



EUROPEAN COMMISSION

DIRECTORATE-GENERAL FOR FINANCIAL STABILITY, FINANCIAL SERVICES AND CAPITAL
MARKETS UNION

Financial markets
Asset management

CONSULTATION DOCUMENT

TARGETED CONSULTATION ON THE EU VENTURE AND GROWTH CAPITAL FUNDS REFORM

Disclaimer

This document is a working document of the Commission services for consultation and does not prejudge the final decision that the Commission may take.

The views reflected on this consultation paper provide an indication on the approach the Commission services may take but do not constitute a final policy position or a formal proposal by the European Commission.

The responses to this consultation paper will provide important guidance to the Commission when preparing, if considered appropriate, a formal Commission proposal.

As regards potential options, the consultation intends to explore them, without pre-empting future policy choices.

You are invited to reply **by 12 March 2026** at the latest to the **online questionnaire** available on the following webpage:

https://finance.ec.europa.eu/regulation-and-supervision/consultations-0/targeted-consultation-eu-venture-and-growth-capital-funds-reform_en

Please note that in order to ensure a fair and transparent consultation process **only responses received through the online questionnaire will be taken into account and included in the report summarising the responses.**

This consultation follows the normal rules of the European Commission for public consultations. Responses will be published in accordance with the privacy options respondents will have opted for in the online questionnaire.

Responses authorised for publication will be published on the following webpage:

https://finance.ec.europa.eu/regulation-and-supervision/consultations-0/targeted-consultation-eu-venture-and-growth-capital-funds-reform_en#consultation-outcome

Any question on this consultation or issue encountered with the online questionnaire can be raised via email at fisma-venture-growth-funds@ec.europa.eu.

INTRODUCTION

The EU has a clear opportunity to further boost its competitiveness and innovation capacity by addressing current investment gaps. Developing a more dynamic and integrated market for **venture and growth capital funds** is essential to unlocking this potential, strengthening the EU's global position and supporting sustainable long-term economic growth.

In its [savings and investments union strategy](#), the European Commission announced the review of the [European Venture Capital Fund \(EuVECA\) Regulation](#) in the third quarter of 2026. To have a more meaningful impact on the EU's competitiveness and growth, the Commission is considering an initiative covering a broad range of European venture and growth capital fund managers, rather than solely focusing on the review of the EuVECA Regulation, which only focuses on venture capital funds.

This initiative is part of the [Commission's agenda to boost financing for EU innovative companies](#), which is a key priority. There has been some recent progress, such as the creation of the EuVECA and [European long-term investment funds \(ELTIF\)](#) frameworks, as well as additional financing mobilised through [InvestEU](#), the [European tech champions initiative \(ETCI\)](#) and the [European Innovation Council](#). However, Europe's venture and growth capital funds market remains **fragmented and narrow** compared to global peers. This limits access to capital for EU enterprises including innovative companies and strategic projects, with significant repercussions for innovation, growth and employment.

As part of the savings and investments union, the Commission has already taken steps to tackle existing barriers and divergences with the adoption of a [package of measures aiming to develop more integrated financial markets](#)¹. The EU market integration and supervision package concerns, among others, [Alternative Investment Fund Managers Directive \(AIFMD\)](#) marketing rules, divergent supervisory practices, supervision for fund managers operating in a group structure and passporting for depositary services.

The Commission has also recently taken **significant steps towards strengthening the role of institutional investors**, such as insurers, pension funds and banks, in financing the EU economy. At the end of October 2025, the [Commission adopted² the Solvency II Delegated Act and guidance on the prudential treatment of equity investments under legislative programmes](#). In November 2025, the Commission adopted a [package of measures in the area of supplementary pensions](#)³, including amendments of the [Directive on Institutions for Occupational Retirement Provisions \(IORP\) II](#) and of the [Pan-European Personal Pension Product \(PEPP\) Regulation](#), a clarification of the prudent person principle which governs how pension funds should invest and manage their asset portfolios to help increase investment into equity, both private and listed, as well as recommendations on pensions tracking systems, national pension dashboards and auto-enrolment into supplementary pension schemes.

For the purposes of this consultation, to facilitate cross-references, the following notions will be used:

- (1) small-size nationally registered EU venture and growth capital fund managers with assets under management below EUR 500 million will be called 'small-size AIF managers'
- (2) mid-size AIFMD-licensed EU venture and growth capital fund managers with assets under management between EUR 500 million and several billion of euros will be called 'mid-size AIFMs'

¹ https://finance.ec.europa.eu/publications/market-integration-package_en

² https://finance.ec.europa.eu/publications/commission-advances-savings-and-investments-union-measures-mobilise-insurers-and-banks-capital_en

³ https://finance.ec.europa.eu/publications/commission-proposes-boost-supplementary-pensions-help-ensure-adequate-retirement-income_en

The recent [study on funds investing in innovative and growth companies](#)⁴ highlights regulatory and structural barriers that venture and growth capital fund managers face. These obstacles, ranging from EU rules and investor protection requirements to differences in national fund regimes, fragment the market and limit fund managers' ability to scale up, raise capital, and invest efficiently across the single market.

Furthermore, multiple stakeholders have argued⁵ that the current EUR 500 million threshold under the AIFMD, established in 2011, has become increasingly outdated considering market developments, inflation and the evolution of the European investment management industry. Currently, some venture and growth capital fund managers may find themselves being captured by the full-scope AIFMD regime at a relatively modest AuM scale.

Furthermore, in the EU, when the AuM of an AIF manager registered under national law exceed the EUR 500 million threshold, pursuant to the AIFMD, the manager is automatically required to get an authorisation as an AIFM. Thereby, such an AIF manager is required, within a relatively short period of time, to comply with a significantly more demanding regulatory framework, including increased administrative and compliance burdens, higher capital requirements and organisational, governance and other obligations. It is thus warranted to further analyse whether the swift application of full-scope AIFMD rules can create "cliff-edge effects" for growing fund managers with lower market footprint and staffing.

The abovementioned study also highlighted examples of high operating costs of venture and growth capital fund managers under the AIFMD stemming notably from reporting obligations, supervision fees, registration/licensing expenses), legal and audit services (e.g. structuring advice, fund documentation, annual audits) and costs of IT infrastructure and systems.

Against this background, **the Commission is seeking to gain additional insights** into whether the EU regulatory framework applicable to EU venture and growth capital fund managers could be rendered more proportionate to the size, investment strategy, the risk profile and/or other characteristics of fund managers. Whilst it is essential to ensure a high level of investor protection, effective regulatory oversight and sound risk management, it is warranted to assess whether alternative and more proportionate regulatory approaches could enhance cross-border efficiency and promote competition among diverse business models within the EU single market.

The EU AIFM landscape comprises a broad spectrum of firms, including many specialist and mid-sized managers, particularly in the venture and growth capital fund segments. While these fund managers often fall under the full-scope AIFMD regime, they generally do not pose the same systemic or market risks as the largest pan-European AIFMs.

According to ESMA's data, AuM within the EU alternative investment funds sector are concentrated among the largest ~200 AIFMs (84% of total AuM is managed by players above EUR 10 billion in AuM). Meanwhile, as an illustration, the aggregate AuM of AIFMs managing assets between EUR 500 million and EUR 5 billion represents only around 8% of the EU27 AuM. This may imply that by focusing on the largest AIFs and AIFMs, one could arguably be able to monitor a dominant share of the AIF market with a relatively high accuracy (and at a relatively high frequency due to quarterly reporting requirements). In addition, there are merits to analyse whether a more proportionate regulation and compliance burden that is better adapted to small-size AIF managers and mid-size AIFMs to better reflect their risk profile, investment strategy and business model, could deliver an effective supervision and continuously ensure a high level of investor protection and the integrity of the market.

⁴ <https://op.europa.eu/en/publication-detail/-/publication/6531d67f-a978-11f0-89c6-01aa75ed71a1/language-en>

⁵ Notably in the Targeted consultation on integration of EU capital markets, available here: https://finance.ec.europa.eu/regulation-and-supervision/consultations-0/targeted-consultation-integration-eu-capital-markets-2025_en

According to ESMA's estimates, there are around 3940 nationally registered EU AIF managers that operate below the EUR 500 million AuM threshold. Furthermore, according to ESMA's estimates (ESMA's calculations, November 2025), all EU27 AIF managers with the AuM below EUR 500 million collectively represented only 2% of the EU27 AuM of approximately EUR 12.4 trillion.

Given the above, it is relevant to get additional insights on the operational issues faced by nationally registered sub-EUR 500 million AuM threshold AIF managers, including the lack of the management and marketing passports. In the current situation, fund managers have to navigate individual national regimes to get established in other Member States and to market their funds across the EU (with implications for investor access, costs, compliance standards, efficient operation and competitiveness compared to fully authorised EU AIFMs). Assessing these and other aspects is important to appreciate the factors that may contribute to the challenges of scaling up fund assets and operations, and long-term expansion for these fund managers.

The EuVECA Regulation provides a streamlined EU framework that enables venture capital fund managers that comply with certain conditions to market EuVECAs in the EU with lighter regulatory requirements than full-scope AIFMs. At the same time, the EuVECA regime seems itself to experience issues, sought to be covered by this targeted consultation, that affect the further uptake and the successful operation of EuVECA managers in the EU. Similar considerations apply to the European Social Entrepreneurship Funds (EuSEF) Regulation, which has seen an even smaller uptake.

Overall, the initiative presents an opportunity to further streamline and reduce burdens stemming from the EU regulatory framework for small-size AIF managers and mid-sized AIFMs. It aims to allow such fund managers to operate more efficiently and on a broader scale across the EU single market. These objectives would be pursued while ensuring a high level of investor protection, market integrity and effective supervision. This consultation seeks to evaluate the ability to achieve the following:

- strengthen the scalability and competitiveness of small-size AIF managers and mid-size AIFMs through simplification and by facilitating cross-border fundraising and investment
- support bigger ticket investments into the EU real economy, including scaleups and infrastructure projects, notably in a cross-border context
- support the emergence of larger and more competitive EU venture and growth capital fund managers, capable of operating at a regional, European and global scale
- ensure effective and proportionate regulation, particularly for small-size AIF managers and mid-size AIFMs

The European Commission is conducting this [targeted consultation](#), which is [complemented by a public consultation](#)⁶, to gather detailed feedback from stakeholders on the obstacles currently faced by EU venture and growth capital fund managers, as well as on possible policy measures to address them. The consultations cover notably rules stemming from EuVECA regulation, AIFMD and national legislation relevant for small-size AIF managers and mid-sized AIFMs.

The primary objective of this public consultation is to collect evidence and feedback to inform the ongoing policy-development process. The contents of this consultation document and of the related targeted consultation document, including the various scenarios and options outlined, are for analytical purposes only and do not represent a formal position or a commitment by the European Commission or its services.

The targeted consultation includes six sections: 1) A short general section on challenges and policy objectives; 2) Assessment and calibration of the AIFMD threshold(s); 3) Small-size EU venture and

⁶ https://finance.ec.europa.eu/regulation-and-supervision/consultations-0/targeted-consultation-integration-eu-capital-markets-2025_en

growth capital fund managers managing less than EUR 500 million in AuM (operating under national regimes); 4) Proportional requirements for mid-sized EU venture and growth capital fund managers managing more than EUR 500 million in AuM (currently under AIFMD scope); 5) Functioning of the EuVECA and EuSEF frameworks and 6) Closing questions exploring further potential areas of interest.

Respondents to this targeted consultation and/or the public consultation are invited to focus their submissions on those **topics that are not already addressed through the market integration and supervision package**⁷ or were not explored in the related consultation⁸ (which notably focused on cross-border marketing of funds, passporting of depositary services and more efficient operations for fund managers with a group structure).

In line with the **Commission's commitment to better regulation and simplification**, stakeholders are also invited to identify areas where simplifying existing EU frameworks (including the AIFMD, EuVECA, EuSEF and related EU law) could make EU regulation more efficient without undermining other policy objectives.

This consultation will remain open for **eight weeks**. Respondents are invited to focus their feedback on the questions most relevant to their experience and expertise.

If you represent a Member State, National Competent Authority (NCA), ESMA or any market participant (e.g. fund manager, investment firm, issuer, investor, adviser) or other organisation, please disclose your affiliation below. We invite you to add any documents and/or data that you would deem useful to your replies on this website. Please always use this questionnaire even if you would like to submit additional documents.

Please explain your responses and, as far as possible, illustrate them with concrete examples and substantiate them quantitatively with supporting data and empirical evidence. Where appropriate, provide illustrations, specific case-studies or suggestions. This will allow further analytical elaboration.

Responses authorised for publication will be published online after the consultation closes. You are requested to read the privacy statement attached to this consultation for information on how your personal data and contribution will be dealt with.

Any question on this consultation or issues encountered with the online questionnaire can be raised by email to fisma-venture-growth-funds@ec.europa.eu.

⁷ https://finance.ec.europa.eu/publications/market-integration-package_en

⁸ https://finance.ec.europa.eu/regulation-and-supervision/consultations-0/targeted-consultation-integration-eu-capital-markets-2025_en

CONSULTATION QUESTIONS

1. General assessment

- 1.1. If you are a fund manager, to what extent do you consider it challenging to raise capital from professional investors in the fund segments you operate in? (5: “To a very large extent”, 4: “To a large extent”, 3: “To moderate extent”, 2: “To some extent”, 1: “Negligible or non-existent extent”). Please explain, including the main reasons if you answered that it is challenging. [textbox, max 5000 characters]
- 1.2. Do you consider that the requirements under the current AIFMD framework adequately take into account the diversity of business models and risk profiles of small and mid-sized AIFMs? Yes/No/Don’t know. Please explain. [textbox, max 5000 characters]
- 1.3. Do the current national regimes applicable to nationally registered, small-size AIF managers (AuM < EUR 500 million) need a more proportionate regulatory approach? Yes/No/Don’t know. Please explain. [textbox, max 5000 characters]
- 1.4. Do AIFMD provisions applicable to mid-size AIFMs (AuM > EUR 500 million) need a more proportionate regulatory approach? Yes/No/Don’t know. Please explain. [textbox, max 5000 characters]
- 1.5. Are there restrictions in EU or national legislation that in your view directly or indirectly impose undue constraints on investment strategies of EU venture and growth capital fund managers or their limited partners (e.g. stage restrictions, sector limitations, geographic limitations, ownership restrictions)? If so, what constraints are most significant? [textbox, max 5000 characters]
- 1.6. To what extent do cross-border regulatory obstacles hinder investments by business angels in the EU? (5: “To a very large extent”, 4: “To a large extent”, 3: “To moderate extent”, 2: “To some extent”, 1: “Negligible or non-existent extent”). Please provide examples of such obstacles and suggest potential measures to mitigate them. [textbox, max 5000 characters]
- 1.7. Given your assessment of the problems faced by the EU venture and growth capital fund managers, to what extent do you agree that the following overarching policy objectives should guide the EU venture and growth capital fund managers reform?

	Fully disagree	Disagree	Neutral or no opinion	Agree	Fully agree	Comments and evidence
Improving the cost-efficiency of the operation of AIFMs and simplification						
Supporting cross-border scaling						
Improving investor access to relevant fund vehicles						
Reducing regulatory fragmentation						
Strengthening the overall competitiveness of the EU venture and growth capital fund managers						
Mobilising private capital for EU priorities (e.g. defence, digital and green transitions)						
Other policy objectives [textbox, max 1000 characters]						

2. Assessment and calibration of the AIFMD threshold(s)

Currently, the AIFMD scope is defined by an applicable threshold based on AuM, differentiated depending on the use of leverage, i.e. fund managers below EUR 100 million in leveraged funds or EUR 500 million in non-leveraged funds are subject to national registration.

- 2.1. Do you find the current AIFMD framework – featuring two separate AuM thresholds (EUR 100 million for leveraged AIFs and EUR 500 million for unleveraged AIFMs), both incorporating leverage in the calculation – appropriate? Yes/No/Don't know. Please explain. [textbox, max 5000 characters]
- 2.2. Is the current EUR 500 million AuM threshold as triggering the requirement to obtain an AIFM license appropriate, particularly considering market evolution, inflation, effective oversight and other factors? Please explain and provide evidence. Consider the pros and cons and indicate particularly the possible impact national discretions have on the single market. Yes/No/Don't know. Please explain. [textbox, max 5000 characters]
- 2.3. In your view, what upper AuM threshold(s) should apply, if any, to mid-size AIFMs? Please explain and, if possible, provide an estimate of possible cost savings or resource implications.

Please select the threshold you would consider most appropriate.	Please explain your choice of the threshold and include any relevant evidence.
500 million (implying no regulatory change)	
750 million	
1 billion	
1.5 billion	
2 billion	
3 billion	
4 billion	
5 billion	
7.5 billion	
10 billion	
Higher (please specify)	
Other (please specify)	

- 2.4. To what extent do you agree that the following possible measures in AIFMD would promote legal certainty, ease of application and effective supervision? Please explain and, where possible, support your statements with evidence or examples:

	Fully disagree	Disagree	Neutral or no opinion	Agree	Fully agree	Comments and evidence
Static fixed numeric threshold(s)						
Fixed threshold(s) reviewed regularly over a period of time (several years) based on objective criteria, such as inflation						
Dual or combined thresholds, e.g. at AIFM level and at AIF level						
Formulating the calculation of the AuM threshold as (weighted) average AuM (over a period of time rather than an absolute AuM)						
Combining the numeric threshold(s) with other factors, such as temporal conditions and/or the characteristics of the AIFM						
Applying principles-based or risk-based proportionate regulation of AIFMs (i.e. instead of fixed thresholds, relying on individual risk metrics, such as liquidity profile, leverage, etc.)						

Change in the methodology for calculating the threshold(s) setting (AuM, NAV, capital, etc.)						
Alternative regulatory approach(es) to threshold-setting – please describe: [textbox]						

2.5. Which other regulatory changes, if any, do you consider necessary in the context of establishing and operationalising thresholds under AIFMD? [textbox, max 5000 characters]

Background for questions 2.6 and 2.7: When an AIF manager exceeds the EUR 500 million AuM threshold, the manager concerned must apply for AIFM authorisation within 30 calendar days. This means that, within a short period, this manager must take a series of steps, recruit additional staff, procure or outsource compliance solutions, etc. to comply with substantially more stringent regulatory requirements, including the mandatory appointment of a depositary, risk management and reporting requirements.

2.6. What are the impacts of the transition from small-size AIF managers to full scope AIFMD in terms of, among others, impacts on costs and staffing, effectiveness of regulatory oversight, investor confidence? Please include any relevant cost figures or estimates, if possible. [textbox, max 5000 characters]

2.7. Which regulatory measures and policy approaches could enable small-size AIF managers managing less than EUR 500 million in AuM to scale up without facing abrupt administrative or compliance requirements, whilst maintaining a coherent and proportionate regulation and effective oversight? [textbox, max 5000 characters]

3. Small-size AIF managers managing less than EUR 500 million in AuM

This section focuses on small-size AIF managers, operating under national regimes. The abovementioned Study and the available evidence suggest that the EU rules applicable to EU venture and growth capital funds managers could be made simpler, clearer and more accessible, especially for new entrants and growing firms. Particular attention should be paid to the proportionality and cost-effectiveness of EU regulation and avoiding distorting the decisions of EU venture and growth capital fund managers to launch, operate and market investment funds and the investment of funds into the EU real economy, whilst maintaining the level playing field and effective supervision. These considerations are particularly noteworthy for small-size AIF managers. Operating as nationally registered firms under the small-AIFM regime means they lack access to the AIFMD management and marketing passports, effectively restricting their fundraising to their home Member State's investor base. This often implies certain trade-offs in terms of the optimal fund size and strategic expansion. At the same time, many Member States arguably still impose AIFMD-like compliance, reporting and governance obligations on sub-threshold managers.

- 3.1. Which specific regulatory requirements or conditions linked to the registration, organisation, operation, and ongoing oversight of small-size nationally registered AIF managers managing less than EUR 500 million in AuM (excluding EuVECA managers) hamper their ability to scale up and remain competitive? [textbox, max 5000 characters]
- 3.2. What are the principal cost drivers (including legal, auditing, depositary, reporting, supervisory fees, etc.) for sub-EUR 500 million threshold AIF managers? To what degree are these costs fixed? Please provide any available cost estimate, even if indicative. [textbox, max 5000 characters]
- 3.3. Considering that small-size AIF managers with less than EUR 500 million in AuM cannot manage funds in other Member States outside that of their original registration, would a full-scope management passport facilitate the operation of those managers on a cross-border basis? Yes/No /Don't know/ Other [textbox]. Please explain, including potential conditions or scope of such passporting. [textbox, max 5000 characters]
- 3.4. Would a marketing passport or other improvements facilitating the cross-border marketing of AIFs for small-size AIF managers improve their access to investors in other Member States and under which conditions? Yes (a limited marketing passport)/ Yes (tailored or partial marketing passport)/ Yes (simplified cross-border notification regime)/ Yes (full-scope marketing passport)/ None/ Don't know/ Other [textbox]. Please explain. [textbox, max 5000 characters]
- 3.5. Considering the wide national discretion in defining national registration requirements for small-size AIF managers with less than EUR 500 million in AuM, would greater harmonisation of national registration procedures, including templates, deadlines and other formalities improve the cost-effectiveness of small-size AIF managers? Yes/No/Don't know. Please explain and indicate which particular elements of standardisation you would prioritise. [textbox, max 5000 characters]
- 3.6. Considering that small-size AIF managers may be subject to national rules and measures similar to the full-scope AIFMD, would a further harmonisation of permitted national measures facilitate the operation of those managers? Yes/No/Don't know. Please explain. [textbox, max 5000 characters]
- 3.7. Which specific national requirements typically create the highest administrative burden and disincentives for sub-threshold AIFMs, and how could these be simplified, harmonised, or removed without lowering investor protection, market integrity or other legitimate policy objectives? [textbox, max 5000 characters]

3.8. To what degree would you expect possible measures in the areas outlined in this section of the consultation to lead to the following types of impacts? (“1: “Negligible impact”, 2: “Limited impact”, 3: “Moderate impact”, 4: “Large impact”, 5: “Very large impact”)

	1	2	3	4	5	Comments and evidence
Lower cost of operating investment fund vehicles						
Faster processes, leading to faster deployment of capital						
Greater cross-border fundraising activity						
Greater cross-border investments (in underlying markets)						
As a second-order effect, increased investments into EU real economy						
As a second-order effect, reduced fees for end investors / limited partners						
Potential adverse impacts on legal certainty or market integrity						
Potential adverse impacts on effectiveness of supervision						
Potential adverse impacts on investor protection						
Potential adverse impacts on level playing field						
Other impacts - please specify, including potential negative impacts						

4. Proportional requirements for mid-size EU venture and growth capital fund managers managing more than EUR 500 million in AuM

This section concerns mid-size AIFMs operating above EUR 500 million and under full scope AIFMD obligations. These fund managers may find themselves being subject to many obligations designed primarily for large, institutional managers, while lacking the economies of scale, operational resources and compliance budgets needed to absorb these burdens efficiently. Given this, it is appropriate to get additional insights and evidence on which regulatory obligations can be safely simplified or removed for mid-sized AIFMs, to promote the scaling up and the competitiveness of EU venture and growth capital fund managers, while considering potential trade-offs with other policy objectives. Respondents are invited to focus their submissions on those topics which are *not* already addressed in the [market integration and supervision package](#), especially regarding AIFMD.

- 4.1. Which AIFMD provisions, if any, do you consider impose disproportionate administrative or operational burdens on mid-sized AIFMs, and where would targeted proportionality measures most improve efficiency without reducing investor protection or effective oversight? [textbox, max 5000 characters]
- 4.2. To what extent could the depositary requirements under AIFMD be adapted for mid-sized AIFMs (e.g. simplified oversight tasks, proportionate capital or liability requirements, more proportionate rules for certain assets, removing duplicative prospectus rules, prospectus requirements for closed-ended funds, etc.) while keeping relevant safeguards seeking to ensure effective regulatory oversight, integrity of the market and the effective protection of investors? Please explain. [textbox, max 5000 characters]
- 4.3. Could additional proportionality be introduced to risk-management, liquidity-management or stress-testing requirements of AIFMD for mid-sized AIFMs, with stable, low-turnover and/or closed-ended strategies? Yes/No/Don't know. If so, which specific obligations warrant adjustment? [textbox, max 5000 characters]
- 4.4. Which elements of the Annex IV AIFMD reporting, leverage reporting and regulatory disclosures could be streamlined for mid-sized AIFMs to reduce recurring compliance costs while preserving effective supervisory oversight and the integrity of the market? Please explain. [textbox, max 5000 characters]
- 4.5. Would proportional adjustments to valuation requirements, such as simplified policies for illiquid assets, reduced documentation requirements or greater flexibility in selecting external valuation systems, improve efficiency and competitiveness for mid-sized AIFMs? Yes/No/Don't know. Please explain. [textbox, max 5000 characters]
- 4.6. Which AIFMD remuneration-related requirements, if any, disproportionately affect mid-sized AIFMs, and how? Which proportionality measures, if any, warrant particular consideration and what cost savings would they imply? [textbox, max 5000 characters]
- 4.7. How could the current authorisation requirements for mid-size AIFMs, such as organisational structure, key personnel, systems, etc. be adapted or streamlined for mid-size AIFMs, without undermining investor protection or the effectiveness of regulatory oversight? Which adjustments, if any, would you find most appropriate and what cost savings would they imply? [textbox, max 5000 characters]
- 4.8. Would a lower frequency or amended scope of audits compared to the current AIFMD requirements be appropriate for mid-sized AIFMs, notably those investing in private assets such as unlisted companies? Yes/No/Don't know. Which adjustments, if any, would you find most appropriate and what cost savings would they imply? [textbox, max 5000 characters]

4.9. Would you see significant burden reduction potential for mid-size AIFMs with regard to AIFMD governance-related provisions (other than remuneration)? Yes/No/Don't know. Which adjustments, if any, would you find most appropriate and what cost savings would they imply? [textbox, max 5000 characters]

4.10. Please rate the potential measures mentioned in this section based on how positive or negative of an impact on the scaling up and cross-border activity (where applicable) of mid-size fund managers you would expect from them. Please rate each item from -2 to 2, with -2 standing for "significant negative impact", 0 for "no impact" and 2 for "significant positive impact":

	-2	-1	0	1	2	Don't know	Comments and evidence (incl. cost figures or estimates where available)
Simplified and more proportionate depositary requirements							
More proportionate authorisation requirements, e.g. adapted to the size, risk profile and/or other factors of mid-size AIFMs							
Additional proportionality in risk-management							
Additional proportionality in liquidity management requirements							
Additional proportionality in stress-testing requirements							
Streamlined Annex IV reporting, leverage reporting and regulatory disclosures							
Proportional adjustments to valuation requirements							
Simplified remuneration requirements							
Streamlined or adapted authorisation requirements							
Lower frequency or amended scope of audits							
Simplified governance-related provisions (other than remuneration)							
Other measures; please elaborate [textbox]							

4.11. How do the EU and national cumulative regulatory costs faced by mid-sized EU AIFMs compare to those of non-EU competitors, which provisions are responsible for the largest part of these costs, and which targeted alleviations would most improve the international competitiveness of such EU-based managers? [textbox, max 5000 characters]

4.12. To what degree would more proportionate requirements applicable to mid-size AIFMs (assuming the elements mentioned in this section of the consultation were revised) lead to the following impacts? ("1: "Negligible impact", 2: "Limited impact", 3: "Moderate impact", 4: "Large impact", 5: "Very large impact")

	1	2	3	4	5	Comments and evidence
Lower cost of operating investment fund vehicles						
Faster processes, leading to faster deployment						

of capital						
Greater cross-border fundraising activity						
Greater cross-border investments (in underlying markets)						
As a second-order effect, increased investments into EU real economy						
As a second-order effect, reduced fees for end investors / limited partners						
Potential adverse impacts on legal certainty or market integrity						
Potential adverse impacts on effectiveness of supervision						
Potential adverse impacts on investor protection						
Potential adverse impacts on level playing field						
Other impacts - please specify, including potential negative impacts						

5. Functioning of the EuVECA and EuSEF frameworks

- 5.1. To what extent do you agree with the following statements regarding the functioning of the EuVECA framework? (“-2: “Fully disagree”, -1: “Disagree”, 0: “Neutral or no opinion”, +1: “Agree”, +2: “Fully agree”). Please explain and where possible, support your statements with evidence or examples:

	-2	-1	0	+1	+2	Comments and evidence
The EuVECA framework has been successful in achieving its objective of creating a European system for the cross-border fundraising of venture capital funds						
The costs of launching and operating a EuVECA and the regulatory and administrative burdens are appropriate						
The requirements imposed on EuVECA managers are proportionate to the benefits of having a marketing passport.						
The original objective of the EuVECA Regulation to create a European system for the cross-border fundraising of venture capital funds remains relevant today						
The EuVECA framework generally reflects well the needs of small-size AIF managers						
The EuVECA framework generally reflects well the needs of fund managers with AIFMD licence						
The EuVECA framework offers sufficient incentives for sub-threshold fund managers to launch and operate EuVECAs						
The introduction of EuVECA framework, viewed in hindsight, has brought added value compared to national frameworks.						
Distinct types of rules in the EuVECA framework (e.g. eligible assets, passporting, own funds, investor protection) are coherent with each other						
The legal requirements for cross-border marketing / placement of EuVECAs on a cross-border basis is adequate and appropriate						
The absence of the management passport for EuVECA managers is appropriate						
The scope of eligible investment assets under the EuVECA regime is appropriate (including the geographical limitations, the scope and concept of “qualifying venture capital fund”, “qualifying portfolio undertaking”, “qualifying investments”, etc.)						
Own-fund, capital buffer or bank guarantee/insurance indemnity requirements applicable to EuVECAs are coherent and adequate						
EuVECA’s conflict of interests and co-investment rules are coherent and adequate						
National measures and discretions and supervisory fees/charges charged to EuVECAs play a positive role in the functioning of the EuVECA regime						
EuVECA fund rules are consistent with the current EU policy objectives, notably to increase financing available for startups and scaleups						
The EuVECA Regulation grants EuVECA						

managers sufficient flexibility to pursue a broad range of investment strategies to finance EU innovation and growth						
Supervisory practices within Member States, including fees and charges, pose hurdles to the operation of EuVECAs						

5.2. To what extent do you agree that the following provisions or elements of the current EuVECA regime require legislative review? (“-2: “Fully disagree”, -1: “disagree”, 0: “Neutral or no opinion”, +1: “Agree”, +2: “Fully agree”)? Please explain and where possible, support your statements with evidence or examples:

	-2	-1	0	+1	+2	Comments and evidence (notably with regard to expected impact)
EuVECA should be able to reach a higher AuM before being subjected to a full-scope AIFMD licensing requirement						
EuVECA should have a broader flexibility to invest, including the ability to invest across the capital structure, fund-of-fund investments, indirect investments, investments in AIFs, employing master-feeder structures, etc.						
EuVECA should have a broader flexibility to invest in, directly or indirectly, real assets, infrastructure, patents, intellectual property rights and any other assets related to and/or owned by eligible undertakings						
EuVECA managers would benefit substantially from the standardisation of registration requirements (e.g. pre-determined templates, deadlines, procedures, etc.)						
EuVECA managers would greatly benefit from the reduced ability of Member States to exercise national discretions						

5.3 With regards to the potential widening of the scope of investable assets and strategies under the EuVECA regime, how would you rate the expected overall impact of the following amendments? Please rate each item from -2 to 2, with -2 standing for “significant negative impact”, 0 for “no impact” and 2 for “significant positive impact”:

	-2	-1	0	1	2	Comments and evidence
Broadening the scope of qualifying venture capital funds under EuVECA regulation						
Removing or relaxing the 70% (qualifying investments) and 30% (other assets) thresholds and allowing more concentrated investments						
Allowing to also invest in quasi-equity						
Allowing to also invest in debt (e.g. venture debt and mezzanine financing)						
Allowing EuVECA to invest in related infrastructure, including those supporting, serving, or relating to the business or activities of qualified venture capital undertakings and innovative undertakings						

Allowing EuVECA to hold a certain share in listed companies, notably to continue holding an exposure following an IPO of one of more of portfolio companies						
Allowing EuVECA to invest in any AIFs						
Allowing for master feeder structures and EuVECA funds of funds.						
In connection to potential changes above, substituting the “EuVECA” designation and replacing it with a broader and more inclusive fund designation						
Other adjustments to scope of assets and strategies, if so which ones: [textbox up to 2000 characters]						

5.4. What specific changes in applicable rules for EuVECA managers would you consider most appropriate and impactful and why? Please include any relevant cost figures or estimates, where available. [textbox, max 5000 characters]

5.5. To what degree do you agree with the following statements regarding the European Social Entrepreneurship Funds (EuSEF) framework? (“-2: “Fully disagree”, -1: “disagree”, 0: “Neutral or no opinion”, +1: “Agree”, +2: “Fully agree”)

	-2	-1	0	+1	+2	Textbox
The EuSEF framework has been successful in achieving its objectives						
The regulatory and administrative burdens and the associated costs of operating a EuSEF are appropriate						
The EuSEF framework reflects well the needs of small-size AIF managers focused on achieving social impact						
Targeted amendments to EuSEF framework would not prove to be particularly impactful						
Due to the poor uptake, it is appropriate to consider the repeal of the EuSEF regime						

6. Closing questions

- 6.1. What specific challenges or inefficiencies within the current regulatory framework (outside the scope of the [market integration and supervision package](#) which reviews the AIFMD regarding fund managers operating in a group structure, passporting for depositary services and improved cross-border marketing of funds) have not been addressed in this consultation, and should be considered by the Commission in the EU venture and growth capital funds reform? [textbox, max 5000 characters]
- 6.2. Which regulatory issues should be considered to ensure the coherent interaction and application of the rulebook for AIF, EuVECA, ELTIF and EuSEF managers, including enabling ELTIF and EuVECA managers to benefit from the potential AIFMD alleviations, allowing for grandfathering/transition to a potential new legal framework, etc.? [textbox, max 5000 characters]
- 6.3. Are there areas where technological innovation (e.g. digitalisation, tokenisation, etc.) should be better reflected or supported in the EU venture and growth capital funds reform? [textbox, max 5000 characters]
- 6.4. In the context of the EU venture and growth capital funds reform, which potential non-legislative measures (such as guidance to Member States on relevant matters falling under national competence) could support the possible legislative actions? [textbox, max 5000 characters]
- 6.5. To what degree do you consider the findings of the [above-mentioned study](#) (such as obstacles to marketing, burdensome and lengthy authorisation process, burdens stemming from reporting, etc.), which focused on venture and growth capital funds, to be also applicable to other small and mid-size AIF managers? (“5: “Fully applicable”, 4: Largely applicable”, 3: “Neutral”, 2: “Not very applicable”, 1: “Not applicable at all”). Please explain [textbox, max 5000 characters].
- 6.6. Is there a need for regulatory action to promote the availability of exit options for investors in private markets to help venture and growth capital funds achieve their investment returns and free up capital available for financing innovative companies? [textbox, max 5000 characters]
- 6.7. Do you have any additional observations or evidence, with relevance for EU venture and growth capital fund managers, not explicitly covered in this consultation? [textbox, max 5000 characters]