

KEYNOTE INTERVIEW

Europe's mid-market moment



The region's mid-market offers a particularly attractive mix of entry points and value creation potential for investors with genuine on-the-ground presence and repeatable execution capabilities, says CVC DIF's [Gijs Voskuyl](#)

Europe is entering a period of sustained infrastructure investment growth. Energy security and affordability, ageing networks, the pace of decarbonisation and a digital economy that is becoming more power-hungry are all pulling investment in the same direction. What has changed is the execution environment: permitting can take longer, stakeholder scrutiny is higher, while buyers and lenders increasingly want to see assets de-risked and “performing” before paying top prices.

That combination has brought the mid-market into sharper focus. A large share of infrastructure transactions sit there by volume, and it is often where investors can still buy at sensible entry

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levels, while improving businesses materially through active ownership.

In Europe, those attributes are amplified by a defining feature of the region: fragmentation, says Gijs Voskuyl, managing partner and head of CVC DIF, the infrastructure strategy of global private markets manager CVC.

Q What makes Europe a 'sweet spot' for mid-market infrastructure investing?

Europe's national markets are smaller and more varied than North America's.

Regulation is local and incentive schemes are often country-specific. Counterparties and stakeholders can differ materially from one jurisdiction to the next. For some investors, that complexity is a barrier. In the mid-market, it can also be a source of advantage.

Europe's fragmentation also dictates how investors need to be set up. North America's larger, more homogeneous market can often be covered effectively through a more centralised model. In Europe, local regulation and stakeholder dynamics mean proximity matters. We built our multi-country presence with that in mind, and it continues to be a defining part of our approach.

Around 60–70 percent of our investments are in Europe, with the balance predominantly in North America, supported by offices in Toronto and New York. Maintaining on-the-ground teams across multiple European regions is resource-intensive, which is precisely why relatively few mid-market managers do it.

We chose to build that capability two decades ago, and it has only become more relevant as Europe's investment agenda accelerates and as we benefit from CVC's wider European footprint of 14 offices.

Deals in this segment are still strongly relationship-led. Local language capability, long-standing networks and credibility with founders, corporates and public-sector counterparties can make the difference between seeing a situation early and arriving late to a competitive process.

The same local knowledge matters after signing: understanding what is “normal” in a given jurisdiction, anticipating regulatory and stakeholder pinch points, and staying close to the issues that drive timelines and outcomes.

Q Which regions and sectors offer the most interesting opportunities?

We've deliberately built flexibility across both geography and sector. That doesn't mean we invest indiscriminately; it means we can pursue relative value as it shifts across countries, subsectors and risk profiles – without forcing capital into a single theme at the wrong point in the cycle.

Across portfolios, we focus on the core building blocks of the infrastructure market: energy transition, transport and logistics, utilities and digital infrastructure. Within that, the emphasis is on assets and platforms that can be improved through execution – not simply held.

Our geographical approach reflects where we see the most consistent combination of dealflow, clear regulatory

Q How are decarbonisation, digitalisation and deconsolidation driving long-term mid-market infrastructure opportunities?

Decarbonisation, digitalisation and the continuing shift of infrastructure ownership and delivery towards private capital are not short-term themes – they're multi-decade investment cycles. What makes them particularly powerful for the mid-market is how they show up in practice: through thousands of smaller, local, execution-led projects and platforms rather than a handful of mega-assets.

In Europe especially, these opportunities are shaped by fragmented regulation, constrained delivery capacity and a growing premium on assets that are both affordable and executable – which is precisely where local presence and active ownership can make the biggest difference. Decarbonisation is not only about adding generation. It's also about networks, flexibility and cost to the end user. Energy affordability has become a hard screen: if an asset class or business model cannot compete on cost over time, we don't believe it has a durable future, and we reflect that in our deal origination and investment committee process.

We also see decarbonisation and energy security converging in many markets – for example, in areas such as biomethane, where the investment case can be supported by policy frameworks, but still needs to stand up to operational and commercial scrutiny.

Digitalisation is a demand story, but it's also a delivery story. Fibre build-outs, data centres and local connectivity infrastructure are essential – yet development is increasingly shaped by credible power solutions, project delivery capability and stakeholder alignment. That reality makes local insight and disciplined execution more valuable, not less.



frameworks and value creation opportunity. Roughly 90 percent of our investment activity is in Europe and North America. Within that, Europe is our natural home market and our most active focus, supported by deep roots, offices across the major European economies, and the strength

of opportunities we continue to see on the ground.

North America remains attractive as well, particularly where frameworks are clear and the risk allocation is well understood. We've maintained a physical presence in Canada since 2012 and have been active in the market since

then, including making two recent investments from our latest vintage of funds. We also remain active in the US, but with a more selective lens – avoiding areas with elevated regulatory risk and for instance investee companies with exposure to international trade flows.

With that geographical footprint in place, the next question is where we see the most compelling opportunities across sectors. We take a broad view, but we don't treat sectors equally at all times: we look for areas where essentiality, contractual protections and fragmentation create room for platform-building and operational improvement.

Transport is a good example of a sector where mid-market investing can be particularly effective. Many assets and platforms have (semi-)monopolistic characteristics and stable, long-term cashflow.

We also see attractive niches where fragmentation creates room for platform-building. Our recent investment in HiSERV illustrates this: we acquired and combined three businesses in airport ground service equipment leasing across Germany and the Benelux region under one platform, applying hands-on value creation to build a leading position in a specialised market.

Utilities remain another area where the mid-market offers durable opportunity. In heating and cooling, for example, the investment case increasingly sits at the intersection of security, affordability and decarbonisation. For example, we own and operate district heating platforms in Finland, the UK and the US. These assets are typically underpinned by long-term contracts and regulation, and they're increasingly integrating industrial and waste heat – supporting pragmatic and affordable decarbonisation pathways.

In the UK, Hemiko is a good illustration of how organic development and targeted M&A can scale a platform in a market that still has meaningful fragmentation. Digital infrastructure and parts of the energy transition

continue to offer compelling opportunity, but the bar is high in some subsectors than it was a few years ago. Success is not about buying “the theme” but more about underwriting realistically, managing delivery and counterparty risk, and staying close to local constraints – particularly where power availability, permitting and community engagement are decisive.

Q How should mid-market managers think about value creation?

Mid-market infrastructure is not simply “smaller large-cap”. The return drivers can be structurally different because companies and platforms are often earlier in their institutionalisation curve. Many are well-run, but they have not always had the same governance, reporting cadence and operational playbooks that larger corporates take for granted.

This creates room for practical value creation – the kind that improves resilience and cash generation, rather than relying on financial engineering. In our experience, the most repeatable levers include professionalising operations, strengthening management teams, improving pricing and commercial discipline, optimising capex planning and procurement, tightening cost control, and selectively using development and M&A to scale platforms.

Capability matters here. We invest with scale in our team and specialist support, including dedicated value creation professionals who work alongside investment teams across the portfolio. The aim is straightforward: to apply a consistent, repeatable approach to improving assets and businesses during ownership.

Entry valuation also plays a role. Mid-market assets often trade at lower multiples than large-cap equivalents. If investors can create better, larger and more resilient platforms through ownership, multiple expansion can follow – but it has to be earned through execution.

Q How does the exit environment look today?

Just as important is how managers convert value creation into realised outcomes. Mid-market exits typically benefit from a broader buyer universe – including strategics, other infrastructure managers and increasingly direct capital – and are typically less reliant on public markets. That said, outcomes are never automatic, particularly in a more selective environment.

Over the past two decades, CVC DIF has completed more than 130 divestments. We approach divestment preparation as part of ownership: clarifying early what the asset is being built for, which buyers it might suit, and what needs to be proven operationally and contractually over time. We also have a dedicated divestments team that helps streamline processes, bring lessons learned into execution and maintain consistency in buyer engagement.

A recent example is American Roads, a US toll road portfolio we acquired in 2017. We managed the portfolio through covid-19, completed a sale of one asset to the State of Alabama in 2024, recapitalised the remaining portfolio in 2025 and subsequently divested the portfolio, delivering a strong outcome for investors.

Q How will the European mid-market evolve?

Europe's infrastructure need is not in doubt. What's increasingly differentiated is the ability to capture that opportunity in a region defined by varied regulation, complex stakeholders and visible delivery constraints. In that environment, the mid-market offers a compelling mix: deep dealflow, the potential for attractive entry points, tangible operational upside and multiple routes to exit.

For investors who can combine local presence with repeatable value creation, Europe's fragmented mid-market is not just attractive in theory. It's one of the most practical ways to turn long-term tailwinds into investable outcomes. ■