

(English version)

**Question for written answer E-000950/26
to the Commission
Dick Erixon (ECR), Charlie Weimers (ECR), Beatrice Timgren (ECR)
(8 March 2026)**

Subject: Risk of losses and failures as the Commission picks winners and losers

The Commission has announced the launch of a new fund, the Scaleup Europe Fund, with the initial intention of raising EUR 5 billion from taxpayers and private investors ¹. The fund is to invest in European growth companies in areas such as AI and space technologies ².

Situations in which governments pick the winners and losers have resulted in investment failures and the misallocation of capital. Political connections and expertise among grant applicants become more important than creating added value. For example, the European Investment Bank (EIB) has an exposure of over EUR 1 billion to the crisis-hit firm Northvolt ³. The EIB, together with Swedish pension funds, has also used hundreds of millions of euros of taxpayers' money to support the struggling environmental startup Stegra, which has been estimated by researchers to have a societal value of minus EUR 15-24 billion ⁴.

1. What proportion of the initial EUR 5 billion that the fund is to raise will consist of tax revenue contributed by the Commission?
2. What selection criteria need to be met in order for the fund to invest in a company, and will requirements for specific gender equality and climate policies be an investment condition?
3. Does the Commission see any risks in allowing politicians to choose winners and losers, rather than allowing the market to decide which projects to invest in?

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**Answer given by Ms Zaharieva on behalf of the European Commission
(2 June 2026)**

The Scaleup Europe Fund is designed as a market-based instrument to support the scaling of innovative European companies, while mobilising substantial private investment.

The EU contribution to the Scaleup Europe Fund is foreseen as EUR 1 billion, drawn from the European Innovation Council component of Pillar III of Horizon Europe (HE) ⁽⁵⁾ under the current Multiannual Financial Framework, with the target to attract EUR 4 billion from private investors (of which approximately EUR 2 billion has already been indicated by the group of private founding investors) ⁽⁶⁾. The selected private fund manager is expected to raise the remaining capital to reach the target size of EUR 5 billion.

The Fund will invest high-growth scale-ups in strategic sectors, such as AI, quantum, semiconductors, robotics, energy, space, and biotechnologies/medical technologies, with selection criteria stemming from the HE Programme.

The detailed investment strategy will be agreed by all founding investors, including the Commission, with the selected fund manager. Gender equality and climate considerations will be addressed in line with applicable EU legal and policy frameworks but do not constitute HE selection criteria.

While the investment guidelines, agreed with all founding investors, will ensure that the Commission policy objectives are reflected in the overall mandate and investment strategy, all investment decisions will be taken by the independent private fund manager according to market standards, thus avoiding any political involvement in individual investment decisions.

This ensures independent, market-based, investment decision-making, that will target Europe's scale-up financing needs.

⁽¹⁾Dagens Industri (2026), <https://www.di.se/digital/svenska-aktorer-kan-fa-ansvar-for-stor-eu-fond/>.

⁽²⁾European Innovation Council, https://eic.ec.europa.eu/eic-fund/scaleup-europe-fund_en.

⁽³⁾EIB (2024), <https://www.eib.org/en/press/all/2024-011-eib-finance-northvolt-s-battery-factory-with-over-usd1-billion>.

⁽⁴⁾EIB (2024), <https://www.eib.org/en/press/all/2024-015-eib-and-nib-to-provide-eur371-million-with-investeu-backing-for-h2-green-steel-s-large-scale-production-of-steel-with-minimal-carbon-footprint>; Henrekson, Sandström & Stenkula (2026), A Green Entrepreneurial State? p. 179.

⁽⁵⁾ https://research-and-innovation.ec.europa.eu/funding/funding-opportunities/funding-programmes-and-open-calls/horizon-europe_en.

⁽⁶⁾ Novo Holdings, Export and Investment Fund of Denmark, CriteriaCaixa, Santander/Mouro Capital, Fondazione Compagnia di San Paolo/Intesa Sanpaolo/Fondazione Cariplo, Dutch pension fund ABP (with APG as Asset Manager, and Allianz).