



Press release

**Institutional investors and the real economy:
“What’s missing?”**

Just a few days before Commissioner Hill releases his Action Plan on the Capital Market Union (CMU), the Intergroup of the European Parliament on long-term investment and reindustrialization will host its third event to which more than 200 people are expected.

In order to move forward on the road to firm and sustainable growth and at a time where digitalization is changing companies’ financing needs, the event’s discussion about the CMU will provide an opportunity to strengthen the contribution of institutional investors, such as insurance companies, pension funds and long-term public investors, to the long-term financing of the economy. In this context, their traditional mission remains to contribute to the emergence of vibrant markets for long term financing, by investing into the real economy.

Due to their different economic models, institutional investors, whether public or private, contribute to the diversity of the financial ecosystem. They are therefore particularly well-placed to break the vicious circles created by mimicry and short-termism, by adopting investment strategies based on assessment of long-term yields. With their specific characteristics, they also play a key role by dealing with European-scale market operators capable of offering attractive and diversified long-term investment products, including SME/Mid-Caps investment banks, private equity and venture capital funds or fund of funds managers, monoline credit insurers, sector-based financing organizations, project bond issuing agencies, etc.).

We are looking forward to engaging with Commissioner Hill and with the members and partners of the intergroup to evoke the capacity of a Capital Markets Union, bringing back confidence and unlocking funding for Europe’s growth, in order to support and extend the Investment Plan for Europe.

Background information

The Intergroup is designed to support and promote the issue of long-term investment in perspective of future legislative work. Moreover, its goal is to maintain a regular dialogue with the key actors to consider tangible avenues to revive investment in the EU. Its creation followed a campaign conducted by organizations from the public and private financial spheres and contributors to the real economy. Three major national promotional banks and institutions, Cassa Depositi e Prestiti, the Group Caisse des Dépôts et Consignations and KfW Bankengruppe, have played a particularly active role. The intergroup is chaired by Dominique Riquet (ALDE-FR), Simona Bonafé (S&D-IT), Adina-Ioana Valean (PPE-RO) and Burkhard Balz (PPE-DE).

Currently, the Intergroup has reached 75 members in the European Parliament and has received the support of some forty professional federations and stakeholders. Today’s conference has been organised with the contribution of the European Private Equity & Venture Capital Association (EVCA – soon to become Invest Europe), the European Sustainable Investment Forum (Eurosif) and Pensions Europe.

More information: <http://longterminvestment.eu/>

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