INVEST EUROPE

European Council President Antonio Costa
European Council
Rue de la Loi / Wetstraat 175
Brussels

14 October 2026

Dear President Costa,

Ahead of the upcoming European Council, I am writing on behalf of Invest Europe, the association representing Europe's private capital industry, including venture capital, private equity, infrastructure and their investors.

We are deeply concerned by the proposed reduction in the resources allocated to the ECF-InvestEU Instrument under the revised Negotiating Box for the next Multiannual Financial Framework (MFF). Reducing the Instrument's budgetary allocation from EUR 11 billion to EUR 9.6 billion would weaken one of the Union's most effective tools for mobilising private investment at a time when Europe faces an increasingly acute competitiveness challenge.

Europe's innovation ecosystem remains significantly undercapitalised compared to global competitors. While the Savings and Investments Union has the potential to unlock additional private capital over time, its benefits will take years to materialise. Until then, Europe cannot afford to weaken the instruments that already work.

InvestEU, and particularly its implementation through the European Investment Fund (EIF), has been instrumental in building Europe's venture capital ecosystem. Between 2021 and 2027, the EIF invested over EUR 9.6 billion across nearly 300 funds, including EUR 5.6 billion under the InvestEU Guarantee. These investments have helped establish and strengthen fund managers across Europe, attract private investors, and finance innovative companies from start-up to scale-up stages. Without this cornerstone support, many venture capital funds and the companies they back would simply not have emerged or grown at the same pace.

More broadly, InvestEU has demonstrated the value of financial instruments in mobilising investment. By the end of 2025, approved operations supported by an EU guarantee of EUR 29.1 billion were expected to mobilise almost EUR 400 billion of investment, around two-thirds of which originates from private sources. This makes InvestEU one of the most efficient uses of the EU budget, with real returns on investments.

The successor to InvestEU under the European Competitiveness Fund should therefore build on this success rather than operate with fewer resources. In line with its position paper, Invest Europe believes that the future InvestEU guarantee capacity should be increased to at least EUR 40 billion from the outset of the 2028-2034 MFF, reflecting both inflation and Europe's significantly greater investment needs.

We fully appreciate the difficult choices facing Member States in the MFF negotiations. However, at a time when Europe seeks to strengthen competitiveness, innovation and strategic autonomy, instruments capable of crowding in substantial volumes of private capital should be protected and reinforced, not scaled back.

We therefore respectfully urge the European Council to reverse the proposed reduction and ensure that the future ECF-InvestEU Instrument is equipped with the resources necessary to support Europe's innovation ecosystem and our competitiveness.

Your sincerely,

Eric de Montgolfier

Invest Europe CEO