

NVP Position paper RTG 17 June 2026

A much-needed review for EU financing needs

Executive Summary

- The Market Integration package takes meaningful steps toward removing long-standing barriers that have hindered fund managers' ability to operate cross-border, while reflecting on the diversity of EU markets
- Nearly all of the proposed amendments on asset management will help usually small private equity and venture capital managers to operate more efficiently across the Union – and will therefore unlock capital for the companies they support
- We call for a swift adoption of the proposal, as there is no time to waste if we want to grow our financing ecosystems

Who we are

The NVP (Nederlandse Vereniging van Participatiemaatschappijen) is the Dutch association for private equity and venture capital active in the Netherlands, representing over 140 professional investment funds active across the full company lifecycle. NVP members deploy long-term capital into start-ups, scale-ups and growth companies, backed by a broad investor base including entrepreneurs, institutional investors, pension funds and government. Annually private equity and venture capital firms invest € 6 to € 8 million in Dutch startups, scale-ups, SMEs and large companies.

Through capital, expertise and active ownership, private equity and venture capital can play a critical role in scaling innovative companies, strengthening productivity and supporting Europe's long term competitiveness; as also highlighted by Mario Draghi (and Wennink in the Dutch context). Companies and ecosystems supported by NVP members include Robin Radar, Merus, Nearfield Instruments and the Brainport Eindhoven.

As managers, our members face every day the practical consequences of fragmentation in the Single Market. As they operate under both the AIFMD – which regulates primarily their management and marketing activities – and national fund laws, they are well aware of any legal and practical barriers that prevent them to grow and operate cross-borders.

Key messages for a more integrated capital markets

The Netherlands stands to benefit strongly from a deeper European Capital Markets Union, as the Netherlands has one of the most developed private equity and venture capital markets in Europe. It is also among the most internationally oriented investment markets in the EU. Dutch funds invest extensively abroad, particularly within Europe. At the same time, approximately half of the investments in Dutch companies originate from foreign funds — especially in later growth stages. Foreign investors also play a significant role in Dutch private equity and venture capital funds.

Therefore, the Netherlands benefits more than many other Member States from further European integration. Cross-border investment is not the exception — it is standard market practice. Our observation is that the Dutch market is already highly professionalised. It has relatively few national exceptions or protection mechanisms and that many remaining barriers are located in other Member States.

Three practical recommendations

1. Remove national barriers (e.g. via the Market Integration Package)

This package is a strong example of addressing many small frictions that together create significant obstacles — a form of pragmatic European integration. A fund manager authorised in one Member State should, in principle, be able to approach investors across the EU. In practice, managers must interact with up to 27 national supervisors and often pay local fees — sometimes even before being able to engage potential investors. This is particularly problematic in private markets, where fundraising relies on direct human interaction rather than standardised trading systems. As a result, fund managers are selective in which Member States they operate, which runs counter to the idea of a single European capital market. Therefore, our call to action would be to prioritise the removal of these national barriers.

2. Make greater use of EU regulations

New EU rules are too often implemented through directives. This leads to national divergences and “gold-plating”. The result is fragmentation rather than integration. Therefore, our call to action would be to where possible, adopt regulations with direct effect and where directives are used, systematically track and compare national implementation.

3. Strengthening the domestic financing chain remains essential

European integration alone is not sufficient. The Netherlands must continue to invest in its own financing ecosystem. Preserve what works: the Future Fund (Toekomstfonds). The early-stage ecosystem in the Netherlands has been deliberately built over the past 20 years. Instruments under the Future Fund (Toekomstfonds) have played a key role. As a result, start-ups today have significantly greater access to financing than in the past. Reducing the Future Fund would be counterproductive. It would weaken the very beginning of the financing chain.

The main bottleneck is growth capital. There is relatively limited capital available in the scale-up phase in the Netherlands. As a result, many companies rely on foreign investors. While not inherently negative, this creates strategic dependency. Therefore, we should focus policy efforts on strengthening the supply of Dutch and European growth capital.

European cooperation

The NVP works closely with its sister associations across EU Member States, as well as with Invest Europe at the European level, to represent the sector’s interests. Through this cooperation, the industry aims to present a consistent and unified voice towards European policymakers and institutions.

As such, the NVP’s position is not only nationally grounded but reflects a broadly shared perspective of the European private equity and venture capital industry as a whole.

Why the proposal matters to our corner of the EU financing ecosystem

Compared to other financial services firms, private equity managers are typically small. Even managers with more than EUR 500 million in AuM may have fewer than 15 employees.

For such entities, marketing and managing a fund under EU law can be a long and strenuous process. A manager wishing to operate cross-border must:

- obtain authorisation for itself and its fund(s)

- ensure its funds comply with organisational and governance requirements
- follow strict rules on engaging with institutional investors
- interact with up to 26 host authorities (if they aim for an EU-wide strategy)
- pay fees both to the home supervisor and to all their host supervisors

The ease and speed of these steps depend heavily on the efficiency of supervisory processes. Today:

- Authorisation can take anywhere from a few months to as long as twelve months in some Member States
- Reporting requirements and multiple host fees accumulate quickly, especially for small managers with an EU strategy who face different fee requests in all Member States
- (Pre-)marketing rules and marketing communication requirements differ widely between Member States

This situation prevents the growth of a venture capital and private equity ecosystem at a moment when all EU Member States are competing to finance new competitiveness needs. In practice:

- Venture capital managers remain far smaller than peers in other developed economies (as the relevance of EuVECA is hindered by complex national authorisation processes)
- Growth managers cannot compete with US-based entities, contributing to the scale-up flight to the US

What the proposal can effectively change for the better

The Market Integration package creates the conditions to simplify existing authorisation and reporting processes by:

- simplifying the conditions for managers to obtain authorisation in their home Member States
- harmonising conditions for marketing and managing funds across the EU, thereby limiting diverging rules

We particularly welcome:

- the removal of the requirement to pre-notify the host Member State and a simplified reporting process for cross-border marketing
- new methods to ensure host regulatory fees are clearly justified and disclosed, allowing managers to know immediately what to pay, where to pay, and when to pay
- the harmonisation and simplification of processes for authorisation, marketing communications, and pre-marketing — reducing national divergence and “gold-plating” to a minimum
- the simplification of de-notification rules, including the removal of the pre-marketing ban for other funds managed by the same AIFM

If we are broadly aligned with most of the changes proposed, we want to flag that particular care should be taken that new ESMA powers do not lead to situations where fund managers, in particular larger ones, are subject to two sets of rules or receive contradictory sets of information. We also want to stress that this proposal is well balanced because it does not open the complex topic of EU supervision, the establishment of which, for fund management, would be a very difficult exercise (as detailed in our comments in the box below).

The industry views on EU supervision for fund management

From the perspective of private equity and venture capital managers, EU level supervision should not be seen as the panacea: more than a common supervisor, what is needed is:

- limited barriers to fundraising
- an efficient and capable home supervisor, able to understand the asset class and to rapidly authorise fund managers
- low or no supervisory fees – as multiple host Member States' fees act as a disincentive to European-wide strategies EU supervision would only help in situations where:
 - the presence of a single supervisor effectively limits barriers to fundraising, thanks to a single interpretation of common rules
 - the EU supervisor is more efficient than the national one, either because it is better tooled or more experienced
 - EU supervision means less costly supervision

Before introducing any level of EU supervision for fund managers (and more broadly give additional powers to ESMA), EU lawmakers should necessarily consider:

- whether having a single supervisor effectively simplifies, from the manager's perspective, cross-border distribution and effectively tackles barriers to a well-functioning EU market (as we identified them in the rest of this paper)
- whether EU supervision forces managers to interact with two regulators (for example: one at the AIFM level and another at the AIF level) instead of one with national supervision (an issue that arises with some of the Commission's amendments to this proposal)
- whether the role of ESMA as a single supervisor AND as a supervisor of a supervisor lead to a conflicts of interest
- whether the role of ESMA as a direct supervisor among other supervisors and as a rulemaker can be legally and practically ring-fenced
- whether ESMA is sufficiently tooled to perform its supervisory role as well as the most efficient supervisory authorities in the EU (i.e.: whether ESMA is staffed and has a level of expertise equivalent to supervisors with a high level of expertise) and with the knowledge and ability to tailor supervision to the local market according to the specific needs of investors
- whether the entity supervised can keep a direct link to its supervisor (noting the importance of national hubs, in particular for smaller VC funds)

Conclusion

Cross-border fund management and marketing is still hindered by too many barriers. Problems outlined above prevent the establishment and growth of private financing ecosystems in most European countries. Current diverging rules are therefore partly responsible for a lack of financing to projects designed to foster EU's competitiveness.

Our venture and private equity members call for a swift adoption of the proposal as introduced by the European Commission, if needed as a separate asset management package and with only a few targeted changes to the proposed text.