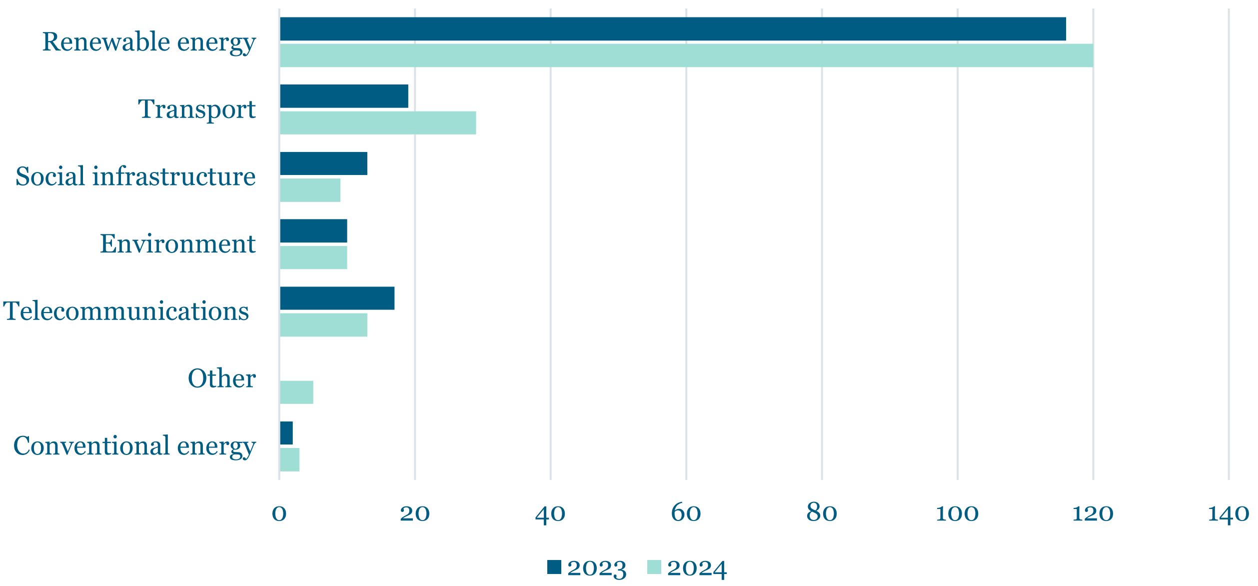


Investments in renewable energy mostly target forward-looking technologies: investors concentrate on solar energy and storage, reflecting the strong trend toward decarbonising industrial processes and bolstering grid reliability. The push for European energy independence further accelerates large-scale investment in renewables. Additionally, energy efficiency remains on an upward trajectory, especially around urban storage, smart grids, and waste-heat recovery technologies.

[4] *Op. cit. Boston Consulting Group, Infrastructure Strategy 2025*

Source: France Invest / Grant Thornton

Number of infrastructure projects



These outcomes accord with survey responses: 80% of participants deemed renewable energy the most vibrant sector, followed by transport (60%), then environment and telecoms (40%). Finally, 15% highlighted the strong performance of social infrastructure.

Source: France Invest / Grant Thornton

The *Telecommunications/Tech/Data Centers* sector, though not the top investment focus this year, is viewed as offering *the highest IRR potential*.

Next are *transport* and *renewable energy*, both of which already represent large investment volumes.

Sectors with the highest expected IRR

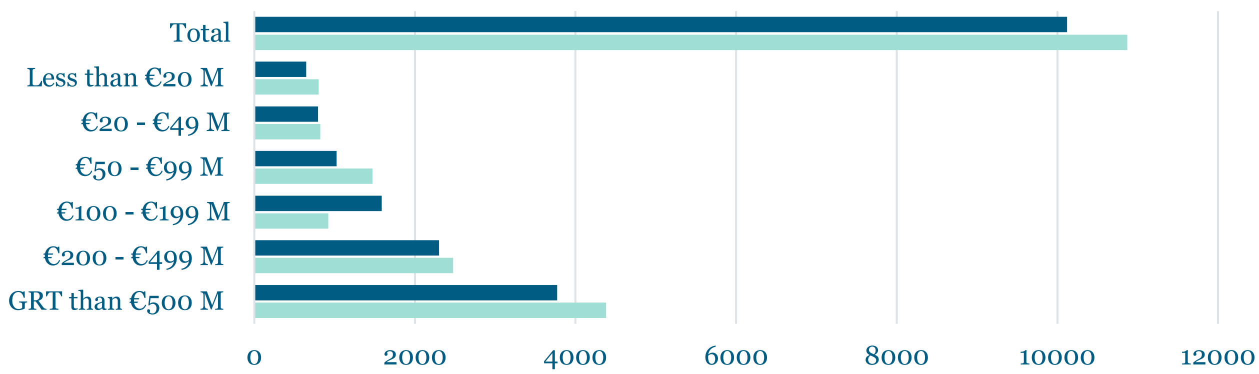
Among the "Other" sector responses, participants cited the *waste market* and *new energy transition segments*—such as *energy storage* and *charging stations*—as offering a notably high IRR.

Investments per ticket

The rise in transactions exceeding €500 million largely explains the overall increase in sums invested relative to 2023.

However, the allocation by ticket size remains comparable to 2023, underscoring a trend toward major-scale projects.

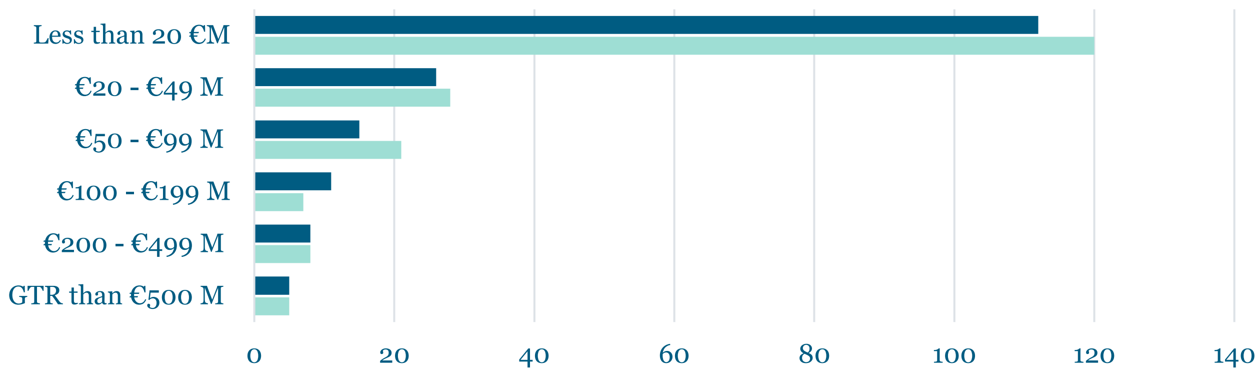
Amounts invested in €M



	GRT than €500 M	€200 - €499 M	€100 - €199 M	€50 - €99 M	€20 - €49 M	Less than €20 M	Total
2023	3772	2299	1586	1026	792	646	10121
2024	4381	2475	920	1470	822	802	10870

■ 2023 ■ 2024

Number of infrastructure projects



	GTR than €500 M	€200 - €499 M	€100 - €199 M	€50 - €99 M	€20 - €49 M	Less than 20 €M
2023	5	8	11	15	26	112
2024	5	8	7	21	28	120

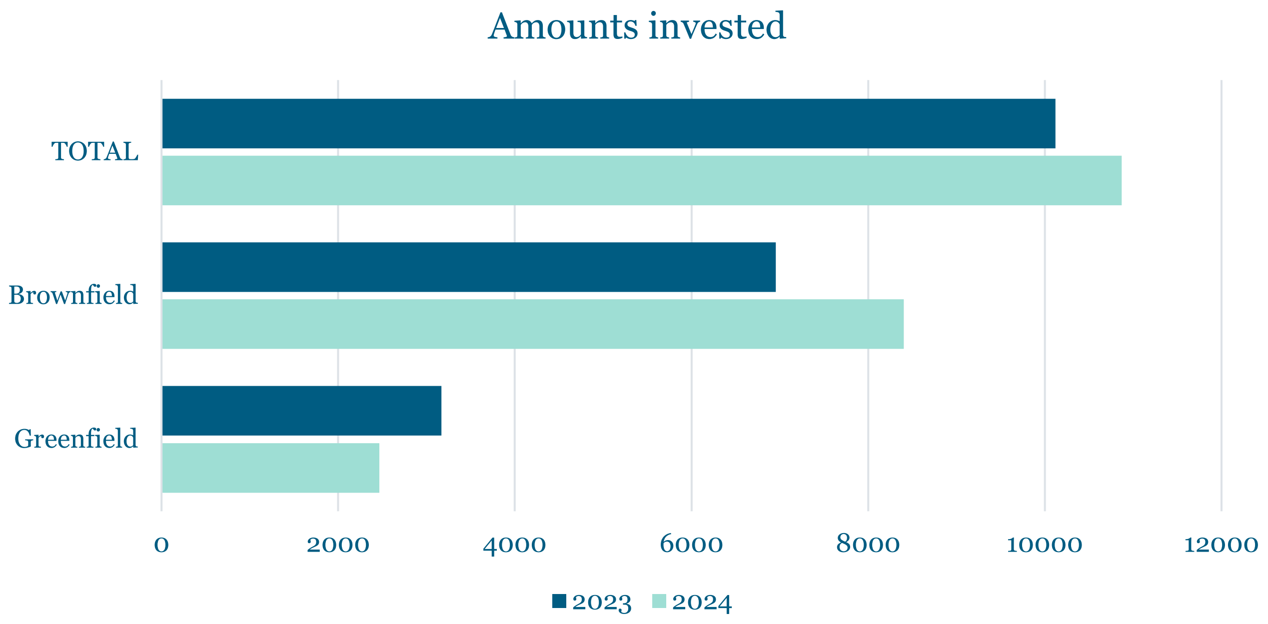
■ 2023 ■ 2024

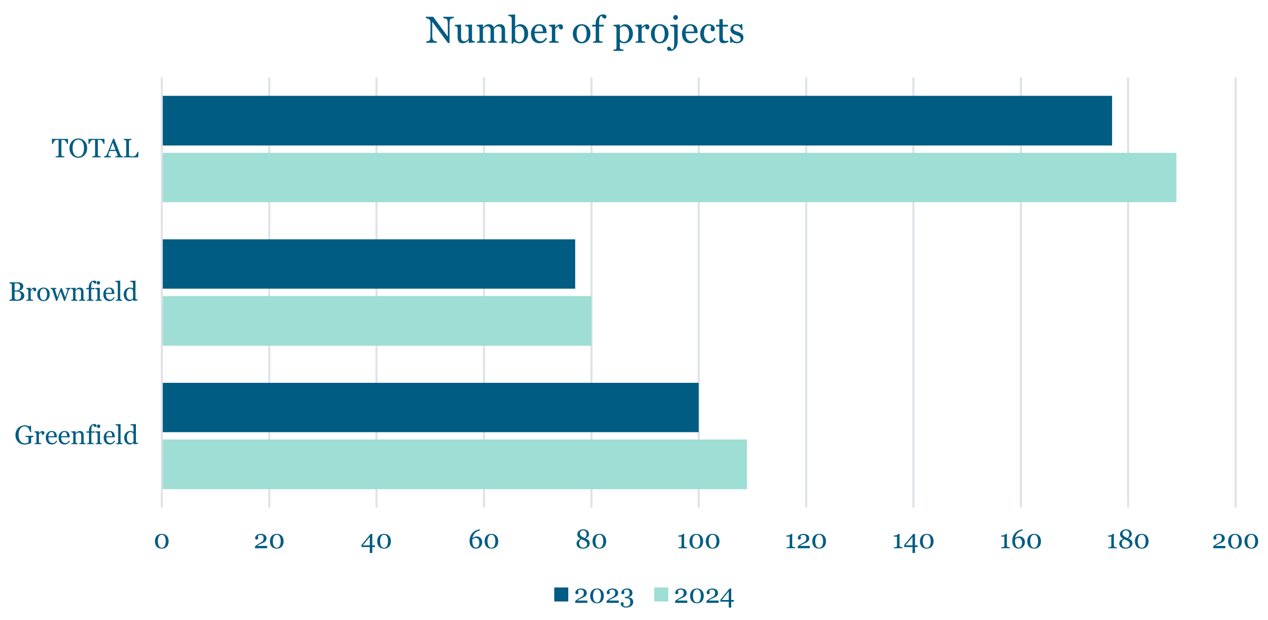
Source: France Invest / Grant Thornton

Investment segments

The total invested in 2024 rose by 7.4% from €10,121 million to €10,870 million. Overall, the distribution of invested projects remained stable. Consequently, the gap between greenfield and brownfield projects—observed in 2023—has widened in favour of brownfield, whose investments increased by 21%, even though the number of brownfield projects remained the same.

The total number of infrastructure projects likewise held steady, with a slight rise from 177 in 2023 to 189 in 2024, reflecting a marked uptick in brownfield investment.





Source: France Invest / Grant Thornton

Examples of significant investments and fundraising in 2024

In 2024, the infrastructure fund sector witnessed notable consolidation, including BlackRock's $12.5 billion acquisition of Global Infrastructure Partners in October and CVC Capital Partners' purchase of a 60% stake in DIF Capital Partners for €1 billion in July. Despite this, fundraising figures dipped globally from $191.5 billion in 2022 to $152.6 billion in 2023 and then to $107.4 billion in 2024. Nonetheless, major players remain active: Antin Infrastructure Partners V concluded 2024's largest raise at $10.5 billion.

This sector's vitality in France was also illustrated by major announcements and transactions during 2024. Shortly before the 7th "Choose France" summit, the Elysée Palace unveiled €15 billion in foreign investment across 56 projects for 2024.[5]

Most prominently, Microsoft launched its biggest French investment in four decades—worth €4 billion—in data center expansions around Paris and Marseille, plus a new data center near Mulhouse.

Likewise, Blue Solutions intends to develop and produce new-generation electric vehicle batteries in Brittany and the Grand Est region. The company is currently the sole industrial-scale manufacturer of Lithium-Metal batteries, offering 40% more range than the highest potential Lithium-Ion alternatives. This project encompasses over €2.2 billion and aims to create 1,500 jobs by 2032; the proposed factory would have the capacity to supply batteries for approximately 250,000 vehicles annually.

FertigHy—a consortium including EIT InnoEnergy, Siemens, InVivo, and Heineken—announced plans to establish its first low-carbon nitrogen fertiliser plant in the Somme region for an investment of €1.3 billion. Targeting production of 500,000 tonnes of ammonitrate-based nitrogen fertiliser by 2030, the facility is expected to come online by 2027.[6]

Lastly, the "West A29" call for projects by Haropa Port was awarded to Qair, Air Products, and Livista Energy, which will together construct three new facilities in Le Havre's port area by 2028—collectively representing a historic €2.5 billion investment. These plants will specialise in hydrogen imports, lithium-processing (from battery-recycling factories), and low-carbon fuel production.

[5] Chose France: €15 billion in foreign investment and 56 projects announced
[6] FertigHy: the major €1.3 billion project is launched | La Gazette France

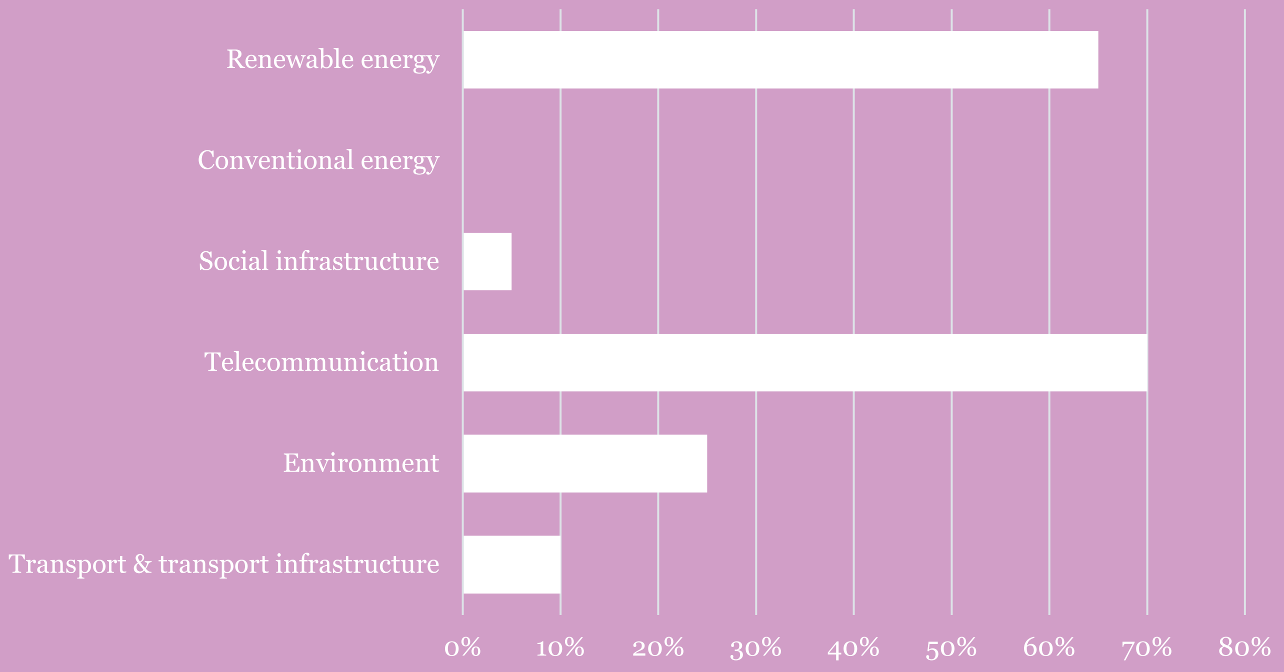
Trends and outlook for 2025

Looking ahead to 2025, the private equity industry could play a key role in reinforcing European sovereignty, particularly regarding defence and reindustrialisation. One example is the funding of European AI—if infrastructure investments do not ramp up significantly, Europe will remain dependent on China or the U.S[7]. Some observers[8], argue that Europe can be a credible alternative to the U.S., which is currently navigating less orderly economic policies.

In Q1 2025, $63.93 billion was raised across 22 funds, an impressive jump of 66.65% over Q1 2024 . This success was primarily driven by two large closings: EQT Infrastructure VI, which reached $24.6 billion (hitting its €21.5 billion ceiling after 2.5 years of fundraising), and Copenhagen Infrastructure V surpassing €12 billion . EQT VI, the largest fund since Brookfield Infrastructure Fund V's $30 billion (Q4 2023), is 35% bigger than its predecessor[9].

Investments in urban mobility and efforts to accelerate decarbonisation in this sector are expected to remain highly attractive to investors. Nor should the market's scale be underestimated: according to Benoît Leguet, Managing Director of the Institut de l'économie pour le climat, tens of billions of euros will need to be allocated each year to public transport services and infrastructure over the next five years[10].

In 2025, telecoms and renewable energy are expected—based on respondent feedback—to be the most dynamic sectors.



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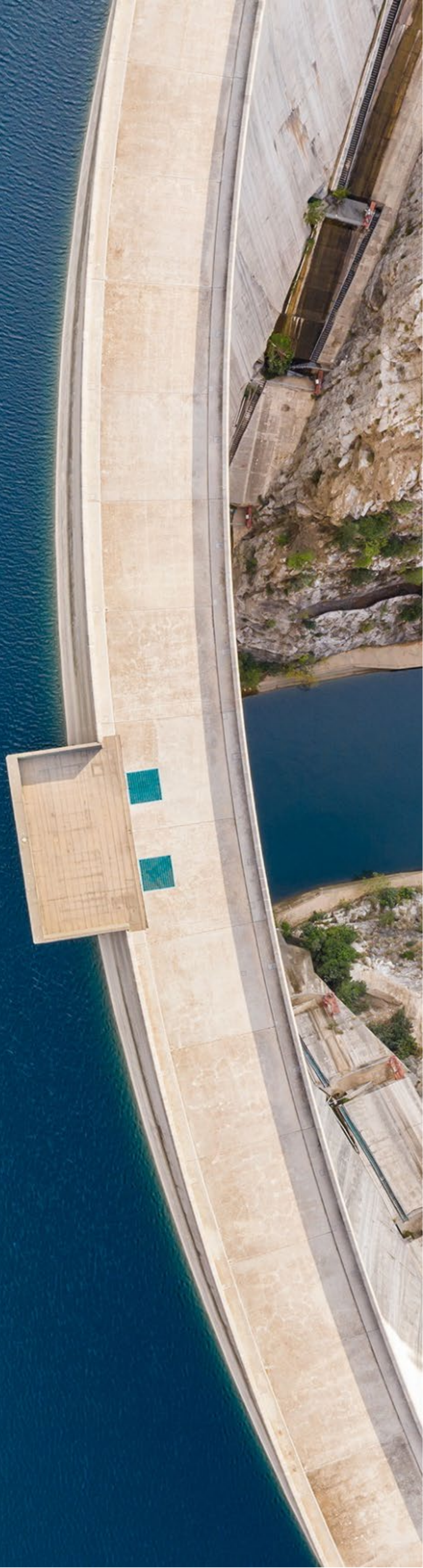
[7] Financing infrastructures for a competitive European AI - Geopolitical Studies Group
[8] *"Europe has a card to play as a credible investment alternative to the United States"* | Les Echos
[9] Funds & Investors Report, Q1 2025, IJnvestor
[10] Financement des mobilités : tout le monde va devoir bouger | Les Echos

In conclusion, the infrastructure market once again proved *its resilience in 2024*, despite intensifying macroeconomic pressures.

This *asset class remains attractive* due to its stability, long-term returns, and strong income visibility.

Although the macroeconomic outlook will likely remain uncertain in 2025, *50% of surveyed investors still anticipate business growth* (up from 43% in the previous edition).



We would like to thank France Invest and CFNEWS INFRA for their active contribution to this barometer.

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