



Risk-Sharing Finance Facility (RSFF)

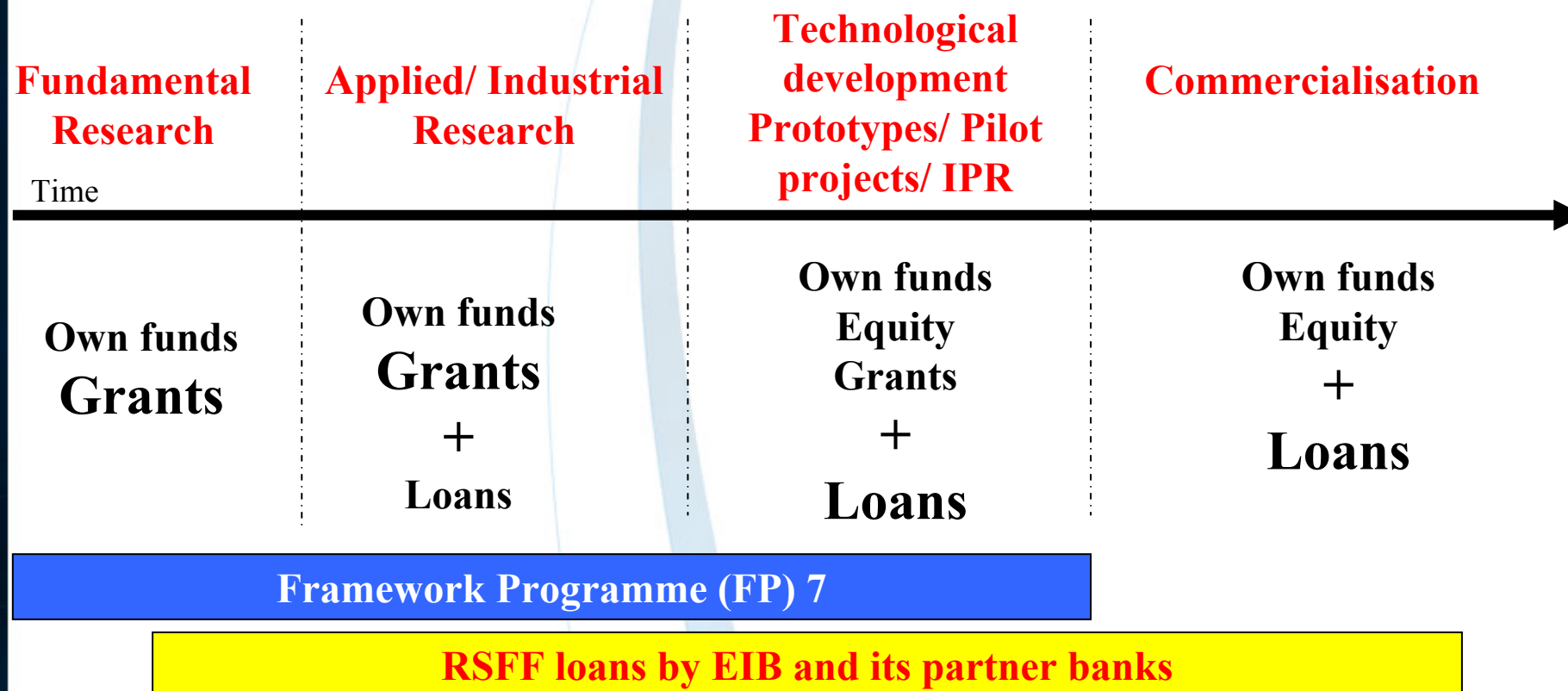
**A new financing instrument supported by FP 7 for
more investment in R&D and Innovation**

Brussels, 15 September 2008

European Commission, DG RTD, B.4 - RSFF Sector Team



Risk-Sharing Finance Facility (RSFF): Loans for R&D





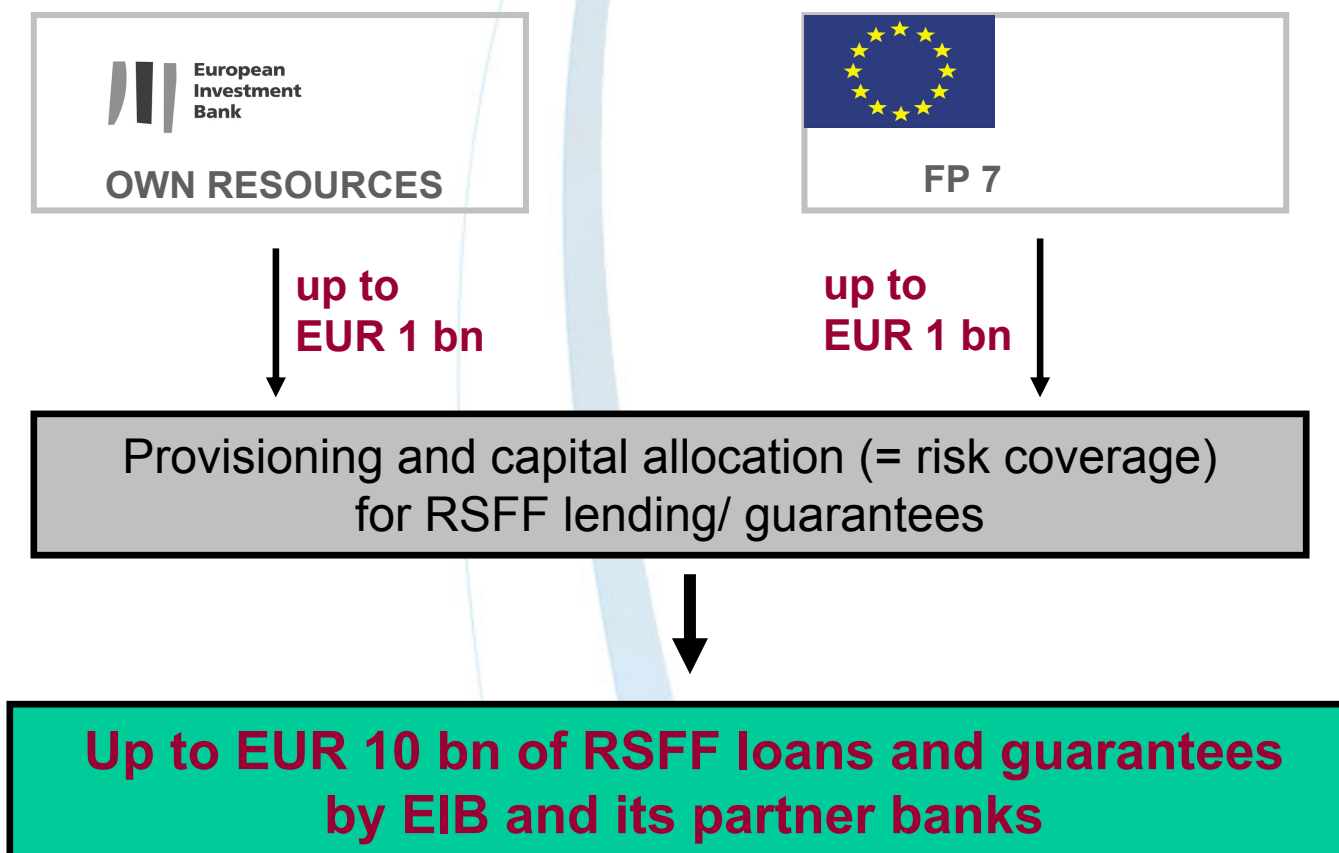
Risk-Sharing Finance Facility (RSFF): objectives and added value

An innovative financing mechanism to:

- Support innovative companies of any size and ownership implementing research, development and innovation projects by improving their access to **loan finance**
- Provide such loan financing through **sharing risk** between the Community and the European Investment Bank (EIB)
- Generate a **leverage effect** so that the volume of extra lending by EIB and its partner banks is a multiple of the Community funds; RSFF total lending could reach up to EUR 10 billion
- Make available loan financing to European R&D projects including European Technology Platforms, Joint Technology Initiatives and Research Infrastructures



Risk-Sharing Finance Facility (RSFF): EC and EIB are risk-sharing partners





Risk-Sharing Finance Facility (RSFF): key principles

- “First come, first served”: RSFF is a demand-driven instrument; projects will **not** be selected through calls for proposals (opposite to the usual procedure for FP 6/ 7 grant funding)
- RSFF can provide finance to Research, Development and Innovation (RDI) projects which fall into the **thematic areas of FP 7**. RSFF finance is available for projects implemented by a single entity (company, research institution etc.) in EU Member States and Associated countries
- Eligible RDI projects must also be considered **creditworthy** by the EIB in order to receive financing under the RSFF



Risk-Sharing Finance Facility (RSFF): EIB and its partner banks (intermediaries)

For loans of **EUR 7.5 million or more** - direct involvement by the EIB



For all loans of **less than EUR 7.5 million** (and if borrowers wish to work with their own banks) – indirectly through partner banks/ intermediaries





Risk-Sharing Finance Facility (RSFF): Beneficiaries

- Mid-sized companies and large companies (with relatively high(er) risk profile)
- SMEs
- Research institutes
- Universities
- Special purpose/ project companies
- Research infrastructure promoters



Risk-Sharing Finance Facility (RSFF): eligible project costs

- Project capital expenditures in **tangible assets** (investment in equipment, machines etc.)
- **Intangible assets:**
 - ➔ Research staff costs
 - ➔ Working capital (for operating costs)
 - ➔ Acquisition of Intellectual Property Rights
- Multi-annual R&D budgets (typically 3-4 years) can be financed of up to 50% of total costs by an RSFF loan



Risk-Sharing Finance Facility (RSFF): DG RTD contact points

DG RESEARCH (RTD), Directorate B: « European Research Area: Research programmes and capacities »

Unit B-04: Regions of Knowledge and Research Potential/ **RSFF Sector Team**

RSFF Sector

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