



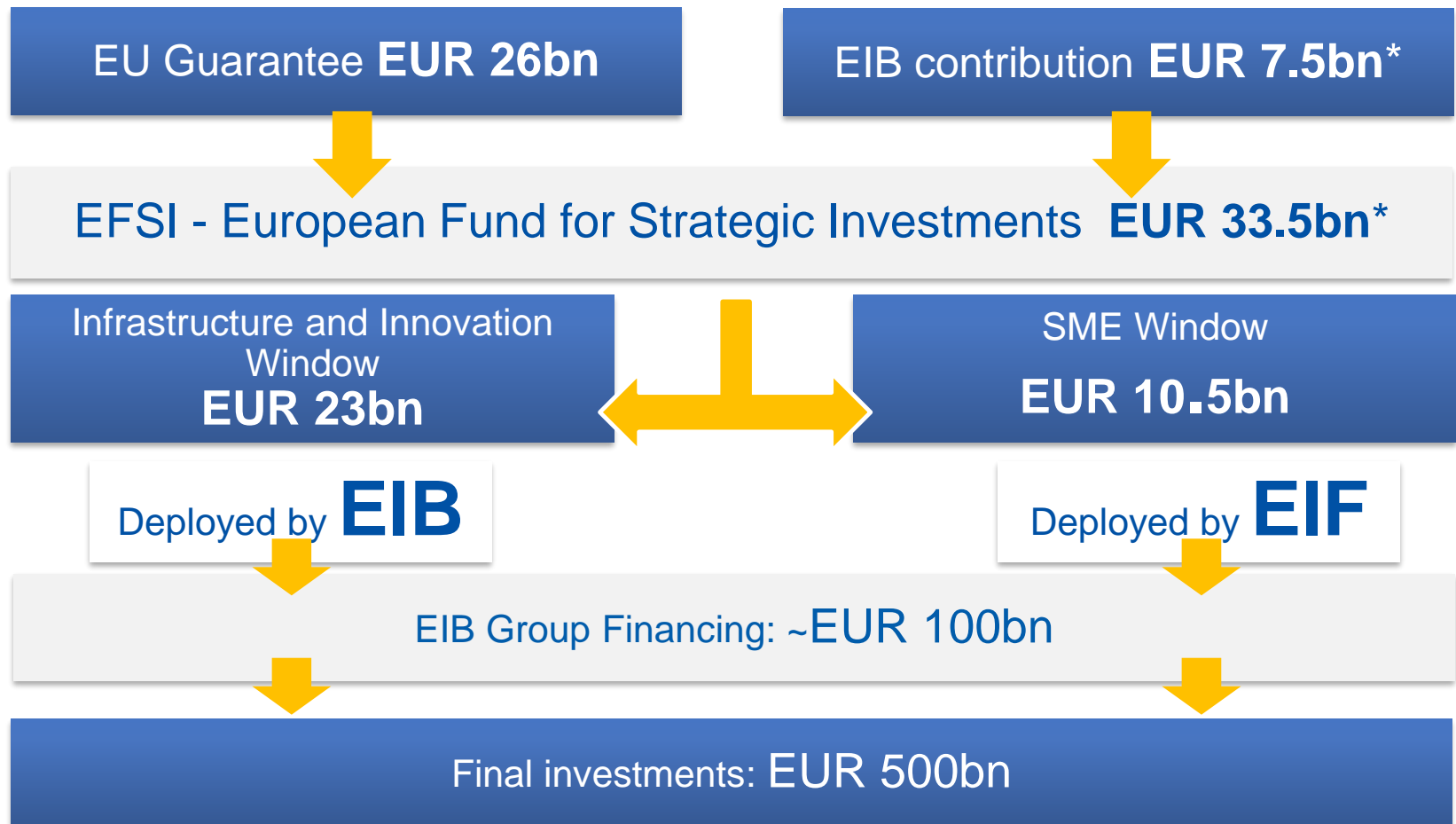
Innovation Finance

via

European Fund for Strategic Investments (EFSI) and
InnovFin Science

June 2019

European Fund for Strategic Investments



* increase of EIB contribution and allocation to windows still subject to approval by EIB Board of Directors.

Projects need to

Be commercially sound, economically and technically viable

Match eligible sectors

Underpin EFSI objectives (emphasis on Additionality)

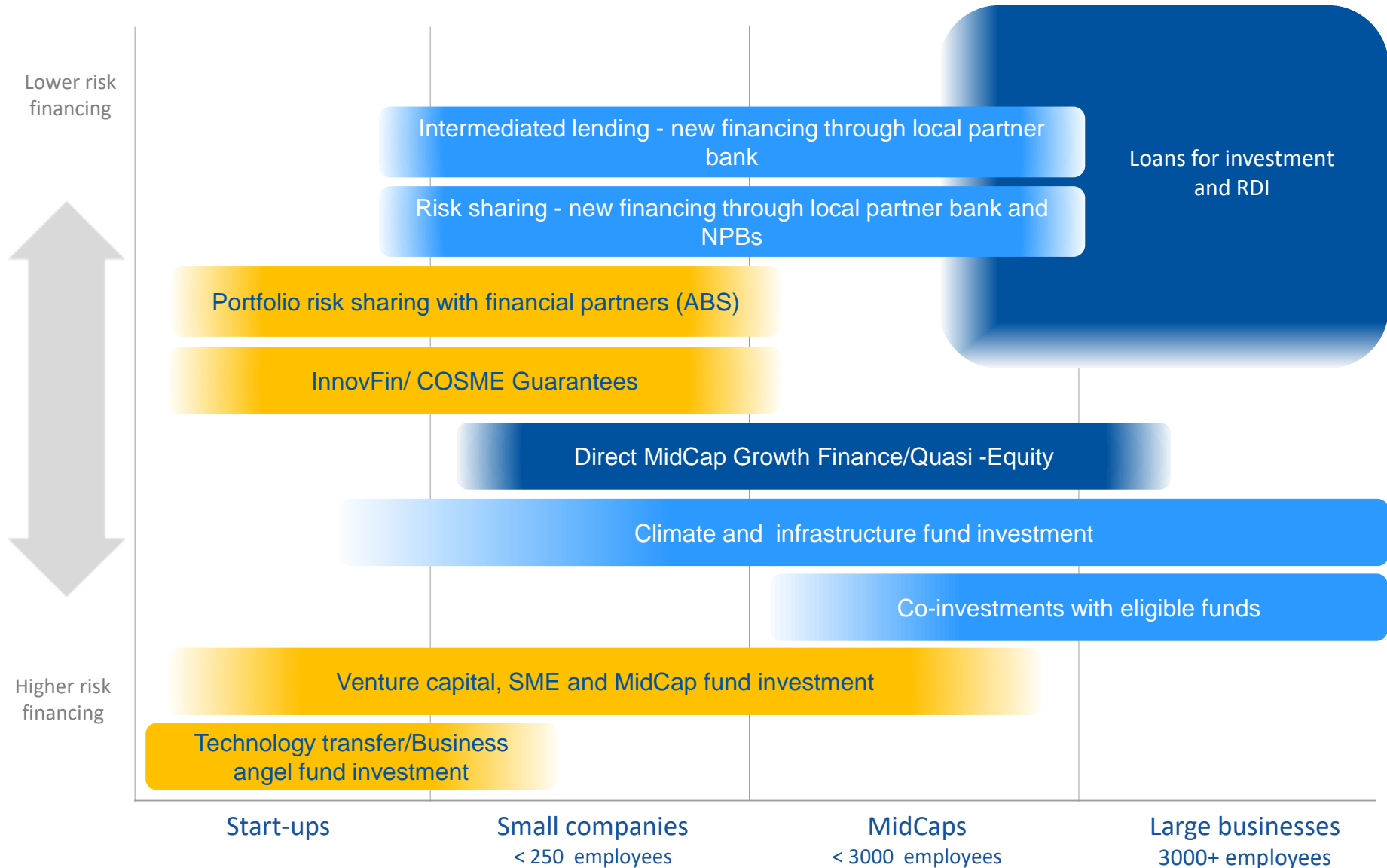
Be mature enough to be bankable

Within EU28 countries or cross-border operations

Contribute to EU objectives, sustainable growth & employment










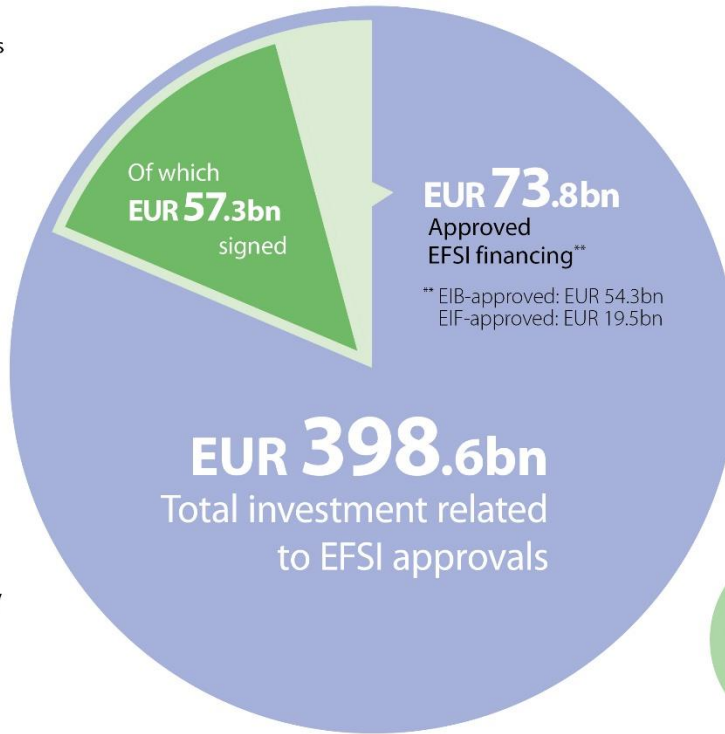
EIB Group product range



EIB Group figures As of 15/05/2019

EFSI investment by sector*

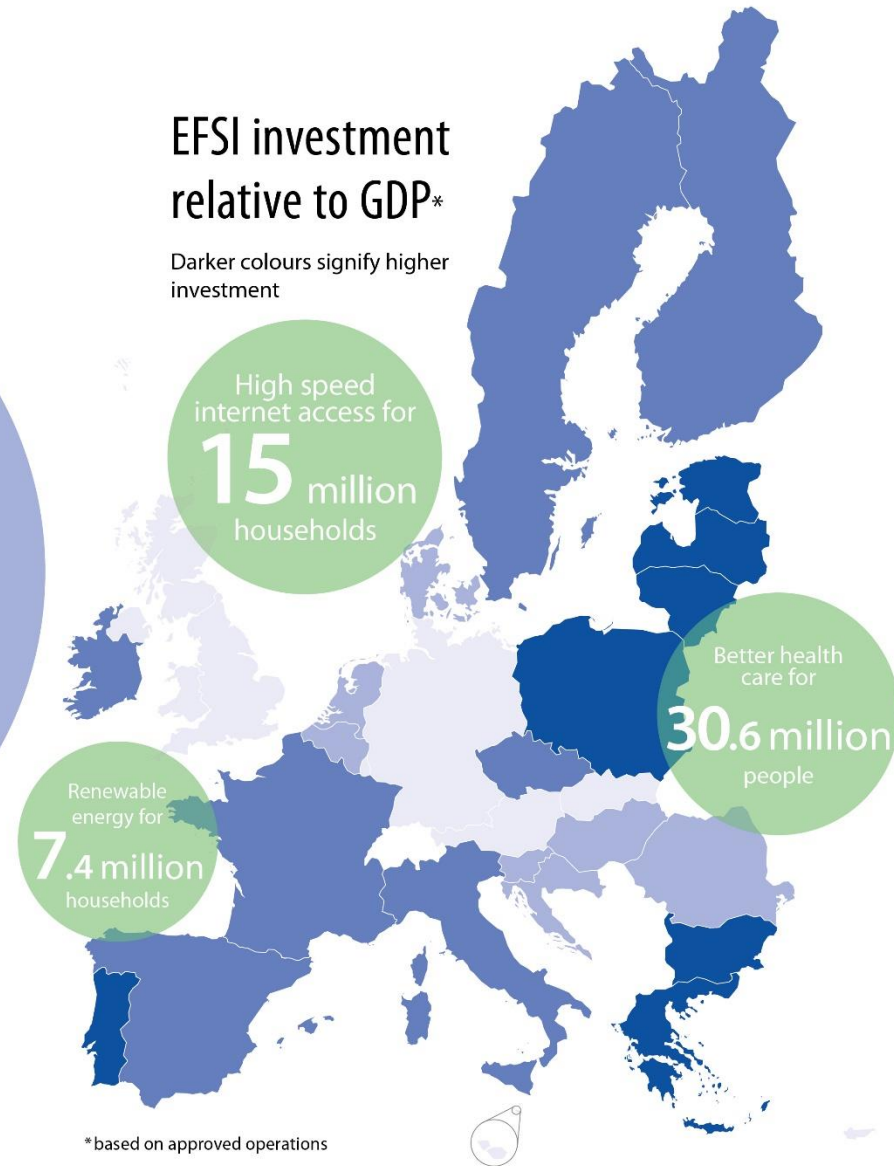
-  Smaller companies
31%
-  RDI
24%
-  Energy
18%
-  Digital
11%
-  Transport
7%
-  Social Infrastructure
5%
-  Environment and resource efficiency
4%



Target by 2020 **EUR 500bn**

EFSI investment relative to GDP*

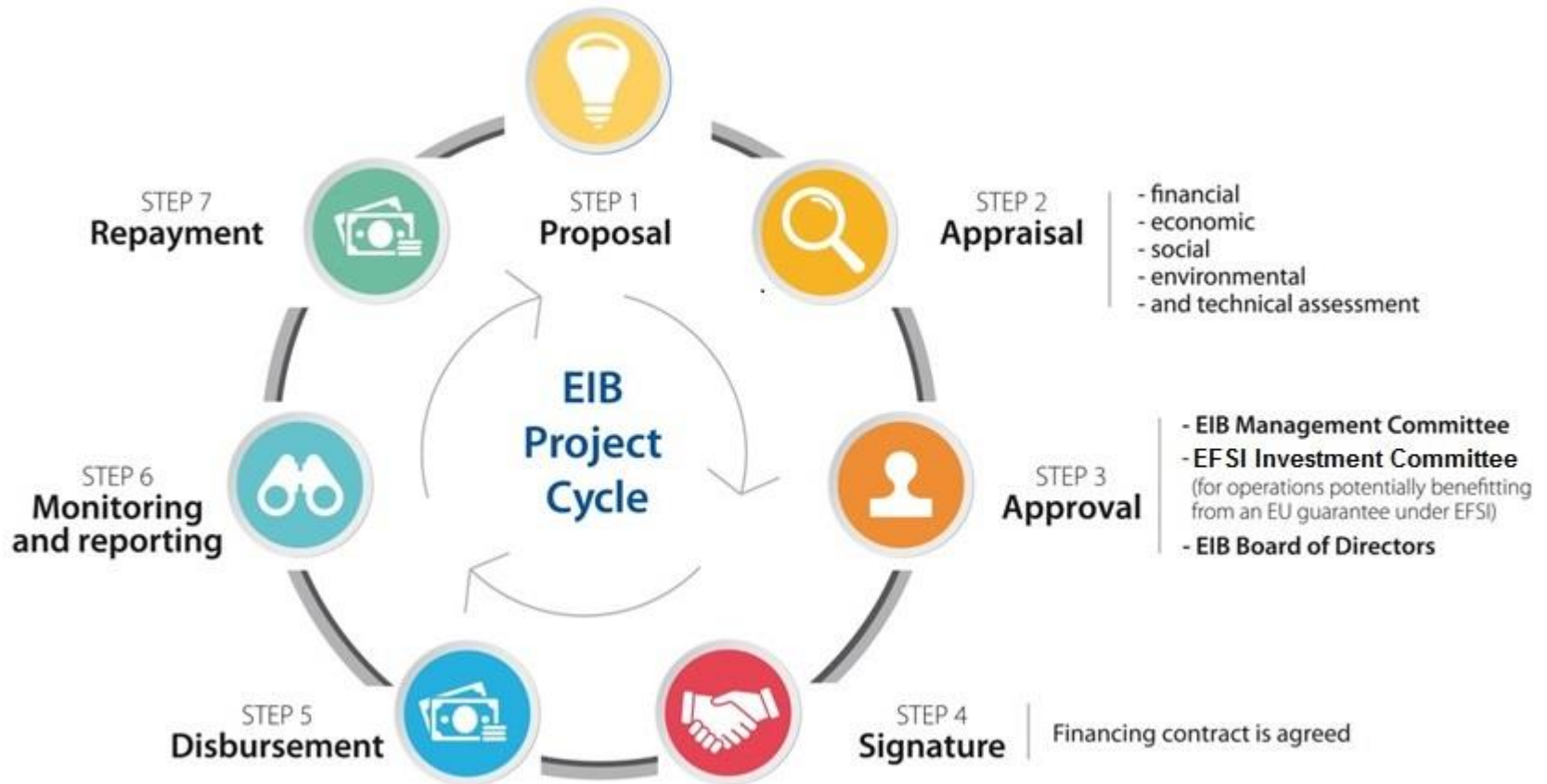
Darker colours signify higher investment



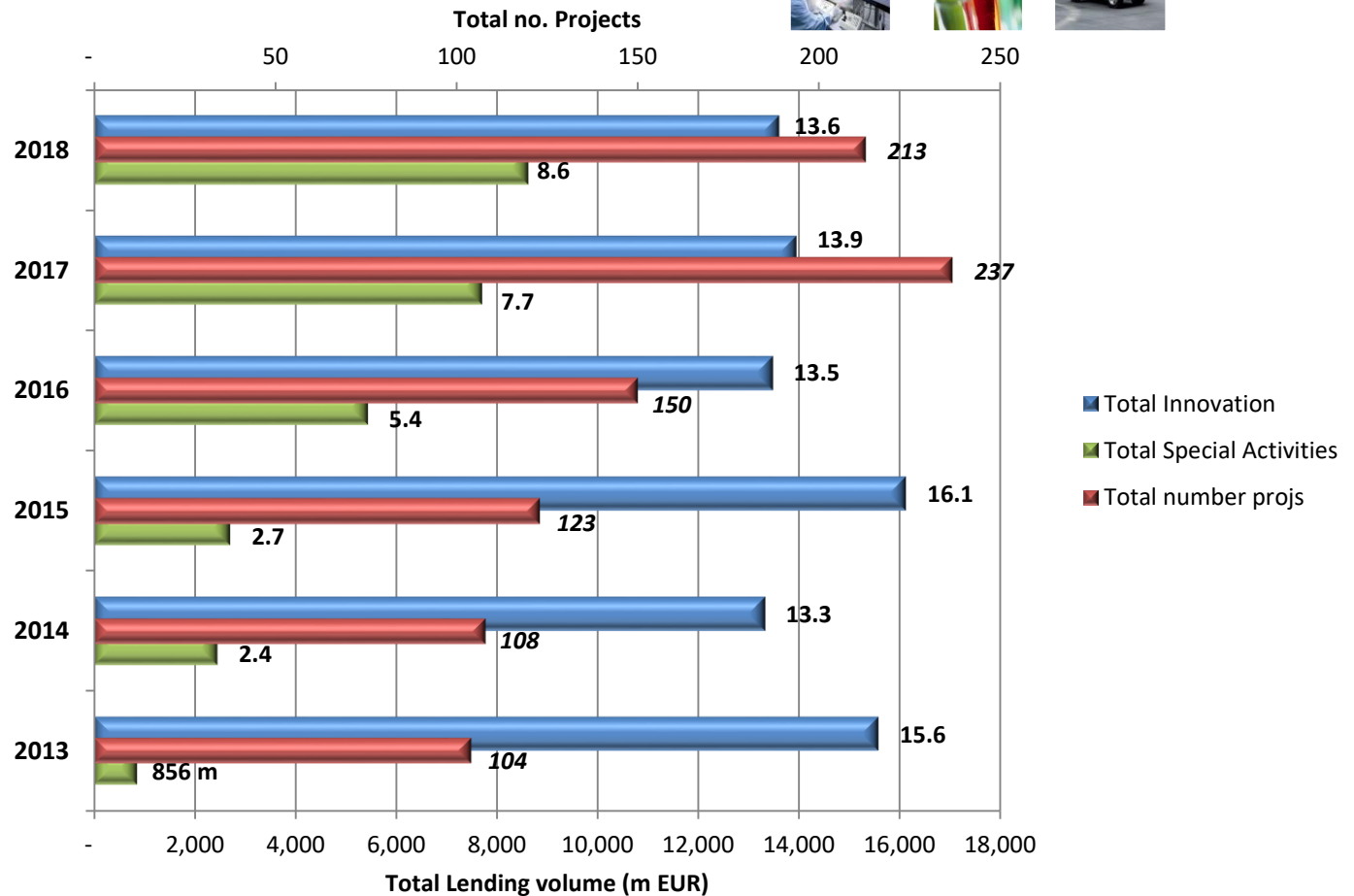
EFSI project approval life cycle

➔ All EFSI operations have to follow EIB's standard life cycle (IIW)

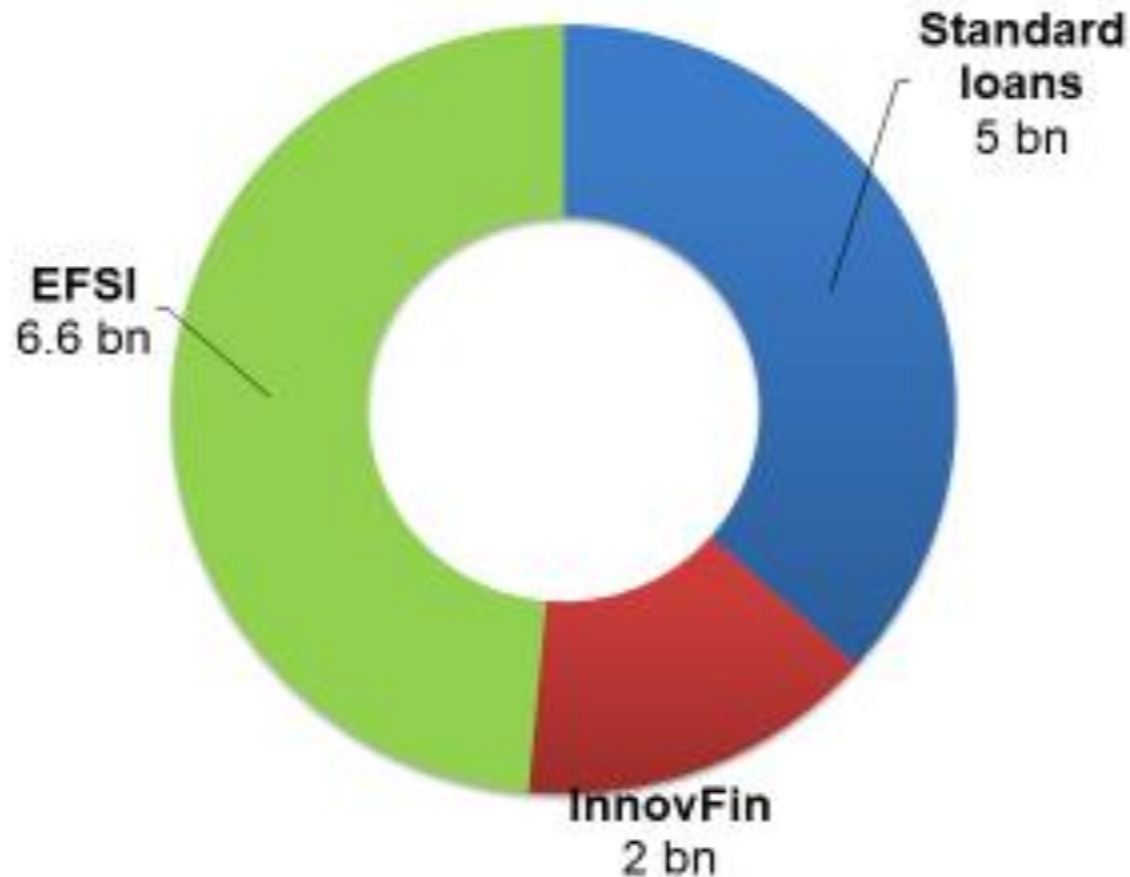
- The client contacts EIB offices - standard EIB due diligence, EIB project lead.
- Approval process - EIB Management Committee + EIB Board.
- EFSI criteria in terms of additionality and eligibility - EFSI Investment Committee.



EIB - Innovation & Special Activities



Innovation & Special Activities – 2018



Total : EUR 13.6 bn

RDI Funding sources

RI life cycle, including project's and promotor's financial sustainability, needs to be carefully analyzed at the stage of project preparation

- **Grants** – ERDF, Horizon 2020, National grants
- **Financial Instruments**
 - ✓ Debt
 - ✓ Equity
 - ✓ Guarantee instruments

Financial Instruments under EFSI and InnovFin provided via EIG Group shall be repaid. Therefore, the projects have to be technically and financially viable

InnovFin Science

- InnovFin Science supports R&I investments by **research institutes, universities and research organisations** (public or private);
- Financing of buildings and other infrastructure directly related to R&I activity are also eligible;
- The product is **deployed directly by the EIB** in the form of debt or equity-type financing from EUR 25 million;
- All of this initiative's instruments are driven by existing demand, with **no prior allocations** between sectors, countries or regions;
- Firms and other entities located in **EU Member States and Horizon 2020 Associated Countries** are eligible to become final beneficiaries;

InnovFin Science

- **Full name:** “Research Institutes, Universities, Research and Technology Organisations Facility”
- **Type of operation:** DIRECT only⁽¹⁾
- **Riskiness:** Non-Special Activities and Special Activities
- **Geography:** Full scope but no operation with Higher Risk Factor
- **Format:** Debt and Equity type
- **EU contribution to FLP:** 6.65%⁽²⁾ of signed amount (both debt and equity-type)
- **Eligibility:**
 - **Recipient:** Research institute, university or research organization
 - **Operation:** R&I Activities, R&I Infrastructure, EUREKA, ERA
- **Appraisal process:** Normal EIB due diligence – no checklist with the EC
- **Typical portfolio allocation for risk-sharing purposes:** Debt-type
- **Expected geographical focus:** All eligible geographies

Note: (1) The EC has confirmed that an operation where a central government financing entity (such as the Ministry of Finance) borrows to provide finance to final beneficiaries is considered as a Direct Operation in the spirit of the Delegation Agreement and hence eligible under InnovFin Science

(2) Nil EU contribution for operations with Member States risk (A0 Loan Grading which requires nil capital allocation)

InnovFin Spain: Support for science

- Loan of EUR 1.2 billion to support science in Spain
- Managed by the State Research Agency
- Support the research projects of Public Research Organisations and Unique Scientific and Technical Infrastructures
- Invest in several areas of science and technology, closely linked with Spanish industry => promote the development of patents and new areas of research.
- The EIB loan will mobilise total investment of EUR 2.5bn and will have a positive effect on attracting and retaining research talent in Spain.

European Investment Advisory Hub

A **joint initiative** by the European Commission and the European Investment Bank

A tool to strengthen Europe's investment and business environment

A **single access point** to a 360 degree offer of advisory and technical assistance services

A **cooperation platform** to leverage, exchange and disseminate expertise

An instrument to assess and address unmet needs for advisory support



Thank you!



For further questions: info@eib.org