

Bruxelles, le 9 octobre 1984

IMPROVING VENTURE CAPITAL OPPORTUNITIES IN EUROPE

Some 200 participants attended the symposium held jointly by the Commission of the European Communities and the European Venture Capital Association in Luxembourg, on 3-5 October 1984.

It was opened by Mr Jacques SANTER, President of the Government of the Grand-Duchy of Luxembourg and Minister of Finance.

If the new industries, based on new technologies, that Europe needs are to have a chance of success, they require as wide as possible a home market, i.e. the European Common Market. If the various national markets are to be satisfactorily penetrated, it is highly desirable that the venture capital investments involved should be transnational. The symposium began with an exchange of experience on how to achieve this, in spite of the numerous obstacles which stand in the way, such as divergent company laws from country to country, exchange controls, different stock exchange regulations, etc. The participants were however unanimous in imploring the European Community institutions and national governments to remove these obstacles as quickly as possible.

The participants then studied the practical problems involved in financing the take-off of industries using new information technologies. It was proposed that a similar discussion should be held at the earliest possible opportunity on the financing of ventures in the biotechnology sector.

A third subject which received attention was that of the training of venture capital managers and of entrepreneurs in general. In this context, incentive stock option systems can have a beneficial effect. They are not applied in all EC Member States and, in any case, perfectible in most cases. The European Venture Capital Association will hold discussions among its members in order to be able to propose to the Community and the national governments their views on what legislation they would consider satisfactory in this respect.

Participants regretted that the "European Innovation Loan" scheme proposed by the Commission was not accepted by the Council, one Member State having voted against it. They encouraged the Commission to assure that an instrument of this kind is realised, the potential usefulness of which is highly valued.