

BOOSTING FUNDING FOR VENTURE CAPITAL AND SOCIAL ENTERPRISES

01 / EuVECA

- EU regulated funds framework
- Funds can be marketed across EU
- €100,000 minimum for non-professional investors
- Funds must currently focus on unlisted SMEs

EuSEF

- EU regulated funds framework
- Funds can be marketed across EU
- €100,000 minimum for non-professional investors
- Funds must focus on companies with measurable positive social impact as primary objective

02 / Advantages

Companies backed by venture capital:



create more patents



have high productivity



are competitive

03 / Current situation



Currently there are 70 EuVECA and 4 EuSEF registered in ESMA database



In 2015, their committed capital was €1.3 billion



Between 2011 and 2015, there were 316 new venture capital funds in EU which raised almost €16 billion

04 / Barriers



Low take-up and assets under management below expectations

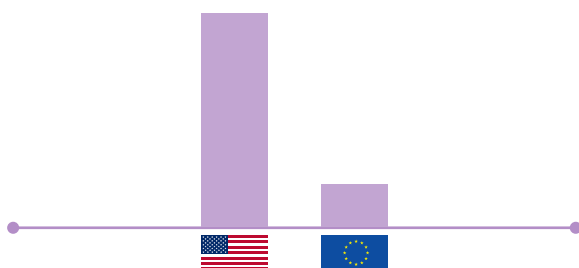
- Few managers
- Few funds
- Small investors base
- Definition of SMEs (in EuVECA)



Lack of cross-border business

- Inconsistent application by Member States
- Disproportionate total costs, including own funds and supervisory fees

05 / EU and USA compared



The venture capital market is about **five times** bigger in the US than in the EU (in terms of amounts invested)

06 / Commission proposals

- Remove limitations for larger asset managers
- Facilitate operations and decrease the costs for funds operating on cross-border basis
- More flexibility for EuVECA investment targets