

Submission Date

10/03/2023

ESMA_QA_698

Status: Answer Published

Additional Information

Level 1 Regulation

European Venture Capital Regulation (EuVECA) Regulation (EU) No 345/2013

Topic

EuVECA

Additional Legal Reference

Regulation (EU) No 346/2013 ("EuSEF Regulation")

Subject Matter

Investment in another qualifying venture capital fund/qualifying social entrepreneurship fund

Question

(1) According to Article 3(b) and (e)(iv) of Regulation (EU) No 345/2013 ("EuVECA Regulation"), can a EuVECA fund invest in another qualifying venture capital fund ("Fund")

which has not been registered as EuVECA as long as that Fund materially complies with the criteria of the definition of qualifying venture capital funds?

(2) According to Article 3(b) and (e)(iii) of Regulation (EU) No 346/2013 (“EuSEF Regulation”), can a EuSEF fund invest in another qualifying social entrepreneurship fund (“Fund”) which has not been registered as EuSEF as long as that Fund materially complies with the criteria of the definition of qualifying social entrepreneurship fund?

ESMA Answer

10-03-2023

Original language

[ESMA 34-36-253 EuSEF-EuVECA Q&A, 5]

Yes to (1) and (2) provided that those qualifying venture capital (respectively social entrepreneurship) funds have not themselves invested more than 10 % of their aggregate capital contributions and uncalled committed capital in other qualifying venture capital (respectively social entrepreneurship) funds as per Article 3(e)(iv) of Regulation (EU) 345/2013 (respectively Article 3(e)(iii) of the Regulation (EU) 346/2013).

The answers provided by the European Commission clarify provisions already contained in the applicable legislation. They do not extend in any way the rights and obligations deriving from such legislation nor do they introduce any additional requirements for the concerned operators and competent authorities. The answers are merely intended to assist natural or legal persons, including competent authorities and Union institutions and bodies in clarifying the application or implementation of the relevant legal provisions. Only the Court of Justice of the European Union is competent to authoritatively interpret Union law. The views expressed in the internal Commission Decision cannot prejudice the position that the European Commission might take before the Union and national courts.