

A low-angle, upward-looking photograph of several modern skyscrapers with glass and steel facades, reaching towards a clear blue sky. The perspective creates a sense of height and architectural grandeur.

# Supporting the real economy via a public investment tool : the example of Belgium.



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# Unpredictable planetary stakes

- Global warming
- Political instability and global geo-political issues

But also :


- A financial and economic crisis in 2009
- A global health crisis in 2020
- A major conflict on Europe's borders in 2022
- A major increase of cost of life





**How can a national economy deal with these issues?  
The Belgian example and its Sovereign Fund.**



A person's profile is shown in silhouette, looking through a telescope. The telescope's lens is pointed towards a city skyline at sunset. The sun is low on the horizon, creating a warm, orange glow that silhouettes the buildings. The overall mood is one of vision and future-looking.

*National Sovereign Fund will act as a trusted partner in helping companies to **become a reference** in their industry by providing smart capital solutions*

*And will safeguards the **long-term stability** of the national economy by contributing to the **anchoring** of strategic assets through smart capital solutions in both **promising and established** companies*

# A solid structure

## SFPI – FPIM structure

- ❑ In the past twelve years there were two specific phases of growth:
  - ✓ Growth during the financial crisis during the demonstration of SFPI/FPIM's strategic role for the Belgian economy
  - ✓ Growth thanks to the development of the investment practice around life sciences from scratch

A sustainable growth has brought the Fund to a turning point, with a new strategy until 2025 as a consequence

## SFPI – FPIM in numbers

- ❑ 2.5 billion euro of assets on balance at YE 2020 (+ 180% in 10 years time), net result of +17 million EUR despite COVID-19
- ❑ 15 billion euro of assets under management for the Federal State (YE 2020)
- ❑ > 140 participations, both direct in the equity of companies and indirect via VC & private equity funds
- ❑ Striking a balance between an acceptable financial return on the one hand and societal impact on the other





# Supporting economy and challenges



## Key internal governing rules in line with market needs

- ❑ Ticket size for new investments starting at 5M€, or above
- ❑ Type of instruments: equity, convertibles, subordinated loans, mix
- ❑ No role of lead investor, minority equity positions, necessity to have private investors on board
- ❑ Board seat to monitor the investment on an ongoing basis
- ❑ Strong collaboration with regional investment companies
- ❑ Patient capital: no short-term horizon



## Current challenges

- ❑ Implement investment strategy in new focus areas of energy transition, anchoring of strategic assets, transport & mobility and impact investing
- ❑ Develop into the sovereign wealth fund of Belgium, centralizing all federal assets under one umbrella
- ❑ Assist government with setting up of a Recovery Fund for aiding companies with solvency issues related to the Covid crisis
- ❑ Assist government in setting up economic recovery plan

# Prioritization on 7 strategic axes



Aeronautics



Finance



Health



Energy and utilities



Transport and mobility



Real Estate



Impact

*Main driver :*

Driving long term and sustainable economic and social prosperity of the population !



# Key succes factors



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Synergy and  
interface with the  
different levels of  
power :  
Federal / Regional /  
Local

Strong governance  
and a professional  
team



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A strategy in line  
with the socio-  
economic  
environment and  
people quality of life.

A solid financial base  
and the trust of the  
authorities





# Thanks a lot !



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