



InvestEU EAPB – VÖB workshop

15 March 2022

DG GROW

Astrid Bartels (Head of Unit): C.1 Access to Finance

Presenting InvestEU

1 | **InvestEU**
at a glance

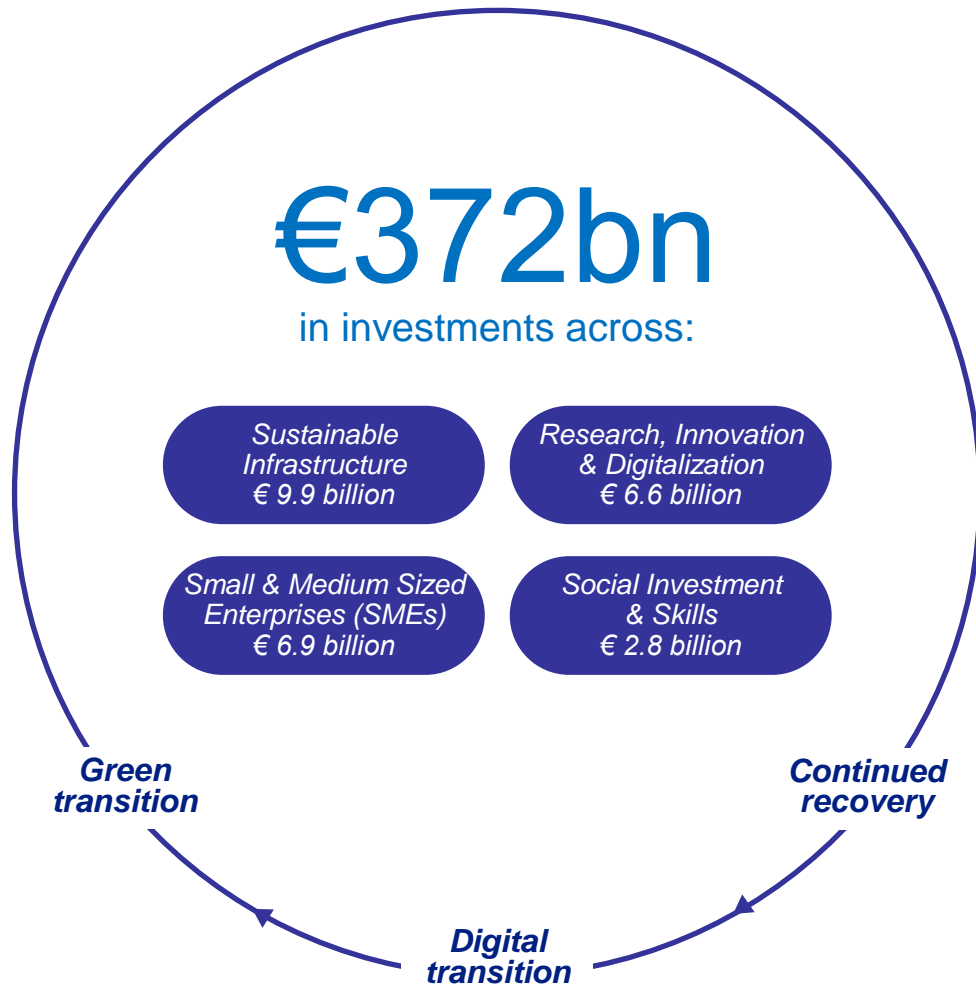
2 | **EIF's role**
in InvestEU

3 | **Product**
overview

InvestEU Fund

New finance to boost investment, innovation & job creation in Europe 2021-2027

To mobilise



InvestEU Fund solution

Bundles previously disbursed financial instruments under one roof

Different EU programmes & the European Fund for Strategic Investments (EFSI) combined into 1 instrument



InvestEU programme

Three building blocks combining investment, support and access

Investing

over €372 billion of public and private funding*

**InvestEU
Fund**

Supporting

the preparation and development of investment projects

**InvestEU
Advisory Hub**

Connecting

investors and project promoters on a single EU-wide platform

**InvestEU
Portal**

EIF & InvestEU

Achieve InvestEU ambitions in the area of SME finance and beyond


€11bn
InvestEU Fund
deployed by the EIF

Aiming to mobilise
€145bn in investments

New finance for:

SMEs

Small mid-caps
& mid-caps

Infrastructure
projects

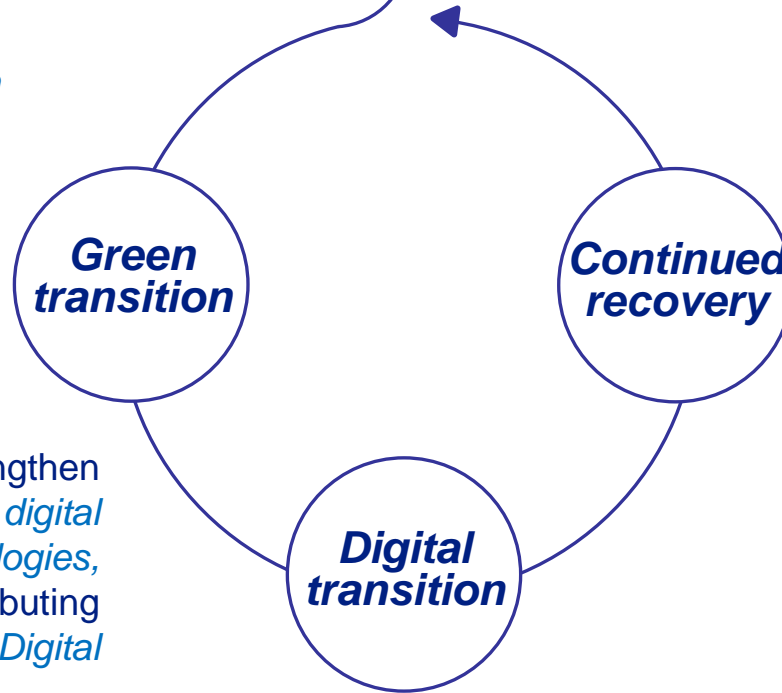
Individuals

To build a better Europe

InvestEU contributes to important policy priorities of the EU

InvestEU forms a key part of the *European Green Deal* – which aims to reach climate neutrality by 2050

InvestEU will strengthen investments in *digital infrastructures, technologies, and skills* – thus contributing to a *Europe Fit for the Digital Age*



InvestEU – whose budget stems partially from *Next Generation EU* – is a major element of the European Union's *Recovery Plan for Europe*.

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Investment approach

Mobilising private resources through risk sharing instruments and investment support

Guarantees

& counter guarantees for banks, public promotional institutions, guarantee societies, leasing companies, micro-finance lenders, etc. for financing of SMEs, small mid-caps & individuals

Thematic focus

Innovation & Digitalisation

Growth & Competitiveness

Climate & Sustainability

Social Impact & Inclusion

Culture & Creativity

Skills & Education

Capacity building

Equity

Investments in private equity, venture capital & climate & infrastructure funds to back start ups, scale-ups and projects

EIF's investment approach

Crowding in private investment to maximize the reach & impact of public resources whilst ensuring sustainability and climate focus

Risk sharing instruments

A range of products to target different policy areas

Products & target areas

Intermediaries

Rigorous due diligence and impact assessment in the area of ESG

Reach & impact

A 13x leverage of public resources to improve access to finance for SMEs, small mid-caps & mid-caps, infrastructure projects & individuals

€11bn
InvestEU Fund
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(Counter) Guarantees

Loan portfolios in the areas of:
Sustainability
Innovation & Digitalisation
Competitiveness & Growth
Culture & creative sectors
Skills & Education

Equity investments

Equity investments in the areas of:
Enabling sectors
Climate & environmental solutions
Digital & CCS
Capital markets union
Social impact
Climate & infrastructure

Financial institutions

Alternative lenders

VC Funds

PE Funds

Debt Funds

Climate & Infra Funds

€145bn

for smaller companies, projects and individuals

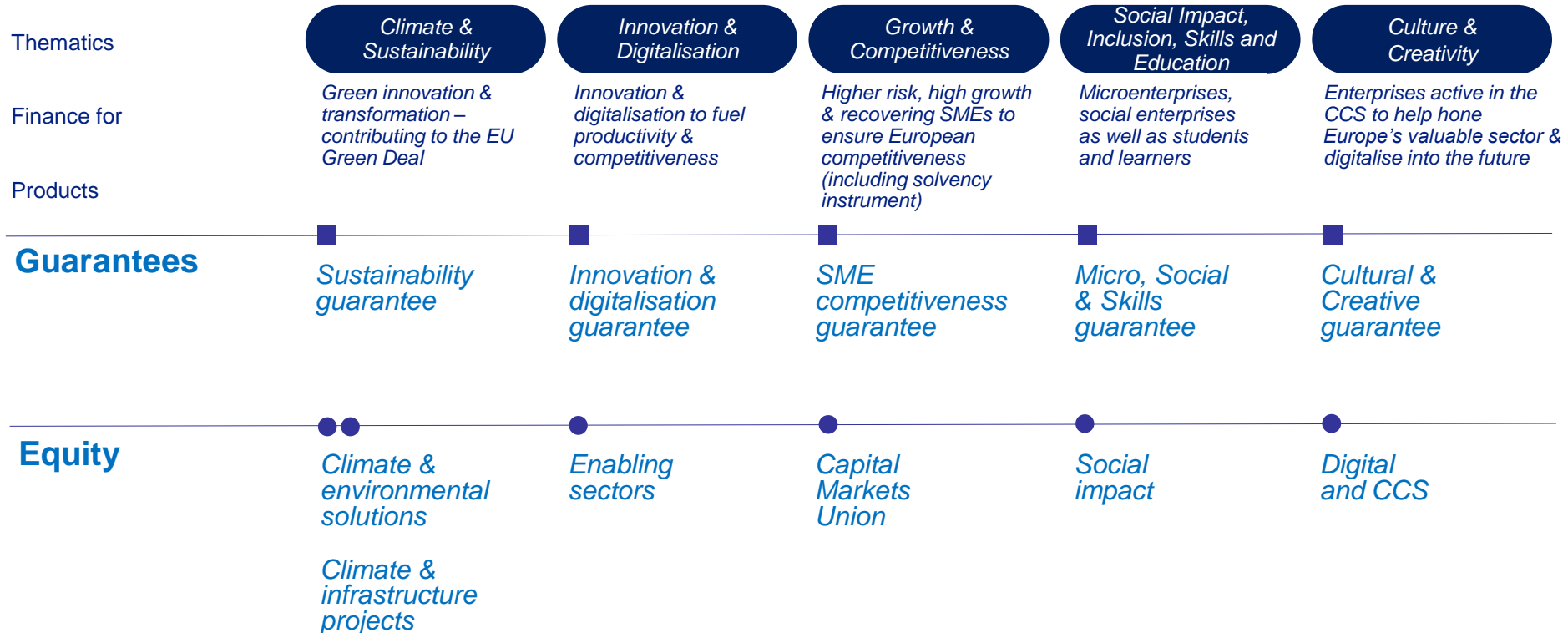
Presenting InvestEU

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A range of products targeting different policy areas



InvestEU Guarantee products

With over €10bn available across multiple solutions

Sustainability

Financing for green enterprises as well as green investments which contribute to the green and sustainable transformation of Europe.

Climate change mitigation & adaptation

Transition to circular economy

Water resources & pollution prevention and control

Protection & restoration of biodiversity and ecosystems

Sustainable forests & agricultural practices

Innovation & Digitalisation

Financing to support innovation and digitalization-driven enterprises.

For innovation: products, processes, services, IP investment or organizational approach, fast growing or R&I-intensive enterprises

For digitalization: In business models, supply chain management, CRM, business development, cybersecurity, training, upskilling & more

SME Competitiveness

Financing for enterprises which are perceived as high risk (or lacking collateral) to improve the competitiveness and solvency of European enterprises.

To finance enterprises which would otherwise not be financed (e.g. start ups or other typically excluded categories of SME)

To provide improved conditions (increased maturities, reduced collateral) & new types of financing (subordinated loans)

To provide solvency & recapitalization support for SMEs negatively affected by the COVID19 pandemic

Micro, Social & Skills

Financing for microenterprises, social enterprises as well as students and learners.

Microfinance: to provide sustainable employment and social inclusion - in particular for vulnerable groups
Social enterprises: to support active labour market participation & job creation in this still nascent market – for a more inclusive Union

Skills, education & training: to boost access to learning for all & foster a more robust and adaptable labour market

Cultural & Creative

Financing for enterprises to support a thriving, agile and profitable European creative and cultural space, & one which is adaptable to change.

Heritage, archives, libraries
Books & press
Visual arts
Architecture
Performing arts
Audio/visual & multimedia
Education

Key parameters of the EU guarantees (1/2)

Key Parameters (availability)	Sustainability	Innovation & Digitalisation	SME Competitiveness	Solvency Support	Cultural & Creative	a) Micro lending / social entrepreneurship b) Skills & education
Capped pricing (max. cap rate)	0.2% p.a.	0.2% p.a.	0.2% p.a.	0.2% p.a.	0.2% p.a.	free of charge
Uncapped pricing	0.75% p.a.	0.75% p.a.	n/a	n/a	0.75% p.a.	n/a
Subordinated pricing	1.2% p.a.	1.2% p.a.	n/a	1.2% p.a.	1.2% p.a.	n/a
Guarantee Rate	up to 70%	up to 70%	up to 50%	up to 70%	up to 70%	a) up to 80% b) up to 70%/80% (for students & learners)
Final recipients	SMEs/small midcaps / households	SMEs/small midcaps	SMEs	SMEs	SMEs/small midcaps/small public enterprise	a) natural person/micro-enterprise/social enterprise b) SMEs, small midcaps, small public enterprises/natural p.

Key parameters of the EU guarantees (2/2)

- Maximum principal amount of a Final Recipient Transaction is € 7.5 million or EUR equivalent; or € 2 million of EUR equivalent if the financing is provided directly by a national promotional bank or institution (total obligor limit of € 7.5 million applies); for microfinance max of € 50,000 and for Social Entrepreneurship € 2 million; for financing under skills & education guarantee max € 2 million (except for financing of students where the maximum is € 30,000 or € 50,000)
- Guarantee rate increased to up to 80% where the Final Recipient is established in Just Transition Regions or Cohesion Regions
- Minimum duration of transaction 12 months (with exception of Solvency Support Instrument where the minimum is 3 years); 3 months for Microfinance and Social Entrepreneurship
- No minimum amounts and no maximum durations applicable (EIF may set maximum scheduled maturity in the Guarantee Agreement)
- Maximum cap rate (cap rate to be set at the level of the expected losses) is 25%; for Microfinance and Social Entrepreneurship it is 30%

InvestEU Equity products

With €10bn available across multiple solutions (for VC, PE, debt funds, climate & infra funds)

Enabling Sectors

To support crucial sectors which can sustain the EU as an independent and autonomous economy

- Life science & health
- Space
- Defence
- Industrial technologies
- Semiconductor technologies & chips

Capital Markets Union

To promote the European capital market, provide diversification of sources of financing & strengthen solvency of enterprises across:

- Debt & hybrid debt-equity funds
- Growth and expansion funds

Climate & Environmental solutions

To boost support for R&D, upscaling & commercialisation of solutions that contribute to the EU Green Deal

- Mobility & transport
- Energy & built environment
- Industrial decarbonisation & environmental sustainability
- Agriculture & natural resources
- Blue Economy

Social Impact

To further develop a conducive environment for risk capital investment in social impact, across:

- Social entrepreneurship
- Social impact investing & social innovation
- Skills & Education

Digital & CCS

To strengthen the EU's competitiveness, digital independence and strategic autonomy

- Artificial Intelligence,
- Blockchain and DLT
- Cybersecurity
- Quantum computing
- Creative & cultural sector (new technologies and digital transition)
- Education tech

Climate & Infra Funds

To invest in funds operational in backbone infrastructure & industrial ecosystems & hence strongly contribute to the objectives of the EU Green Deal, across:

Clean energy transition

- renewables • hybrid renewables • storage solutions • infrastructure • EE & RE

Sustainable transport

- general infrastructure • upgrading & compliance • smart mobility • trans European network

Environment & resources

- natural capital • bio economy

Digital connectivity & data infrastructure

Social & Space infrastructure

InvestEU Equity transversal goals

Besides the financial products, a toolkit of four cross-product policy goals are being pursued

Scale-up

To boost financing options specifically for enterprises in their scale-up phase – via the ESCALAR mechanism*

IPO

To improve the fund-level support to companies pre/IPO and post IPO stages

Cohesion

To boost investments into moderate or emerging innovator countries**

Gender Smart

To actively encourage female participation and representation at fund level

* European Scale-up Action for Risk capital

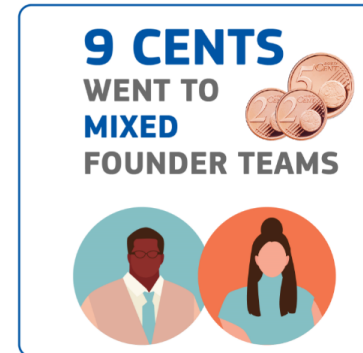
** Bulgaria, Croatia, Cyprus, Czechia, Greece, Hungary, Italy, Latvia, Lithuania, Malta, Poland, Portugal, Romania, Slovakia, Slovenia, and Spain.

Gender smart target announced on 8 March 2022 (International Women's Day)



InvestEU: 25% of funds supported by the equity product should be gender diverse and include women in decision-making

FOR EVERY €1 OF VC FUNDS RAISED
BY EUROPEAN COMPANIES:



Thank you!

Questions?