

Venture Capital Investments for Insurers - Opportunities, Constraints and Policy Considerations

Insurance companies are among Europe's largest long-term institutional investors. With approximately EUR 9.5 trillion in assets under management, the sector plays a critical role in financing governments, businesses and infrastructure. This established role as a stable and patient provider of capital also places insurers as key contributors to Europe's long term investment needs.

This paper is part of Insurance Europe's Investing from insurers' perspective series. It explains the structural and regulatory factors shaping current allocations of insurers' investments in Venture Capital (VC) and outlines some market and policy conditions that could enable prudent and sustainable growth in insurer participation.

The paper is structured as follows:

- Europe's Venture Capital Gap
- Insurers as Long-Term Investors in the Economy
- Venture Capital in Insurers' Portfolios: Rationale and Constraints
- Enabling Greater Insurer Participation: Market, Regulatory and Institutional Conditions
- Policy Recommendations

Executive Summary

Europe's venture capital (VC) market remains significantly underdeveloped compared to global peers. Investment levels lag the US, late-stage funding and IPO markets are shallow, and promising scale-ups often relocate abroad in search of better growth opportunities and deeper capital markets. European insurers manage substantial long-term capital, including VC allocations. While those are small in relative terms, insurers investments in VC are significant in absolute terms making insurers key contributors in the VC environment.

Structural factors limiting insurers investments in the asset class include its higher volatility, higher risk, illiquid nature, small ticket sizes and analysis-intense nature. VC funds often operate through closed-end fund structures, exhibit a pronounced J-curve, and deliver highly skewed returns, with performance often driven by a small number of successful exits. Valuations are complex and exit timing uncertain. These features make VC operationally demanding and dependent on capital markets with strong demand for private equity and attractive exit opportunities.

Insurers are liability-driven investors generally seeking to meet predictable, often guaranteed policyholder commitments. Stable cash flows, capital preservation, large investment volumes and disciplined asset–liability matching typically make up the bulk of their investments. Although insurers invest significantly in illiquid and long-term assets, due to the structural factors above, VC has only played a limited role in most insurance portfolios as it is not naturally suited to be a core investment class.

Apart from improving overall competitiveness and growth opportunities for businesses in Europe the strategic priority should therefore be to strengthen Europe's VC and capital market ecosystem itself. International and EU experience in some EU countries shows that well-designed public–private partnerships can catalyse sustainable private investment by improving market depth, scale and exit opportunities.

Policy should prioritise improving its market environment - deeper late-stage markets, stronger IPO channels, reduced regulatory fragmentation and scalable investment platforms. A more competitive and predictable ecosystem will naturally attract long-term institutional capital in a manner consistent with insurers' fiduciary duties and liability structures.

1. Europe's Venture Capital Gap



Venture capital plays a vital role in financing innovation and supporting technological transformation. For policymakers, it is therefore both an asset class and a strategic lever for economic development. Recent initiatives — including the EU Startup and Scaleup Strategy (2025), the Savings and Investments Union (SIU) and the Scaleup Europe Fund demonstrate a strong commitment to mobilising long-term institutional capital for innovation.

Europe's VC ecosystem remains underdeveloped compared to global peers. VC investment in the EU amounts to roughly 0.3% of GDP — less than one third of US levels. Between 2008 and 2021, nearly 30% of European unicorns relocated their headquarters outside the EU, often in search of better growth opportunities with more competitiveness regulation and less bureaucracy. Moreover, companies were often also in search of deeper capital markets and stronger late-stage funding environments.

The funding gap is particularly acute at the scale-up stage. This reflects less a pure shortage of capital and more the structural features of European capital markets. European late-stage funding markets and IPO channels remain comparatively shallow, limiting domestic growth opportunities to some extent and contributing to capital outflows.

While insurers and pension funds collectively manage substantial long-term capital, their allocation to venture capital remains limited. EU insurers typically allocate less than 1% of assets under management to VC and growth equity. However, while this is small in relative terms to the total portfolio the absolute volumes involved are potentially substantial, amounting to tens of billions of euros.

Four Core Factors Explaining Europe's Venture Capital Gap

01
Overall business environment and the competitiveness of Europe

02
Risk-adjusted returns, scalability, exit opportunities and regulatory predictability

03
VC investment expertise and dedicated resources

04
Insurance products with full guarantees or predictable payout profiles

First, the **overall business environment and the competitiveness of Europe** and its investment ecosystem play a decisive role in shaping capital allocation decisions, including through efforts to improve the regulatory framework, reduce administrative burdens, and advance the Capital Markets Union and Single Market.

Second, insurers invest policyholders' funds on the basis of **risk-adjusted returns, scalability, exit opportunities and regulatory predictability**. Where capital markets are deeper, late-stage financing more developed and administrative burdens lighter, venture investments tend to offer more attractive and reliable pathways to value realisation. Strengthening Europe's competitiveness — including through streamlined regulation, reduced fragmentation and more efficient market structures — is therefore central to attracting greater long-term institutional participation.

Third, **VC investment requires expertise and dedicated resources** which many insurers do not have and insurers who have not had experience of investing are unlikely to allocate capital to VC. While to some extent external fund managers can provide that expertise, relatively few, often the largest, insurers will have dedicated inhouse VC expertise and experience. There can be a lack of VC focused funds with sufficient diversification and track records for those insurers who do not have their own VC expertise to feel comfortable investing. Also, even when mandating external fund managers, the prudent person principle under Solvency II requires insurers to form an own view on the risks associated with VC investments.

Fourth, **insurance products with full guarantees or predictable payout profiles** — are not naturally aligned with the characteristics of venture capital. VC investments subject to significant performance dispersion and typically do not provide income, whereas insurers often need stable cash flows and asset–liability matching. As a result, the appetite for venture capital is not suitable for all insurers, and if it is, also due to limited investment volumes it is structurally limited to a carefully managed allocation rather than a core portfolio holding.



In this context, the overall modest share of VC in insurers' portfolios reflects both the nature of the asset class and the current European investment environment. Moreover, a significant part of VC investments is allocated outside Europe which is an indicator, that growth opportunities and risk-return profiles outside Europe are viewed as more attractive.

While VC capital allocation is likely to remain limited in most insurers' portfolios, even a small percentage increase can have a large impact in absolute terms given the size of insurers' balance sheets – every 0.1% of insurers portfolio represents an estimated €10bn. Enhancing market depth and competitiveness would create the conditions under which insurers could increase their participation in a manner consistent with their fiduciary responsibilities and long-term commitments to policyholders.



What is Venture Capital?

Venture capital refers to equity investments in unlisted companies at early or intermediate stages of development, typically characterised by high growth potential, limited operating history and elevated risk.

VC is a subset of private equity but differs materially from buyout and growth strategies, which focus on more mature companies with established cash flows. VC investments are concentrated in innovation-driven sectors such as technology, biotechnology and clean energy.

Returns are realised primarily through capital appreciation at exit (trade sale, secondary transaction or IPO). Performance is highly skewed, with a small number of successful investments driving overall fund returns.

Venture capital investments are commonly categorised by funding stage:

- Early stage (seed, Series A): Focus on product development and market validation. Highest failure rates.
- Mid-stage (Series B–C): Support scaling, market expansion and commercialisation.
- Late-stage/pre-IPO: Target more mature companies approaching profitability or exit, often involving larger ticket sizes and higher valuation sensitivity.

Risk profiles evolve across stages, but overall dispersion remains extreme. Roughly seven out of ten seed investments fail, two deliver moderate returns, and one "outlier" may generate the majority of fund performance.

Venture capital presents distinctive structural features:

- High default rates
- Illiquidity: Investment horizons typically exceed ten years.
- Closed-end fund structures: Investments are generally made via limited partnerships (LP/GP model).
- Capital calls and J-curve effect: Capital is drawn progressively. Early accounting mark-downs — often to around 80% of invested capital — create the well-known J-curve, discouraging institutions focused on short-term solvency metrics.
- Valuation complexity: Pricing relies on models and comparable transactions rather than observable market prices.
- Due diligence: high analysis costs & often poor or insufficient data availability at young companies
- Non-linear returns: Performance depends on a limited number of successful exits.
- Governance intensity: Active monitoring and staged financing are central to value creation.
- Low investments volumes with low ticket sizes compared to what institutional investors usually look for.

These characteristics make VC operationally demanding and capital intensive as an asset class.

2. Insurers as Long-term Investors in the Economy

The insurance business model is inherently long term. Premiums are collected upfront and invested to meet future claims, often decades later.

Four structural characteristics shape insurers' investment strategies:

1. Liability Profile

Long-dated and predictable liabilities (eg life insurance, annuities) enable investment in illiquid assets. Shorter-term property and casualty liabilities require higher liquidity to meet claims.

2. Financial Guarantees

Many life products offer minimum guaranteed returns or capital protection, necessitating secure, predictable and stable investment income. Protection products offer guaranteed payments in the case of a claim.

3. Scale and Implementation Ability

Insurers require asset classes that allow efficient deployment of capital. While larger institutions typically operate with minimum ticket sizes of tens of millions of euros, smaller insurers may face constraints related to access, expertise and diversification.

4. Prudential and Risk Management

Requirements means that insurers must thoroughly analyse investments, consider risk, return and capital requirements and closely monitor their portfolio. This comes along with extended data needs on the investments to be taken.

Historically, fixed income instruments have dominated insurers' portfolios. Prolonged low interest rates and increasing competition have encouraged greater diversification into private markets. Venture capital is often discussed in this context — yet capital allocations to this asset class remain relatively low for many insurers.

3. Venture Capital in Insurers' Portfolios: Rationale and Constraints

Current State of Insurer Investment in VC



From a theoretical perspective, certain features of VC - such as long-term return potential —can be aligned with insurers' extended investment horizons. In practice, however, the fit with the liability structure of many insurers, , is limited and requires careful, differentiated examination.

- **Long-term return potential and illiquidity premium:** Venture capital can, in successful cases, especially within a sufficiently large and diversified portfolios, generate attractive long-term returns and provide compensation for illiquidity. However, these outcomes are highly dispersed and dependent on manager quality, market timing and exit conditions. Also, for guaranteed life products non-linear pay-out patterns and illiquidity are difficult to integrate into portfolios that require stability and predictability. Monetization of returns from VC investments for policyholders' portfolios remain a challenge.

- **Diversification considerations:** While private market assets are often associated with diversification benefits, these effects are neither automatic nor stable across market cycles. Correlations can rise significantly in stress scenarios, and valuation smoothing may mask underlying volatility. Diversification arguments should therefore be treated with caution and cannot, in themselves, justify structural allocation targets. Moreover, diversification benefits assume a large enough number of individual venture investments to create the diversity within the asset class itself and to other asset classes. Growing the venture capital market in Europe would help realise diversification benefits.

- **Exposure to innovation-driven growth**: VC provides access to innovative companies and emerging technologies and can support participation in long-term economic transformation. That said, this exposure is typically better suited to investors with flexible capital and higher risk tolerance than is the case for many insurance balance sheets.

- **Conditional alignment with liabilities:** Although insurers generally operate with long-term horizons, this does not automatically imply suitability for illiquid, high-volatility assets. Many insurers have liabilities which require cashflow matching, which calls for predictable cash flows and prudent capital planning, and these are less suited to VC investment even if they have long-term liabilities. Insurers offering with profit (and risk) sharing products, general accounts, or providing smoothing and pooling type products or have significant surplus capital risk have more potential to invest in VC. Equally, the attractiveness of investment in highly illiquid assets are dependent on external factors such as the business environment. As a result, venture capital can only be accommodated in limited and carefully structured circumstances.

Key constraints from investing in this asset class for insurers include:

- **Risk-return profile mismatch:** The non-linearity of VC returns contrasts with some insurers' need for predictable income streams to meet policyholder guarantees. Long and uncertain exit horizons — typically seven to ten years — complicate solvency planning. The J-curve effect reinforces the perception of early underperformance, even where long-term value creation remains. Finally, Venture capital investments can be subject to extreme valuation swings driven by market sentiment, funding cycles, and uncertain exit timelines, making them challenging for some insurers to manage and limiting the level of exposure for all insurers.

- **Regulatory and prudential considerations:** Under the Solvency II framework, equity exposures — including unlisted equity and venture capital — are subject to high capital charges of 49%, reflecting their higher risk of losing value. The recent review of Solvency II Directive introduces a more risk-sensitive and proportionate treatment of long-term equity investments, which can include VC investments and improves certain other aspects of the capital framework. These improvements are a positive step, provided they are implemented consistently. In parallel, strengthened liquidity risk management requirements — including enhanced liquidity risk management plans —ensures insurers manage illiquid assets prudently. The updated framework therefore moves in a balanced direction, supporting long-term investment while maintaining robust policyholder protection. The interpretation of the Prudent Person Principle by national supervisor also plays a role in the relative attractiveness of VC – some supervisors have required extensive added due diligence measures from insurers investing in VC, decreasing the asset class attractiveness. Efforts to mobilise insurers' investment in VC should therefore be matched by a proportionate supervisory approach: supervisors should take appropriate account of centralised due diligence and risk management and avoid duplicative requirements at the level of individual insurers.

- **Concentration risk:** Later-round venture capital investing can be particularly challenging for insurers due to concentration risk, as larger check sizes often result in significant exposure to a small number of companies. Participating in follow-on rounds and increasing participation means that a single underperforming investment can have a disproportionate impact on portfolio returns and capital allocation. This makes portfolio construction and diversification more difficult compared to earlier-stage strategies with smaller, more distributed positions.

- **Regulatory fragmentation:** The fragmented regulatory landscape across Member States increases operational burdens. Differences in reporting requirements, governance expectations and fund authorisation processes raise transaction costs and reduce scalability.

- **Operational and expertise gaps:** VC investing requires specialised expertise in early-stage assessment, technology evaluation and active portfolio management. Many insurers rely on external managers or fund-of-funds structures but these are currently limited and there can be a mismatch between insurers' preferred ticket sizes and the relatively small scale of many VC funds complicates portfolio construction and diversification.

- **Market depth and ecosystem limitations:** Europe's VC ecosystem remains fragmented, relatively illiquid, and comparatively shallow, with a limited number of large-scale funds capable of meeting institutional investor requirements.. Legal heterogeneity, underdeveloped secondary markets and weak late-stage financing channels further constrain institutional participation. Finally, the gap between gross and net returns remains a challenge, with fee structures often at the higher end of the spectrum and conditions skewed towards GPs, making VC investments less LP-friendly than other asset classes.

4. Enabling Greater Insurer Participation: Market, Regulatory and Institutional Conditions



A favourable, predictable market and regulatory environment is a precondition for any sustainable increase in insurers' venture capital (VC) allocations. While capital is available, deployment depends on regulatory clarity, market depth, institutional readiness and political support.

1. Improving Access and Scale

Access to high-quality, scalable VC opportunities remains a practical constraint. The European ecosystem is fragmented, and many funds operate at relatively small scale, limiting insurers' ability to deploy meaningful ticket sizes while achieving adequate diversification.

Scalable structures can address this gap:

- Fund-of-funds platforms that provide diversification across managers, stages and geographies while aggregating institutional ticket sizes. While recognising the benefits that fund-of-funds structures can offer, it is important to consider the additional layer of management fees and carried interest they may entail, which affect net returns and their attractiveness to institutional investors;
- Pan-European access vehicles, potentially anchored or coordinated by the European Investment Fund, pooling institution-ready VC funds under harmonised governance, reporting and fee standards;
- Public–private partnership models that provide scale and initial risk-sharing on market-based terms.

Such mechanisms would lower entry barriers and create more efficient channels for long-term capital deployment into European innovation.

2. Improving Operational Feasibility

Venture capital investing requires specialised expertise in early-stage assessment, technology evaluation, portfolio monitoring and exit management — capabilities that differ materially from those required for core insurance asset classes such as fixed income.

Operational feasibility can be strengthened through:

- Clear governance frameworks, supported by public authorities or within insurers, including alignment between asset management functions and executive risk appetite;
- When operating with public entities, align incentive systems – public entities to focus on strategic value, while private actors focus on profitability;
- More information and transparency on the performance of venture-style investing to improve understanding of the market.

Building internal expertise and adapting organisational culture is a gradual process. Structured market solutions and standardised reporting can help bridge this gap while maintaining prudent risk oversight.

3. Improving the Broader Capital Market Infrastructure

Beyond access and internal capacity, the attractiveness of VC ultimately depends on the strength of the surrounding economic and capital market ecosystem.

Key priorities include:

- Attractive regulation that improves competitiveness and enables growth of new businesses in Europe (e. g. on data protection, tax frameworks);
- Cutting back on bureaucracy and administrative burdens for European businesses;
- Deeper and more liquid exit channels, including stronger IPO markets;
- More developed late-stage financing capacity within the EU;
- Reduced regulatory fragmentation and improved cross-border scalability;
- Greater legal predictability and administrative efficiency.

Strengthening Europe's economic and capital markets infrastructure would enhance the competitiveness of the EU investment environment as a whole. A more robust ecosystem would naturally support greater institutional participation, consistent with insurers' fiduciary duties and long-term commitments to policyholders.

However, it is important that insurers remain fully in control of their allocations and investment decisions, and that capital allocation follows a decentralized process to avoid side effects, demand/supply imbalances, exit congestions.

4. Regulatory Conditions

The recent refinements to the Solvency II Directive move towards a more risk-sensitive and proportionate framework for long-term equity investments. The priority now lies in consistent and practical implementation across Member States, ensuring that the intended calibrated treatment translates into legal certainty and operational usability.

Where VC investments benefit from partial or first-loss guarantees provided by EU or national institutions, appropriate recognition in solvency calculations can further enhance capital efficiency. Expanded co-investment programmes by the European Investment Fund and the European Investment Bank can play a catalytic role in crowding in private capital on commercial terms.

In addition, greater alignment of insolvency and restructuring regimes would strengthen cross-border scalability and investor confidence, reducing structural frictions in the European market.

Regulatory reform alone, however, is not sufficient. Insurance companies are structurally oriented towards capital preservation, stable annual performance and policyholder protection. Internal risk culture and governance frameworks therefore remain important determinants of allocation decisions.

5. Political Support

Experience from the Tibi initiative in France and the WIN (Wagniskapital für Innovationen) programme in Germany has demonstrated that strong political backing is a decisive factor in investment capacity for venture capital directed at European start-ups. In both cases, government commitment — through regulatory accommodations, clear policy signals, and coordinated engagement with the insurance sector — provided the confidence and framework necessary for institutional investors to allocate meaningful capital to early-stage companies.



Case Study: The Yozma Programme (Israel)

The **Yozma Programme** was a government initiative launched by Israel in 1993 to develop a domestic venture capital (VC) industry and strengthen its high-tech sector. At the time, Israel had strong scientific capabilities and a growing pool of engineers, but very limited access to early-stage risk capital. Private venture capital was underdeveloped, and foreign investors were hesitant to enter a small, relatively high-risk market. This created a financing gap that limited the commercialisation and scaling of innovative technologies.

To address this, the Israeli government committed around $100 million to establish a set of venture capital funds in partnership with leading foreign and local investors. The programme was designed to share risk with private investors while ensuring that investment decisions remained market-driven. A key feature was the option for private partners to buy out the government's stake under favourable terms, creating strong incentives for performance and long-term private ownership.

In addition, from around 2002 onwards, foreign investors in qualifying Israeli VC funds investing in hi-tech enjoyed a **full tax exemption** — covering capital gains, interest, and other income derived from those investments — subject to meeting the fund size, sectoral, and domestic investment thresholds.

Yozma is widely credited with catalysing Israel's venture capital industry. Within a few years, private VC activity expanded rapidly, foreign investors became deeply involved, and follow-on funds were raised without government support. Over time, this contributed significantly to Israel's emergence as a global technology hub, often referred to as the "Start-Up Nation."

The programme's success factors included smart risk-sharing mechanisms, strong alignment of public and private incentives, integration with international VC expertise, and a clear exit strategy for the state. Rather than crowding out private capital, Yozma successfully stimulated and institutionalised it, creating a self-sustaining innovation finance ecosystem.

Key Figures

- The original Yozma programme (1993) was launched with about $100 million in government funds, matched with private capital to create VC funds; private partners could buy out the government's stake after ~5 years.
- As a result of the original programme, the number of venture capital funds in Israel expanded dramatically (historical estimates suggest growth from very few to dozens of active funds); studies show that Yozma-linked funds and related activity helped spark a surge in venture capital raising and fund formation in the 1990s and early 2000s (e.g., nearly 97 VC funds active by 2000 in Israel).
- Yozma 2.0 (launched in 2024) involves government support of about $155 million, structured to attract private institutional investment with a roughly 30 % government co-investment incentive.
- Under this renewed programme's Institutional Investors Incentive Track, roughly $79 million of Yozma's capital has been used to leverage about $365 million in commitments across 11 Israeli VC funds, expected to help generate at least $1 billion in total fundraising.
- The combined government and private investments through current Yozma initiatives aim to contribute to an eventual **$2 billion total investment into Israeli venture capital and high-tech companies.**

For more information on EU examples ("WIN" and Tibi), please have a look at our paper "Investing from Insurers' perspective".

5. Policy Recommendations



To enable insurers to contribute to Europe's innovation ecosystem — within the boundaries of their liability structures and fiduciary duties — policy action should focus on scale, implementation clarity and institutional efficiency.

1. Improve Competitiveness in Europe & Reduce Legal Fragmentation

A competitive regulatory environment is a prerequisite for nurturing new businesses and attracting investment into the European start-up ecosystem. This means revisiting frameworks — for example on **data protection, taxation and insolvency law** — to ensure they enable innovation and growth rather than constrain it.

Equally important is the systematic reduction of bureaucratic and administrative burdens that disproportionately weigh on young and fast-growing businesses. Excessive reporting requirements, fragmented national regulations, and slow approval processes consume resources that start-ups can ill afford to divert from innovation and growth.

Reducing fragmentation in insolvency and restructuring regimes is essential to strengthening investor confidence. Greater harmonisation of creditor rights and clearer rules regarding the powers of insolvency administrators would enhance predictability in liquidation and reorganisation processes, particularly in cross-border contexts. Also, in the set-up of the 28 regime investor rights should be adequately recognized.

2. Develop Access Platforms and Scalable European Fund-of-Funds

Political backing for well-structured venture capital initiatives also plays an important signalling role.

Professionally managed fund-of-funds structures and pan-European platforms can serve as effective channels to encourage insurer participation, particularly where direct access is constrained by scale, expertise or operational requirements.

Building on successful national programmes — such as the Tibi initiative in France and WIN in Germany — can reinforce long-term commitment to innovation financing and improve market credibility. A centrally managed European platform (inspired by the successful national initiatives)— potentially supported by the European Investment Fund or national promotional institutions — could:

- Conduct standardised due diligence on underlying VC funds;
- Apply harmonised risk assessment methodologies aligned with the Solvency II Directive;
- Provide consolidated reporting tailored to insurers' regulatory needs;
- Ensure governance, diversification and risk controls consistent with prudential expectations;
- Facilitate look-through reporting for capital calculation purposes.

Where regulatory clarity allows insurers to rely appropriately on centralised due diligence and risk management conducted by such regulated vehicles, duplication of oversight could be reduced and operational feasibility improved — without weakening supervisory standards.

In parallel, existing national VC, SME debt and equity vehicles should be assessed with a view to scaling them across borders or developing multinational/EU-level equivalents to enhance diversification and investment capacity.

3. Leverage Public–Private Partnerships and Strengthen the Role of Promotional Banks

Public–private partnership (PPP) models can play a catalytic role in crowding in institutional capital. A stronger and more coordinated focus by supranational and national development banks — including the European Investment Fund and the European Investment Bank — can enhance scale, risk-sharing and market credibility. These institutions typically have the expertise, governance structures and market access required to invest effectively in venture capital at scale.

In particular:

- Partial or first-loss guarantees can reduce downside risk and improve capital efficiency;
- Well-designed PPP models should operate on market terms and crowd in, rather than substitute, private capital.
- Mobilising insurer capital through investments in bonds or other financing instruments issued by promotional banks can provide an efficient and scalable channel to support VC investment, while remaining aligned with insurers' risk profiles and operational constraints.

Such mechanisms can lower entry barriers while maintaining robust prudential safeguards.

4. Develop Functioning Secondary Markets

Functional VC secondary markets can contribute to making venture capital a viable asset class for institutional investors such as insurers, whose long-term liabilities require predictable and adequate liquidity management.

- **Support the effective functioning of the venture capital ecosystem to help bridge investment and liquidity gaps:** Foster an enabling environment for secondary market transactions in venture capital, ensuring they are well governed, voluntary and targeted, and used as complementary tools alongside primary exit routes. Some markets support achieving this through the development of **secondary platforms** with clear rules and governance.
- **Tax Neutrality on Secondary Transfers:** Secondary sales of VC fund interests currently attract inconsistent and sometimes punitive tax treatment across Member States. A coordinated approach should ensure capital gains tax neutrality on secondary transfers for qualifying long-term institutional investors, drawing on the model established under Israel's Yozma programme, which demonstrated that tax exemptions for eligible investors are a powerful lever for mobilising institutional capital into the VC ecosystem.
- **Standardisation of Fund Interests and Transfer Processes:** The European Commission should mandate common standards for fund interest transfers, LP consent processes, and quarterly NAV reporting, reducing transaction costs and increasing price transparency.

Insurance Europe is the European insurance and reinsurance federation. Through its 39 member bodies — the national insurance associations — it represents insurance and reinsurance undertakings active in Europe and advocates for policies and conditions that support the sector in delivering value to individuals, businesses, and the broader economy.

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