

CONTRIBUTION AGREEMENT

BETWEEN

[MEMBER STATE]

AND

EUROPEAN UNION

IN RESPECT OF

**THE MEMBER STATE COMPARTMENT UNDER
THE INVESTEU FUND**

“This is a working document prepared by the Commission services on the basis of the legislation and legislative proposals available at the time of its drafting and it has not been adopted or endorsed by the European Commission. Any views or positions expressed are preliminary and may not, in any circumstances, be regarded as stating an official position of the Commission.”

This Agreement is entered into on the Signature Date between:

- (1) The European Union, represented by the European Commission, 200, rue de la Loi, B-1049 Bruxelles, Belgium, (the “**Commission**”) which is represented for the purpose of the signature of this Agreement by [•];

hereinafter referred to as the “**Union**”

on the one part,

and

- (2) [*Identify Member State*];

hereinafter referred to as “[*insert name of the Member State*]”

[Identify Member State 2, if more than one Member State sign the same Contribution Agreement

hereinafter referred to as “[•]”

on the other part,

hereinafter separately referred to as a “**Party**” and collectively as the “**Parties**”,

WHEREAS

- (1) Regulation (EU) 2020/... of the European Parliament and of the Council of [•], establishing the InvestEU programme (the “InvestEU Regulation”) has set up a programme (the “InvestEU Programme”) providing for an EU guarantee supporting financing and investment operations in key targeted Union policy areas (the “InvestEU Fund”), for advisory support in particular for the development of investable projects and in the access to financing (the “InvestEU Advisory Hub”) and for a database granting visibility to projects and bringing together investors and project promoters (the “InvestEU Portal”).
- (2) The InvestEU Fund aims at supporting financing and investment operations contributing to achieving the policy objectives of the Union as defined in Article 3 of the InvestEU Regulation under the policy windows.
- (3) Each policy window will contain an EU compartment and a Member State compartment with optional contributions from the Member States. Through the Member State compartment, Member States may allocate to the InvestEU Fund and to the InvestEU Advisory Hub a share of their resources under the European Regional Development Fund (ERDF), the European Social Fund+ (ESF+), the Cohesion Fund, the European Maritime

and Fisheries Fund (EMFF) and the European Agriculture Fund for Rural Development (EAFRD) and the Just Transition Fund (the “Funds under Shared Management”). Furthermore, the Member State compartment may also be financed by a cash contribution provided by the Member State.

- (4) The contributing Member State may allocate resources of Funds under Shared Management to the provisioning of the EU Guarantee. Under the Member State Compartment, the EU Guarantee shall be used to back financing and investment operations addressing specific market failures or sub-optimal investment situations in the contributing Member State or in one or several of its regions. The Member State Compartment shall contribute to the achievement of the policy objectives selected in the Partnership Agreement in the contributing [Programmes/CAP Strategic Plan].
- (5) Resources of Funds under Shared Management may also be allocated to the InvestEU Advisory Hub.
- (6) [Option 1- Under CPR]

Pursuant to Article [•] of Regulation the CPR, [*Member State*] Partnership Agreement with [CCI] and [title], was approved by Commission Decision on [*insert date and reference*].

Under the Partnership Agreement [*Member State*] allocated EUR [•] of the [*Fund/s*] to the InvestEU Programme. From this amount EUR [•] will be allocated to the InvestEU Fund (the “Contribution from the Funds under Shared Management”) [and EUR [•] to the InvestEU Advisory Hub (the “Contribution to the InvestEU Advisory Hub”) with the aim of contributing to the achievement of the objectives selected in the Partnership Agreement.

[Option 2 – Under CPR]

Pursuant to Article [18] of the CPR, [*Member State*] a Programme with [CCI] and [title], was approved by Commission Decision on [*insert date and reference*].

[*Member State*] submitted a request for an amendment of the Programme pursuant to Article [30] of CPR, whereby to allocated EUR [•] of the [*Fund/s*] to the InvestEU Programme. From this amount EUR [•] will be allocated to the InvestEU Fund (the “Contribution from the Funds under Shared Management”) [and EUR [•] to the InvestEU Advisory Hub (the “Contribution to the InvestEU Advisory Hub”) with the aim of contributing to the achievement of the objectives of the Programme. The request for amendment is approved by Commission Decision on [*insert date and reference*] on the same day as the Signature Date.

[Option 1- Under CAP regulation]

[*Member State*] submitted to the Commission a proposal for a CAP Strategic Plan according to Article [106] of the CAP Regulation, which was approved by Commission Implementing Decision on [*insert date and reference*]. Under the CAP Strategic Plan, [*Member State*] allocated EUR [•] from the EAFRD to the InvestEU Fund (the “Contribution from the Funds under Shared Management”) [and EUR [•] to the InvestEU

Advisory Hub (the “Contribution to the InvestEU Advisory Hub”)], with the aim of contributing to the achievement of the objectives of the CAP Strategic Plan.

[Option 2 - Under CAP regulation]

[*Member State*] submitted to the Commission a request for an amendment of its CAP Strategic Plan according to Article [107] of the CAP Regulation, whereby it allocated EUR [•] from the EAFRD to the InvestEU Fund (the “Contribution from the Funds under Shared Management”) [and EUR [•] to the InvestEU Advisory Hub (the “Contribution to the InvestEU Advisory Hub”)], with the aim of contributing to the achievement of the objectives of the CAP Strategic Plan. This request for amendment was approved by Commission Implementing Decision on [*insert date and reference*].

- (7) [*Objectives of the Contribution(s) and identified specific market failures or sub-optimal investment situations in Member State(s) or region(s) relating to the Member State Compartment*].
- (8) [*if applicable*] The Contribution to the InvestEU Advisory Hub should contribute to the following objectives: [*insert text*].
- (9) [*if applicable*] [*Name of Implementing Partner*] has expressed its interest in the implementation of the EU Guarantee and has been proposed as Implementing Partner by the Member State in accordance with Article 14(1) of the InvestEU Regulation].
- (10) [*if applicable*] [*Member State*] also intends to provide an additional amount of EUR [•] in the form of cash for the full provisioning of the EU Guarantee (the “Cash Contribution”)].
- (11) In the light of the above, the Parties have decided to enter into an agreement in order to establish a contribution to the EU Guarantee and to lay down the terms and conditions for use the Contribution from the Funds under Shared Management, [the Contribution to the Advisory Hub and the Cash Contribution] (the “Contribution Agreement”).

NOW THEREFORE, the Parties have agreed as follows:

IT IS HEREBY AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions:

For the purposes of this Contribution Agreement, the following definitions apply:

[“**Advisory Agreement**” means the advisory agreement the Commission will sign with the Advisory Partner(s) pursuant to [second subparagraph of Article 24(1)] of the InvestEU Regulation implementing the Contribution to the InvestEU Advisory Hub;]

[“**Advisory Initiative(s)**” means the advisory initiative(s) covered by the Contribution to the InvestEU Advisory Hub;]

[“**Advisory Partner**” means the advisory partner which is party to the Advisory Agreement;]

“**Contribution Agreement**” means this contribution agreement (and its annex) as amended, supplemented or modified from time to time;

“**Annual Financial Plan**” means the plan according to which the Constitution Phase of the provisioning of the EU Guarantee is made, as laid down in Annex 1;

“**Back-to-Back Guarantee**” means the guarantee of the amount of EUR [•] provided by [*Member State*] to cover the contingent liability corresponding to the EU Guarantee as set out under Clause 4.4 of this Contribution Agreement;

“**CAP Regulation**” means Regulation [*number*] of the European Parliament and of the Council establishing rules on support for strategic plans to be drawn up by Member States under the Common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulation (EU) No 1305/2013 of the European Parliament and of the Council and Regulation (EU) No 1307/2013 of the European Parliament and of the Council

“**CAP Strategic Plan**” means [*CAP Strategic Plan of [Member State] as referred to in Article [91] of the CAP Regulation*];

“**Cash Contribution**” means the amount of EUR [•] in the form of cash for the provisioning of the EU Guarantee as defined under Clause 4.1.1.(b) of this Contribution Agreement;

“**Common Provisioning Fund**” means the common provisioning fund set up under Article 212(1) of the Financial Regulation;

“**CPR**” means [*Regulation [number] of the European Parliament and of the Council laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime and Fisheries Fund and financial rules for those and for the Asylum and Migration Fund, the Internal Security Fund and the Border Management and Visa Instrument (OJ L [insert reference])*];

“**EU Compartment**” means the EU compartment set out in Article [8(1)(a)] of the InvestEU Regulation;

“**EU Guarantee**” means the part of the EU guarantee which is provisioned from [*Member State*]'s Contribution from Funds under Shared Management [and the Cash Contribution] and which covers financing and investment operations implemented under the Member State Compartment defined in this Contribution Agreement in line with Article [2(1)(2)] of the InvestEU Regulation;

“**Financial Product**” means a financial product defined in the Guarantee Agreement in line with Article [2(1)(10)] of the InvestEU Regulation;

“**Financial Regulation**” means Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No

223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EU, Euratom) No 966/2012 (OJ L, 30.7.2018, p. 1);

“**Financing and/or Investment Operations**” means financing and/or investment operations defined in Article [2(1)(11)] of the InvestEU Regulation;

“**Funds under Shared Management**” means funds under shared management defined in Article [2(1)(12)] of the InvestEU Regulation;

“**Guarantee Agreement**” means the guarantee agreement entered into by the Commission with an Implementing Partner to implement the Member State Compartment;

“**Implementing Partner**” means the implementing partner defined in the Guarantee Agreement;

“**InvestEU Advisory Hub**” means the InvestEU Advisory Hub defined in Article [2(1)(16)] of the InvestEU Regulation;

“**InvestEU Regulation**” means Regulation (EU) 2020/[*insert number*] of the European Parliament and of the Council of [*insert date*] establishing the InvestEU Programme (OJ L [*insert reference*]);

“**Member State Compartment**” means the Member State compartment relating to [*Member State*], in accordance with Article [8(1)(b)] of the InvestEU Regulation and this Contribution Agreement;

“**Partnership Agreement**” means the Partnership Agreement with [*CCI*] and [*title*] as adopted by Commission Decision on [*add date and reference*];

“**Policy Window**” means a policy window as set out in Article [7(1)] of the InvestEU Regulation;

“**Provisioning Rate**” means the provisioning rate set out in Clause 4.2.1.;

“**Programme**” means a [*programme as referred to in Article [17] of the CPR and in the EMFF Regulation [definition under Article 2(6) Reg. 1303/2013, to be modified according to CPR Reg.]*]

“**Signature Date**” means the date the last of the Parties signs this Contribution Agreement;

“**Working Day**” means days when the Commission offices are open in Luxembourg.

1.2 Interpretation rules

1.2.1 Headings are for convenience only and do not affect the construction or the interpretation of any provisions of this Contribution Agreement;

1.2.2 Words importing the singular include the plural and vice versa;

1.2.3 A reference to a clause, section, part or appendix is a reference to that clause, section, part of, or appendix to this Contribution Agreement.

2. PURPOSE AND SCOPE OF THE CONTRIBUTION AGREEMENT

- 2.1 This Contribution Agreement lays down the rules, in accordance with Article [9] of the InvestEU Regulation, applying to the Member State Compartment of [*Member State*] and, where applicable the contribution by (Member State) to the InvestEU Advisory Hub.
- 2.2 The Member State Compartment of [*Member State*] is based on the Contribution from the Funds under Shared Management [the Cash Contribution] as specified under Clauses 4 [and 15].
- 2.3 This Contribution Agreement sets out the terms and conditions under which the Contribution from the Funds under Shared Management pursuant to Article [10] of the CPR, Article 75 of the CAP Regulation [and the Cash Contribution] shall be used for the provisioning of the EU Guarantee covering Financing and Investment Operations in [*Member State*]. [It also sets out the terms and conditions under which the Contribution to the InvestEU Advisory Hub shall be used for the Advisory Initiatives.]

3. THE COMMISSION'S OBLIGATIONS

- 3.1 The Commission shall negotiate and conclude the Guarantee Agreement(s) to be signed with Implementing Partner(s) pursuant to Article [16] of the InvestEU Regulation, which will set out the details of the implementation in accordance with this Contribution Agreement and the InvestEU Regulation.
- 3.2 [*If applicable*: The Commission shall negotiate and conclude the Advisory Agreement(s) to be signed with Advisory Partner(s) pursuant to [second subparagraph of Article 24(1)] of the InvestEU Regulation, which will specify the conditions for the implementation of the Contribution to the InvestEU Advisory Hub.]
- 3.3 The Commission shall establish a monitoring framework to track progress towards the objectives set out in the InvestEU Regulation and in this Contribution Agreement, to ensure that the [Contribution from Funds under Shared Management / Cash Contribution / Contribution to the Advisory Hub] are used in accordance with the conditions laid down in the relevant Guarantee [and Advisory] Agreement[(s)] as well as in the InvestEU Regulation and in the Financial Regulation. To such end, the Commission monitors the implementation of the Guarantee Agreements [and of the Advisory Agreements] entered into with the Implementing [and the Advisory] Partner[(s)] and requires proportionate reporting from them according to the terms agreed in the Guarantee Agreement[(s)] [and Advisory Agreement[(s)]]. The reporting framework shall allow for adequate risk and guarantee portfolio monitoring. The results and content of such reports shall enable the Commission to fulfil its reporting obligations towards [*Member State*] pursuant to and subject to the terms of Clause 14.
- 3.4 The Guarantee Agreement(s) may include provisions on the participation of representatives of the Member State or the region concerned in the monitoring of the implementation of the Guarantee Agreement(s) as per [Article 16(5)] of the InvestEU Regulation.

4. THE EU GUARANTEE

4.1 Amount of the EU Guarantee

4.1.1 The amount of the EU Guarantee related to the shared management contribution is EUR [•]. The financial liabilities arising from this guarantee will be covered as follows:

(a) EUR [•] will be provisioned of the part of the EU Guarantee corresponding from the Contribution from the Funds under Shared Management, as specified under Clause 4.2.1

(b) and EUR [•] corresponds to the contingent liability and will be covered by the back-to-back-guarantee as specified under Clause 4.4.1.

The amount of the EU Guarantee related to the Cash Contribution is EUR [•]. The financial liabilities arising from this guarantee will be covered by EUR [•] which will be fully provisioned by the Cash Contribution.

4.1.2 The EU Guarantee shall be allocated to the Policy Windows as follows:

(a) EUR [•] to the [•] Policy Window,

(b) [EUR [•] to the [•] Policy Window

(c) [...]

4.2 Provisioning Rate

4.2.1 Based on the nature of the envisaged Financing and Investment Operations and the resulting expected losses, the Provisioning Rate is set at [• %] of the amount of the part of the EU Guarantee corresponding to the Contribution from the Funds under Shared Management.

4.3 Constitution Phase of the provisioning in accordance with the Annual Financial Plan

4.3.1 The provisioning of the EU Guarantee shall be carried out according to the Annual Financial Plan laid down in Annex 1.

4.3.2 The Contribution from the Funds under Shared Management [and the Cash Contribution] shall be paid by the Commission into the Common Provisioning Fund.

4.3.3 The Cash Contribution shall be paid by [-- // according to the Annual Financial Plan].

4.3.4 The provisioning amounts (both actually paid and planned) shall be identified in the Commission accounts to track their usage and to determine the potential revenues attributable to such amounts. Revenues (positive and negative) generated from the management of assets under the Member State compartment in the Common Provisioning Fund¹ and revenues relating to the Financing and Investment Operations

¹ See the Commission Decision COM(2020) 1896 final of 25 March 2020 on the asset management guidelines of the common provisioning fund

implemented under the Guarantee Agreements according to the agreed remuneration mechanisms shall be taken into account. The amounts in the Common Provisioning Fund corresponding to the [Contribution from the Funds under Shared Management] and/or [the Cash Contribution] shall be used to cover the guarantee calls under the Guarantee Agreement(s) signed in accordance with this Contribution Agreement, and where applicable, other expenses associated to the implementation of the EU Guarantee (e.g. funding costs of the Implementing Partner, losses arising from fluctuations of currencies other than the euro, etc.).

- 4.3.5 Pursuant to Article [9(5)(b)] of the InvestEU Regulation, after the constitution phase, the provisioning of the part of the EU Guarantee corresponding to the Contribution from the Funds under Shared Management shall not give rise to annual replenishments during the availability of the EU Guarantee.
- 4.4 Contingent liability and Back-to-Back Guarantee [*applicable only if Member State provides a Contribution from the Funds under Shared Management*]
- 4.4.1 The part of the EU Guarantee corresponding to the Contribution from the Funds under Shared Management corresponds to a contingent liability of EUR [•] of [*Member State*].
- 4.4.2 [*Member State*] shall provide an irrevocable, unconditional and on demand Back-to-Back Guarantee to cover the full contingent liability referred to in clause 4.1.1(b), concurrently with the signature of this Contribution Agreement. The Commission shall not enter into a Guarantee Agreement if [*Member State*] has not provided it with the Back-to-Back Guarantee.

5. GUARANTEE CALLS

- 5.1.1 The Commission shall pay the guarantee calls relating to the Financing and Investment Operations covered by the Guarantee Agreement and for the full amount claimed under such calls.
- 5.1.2 Should the cumulative amount of the guarantee calls relating to Financing and Investment Operations implemented under the part of the EU Guarantee provisioned by Funds under Shared Managements exceed the corresponding provisioning amount in the Common Provisioning Fund, [*Member State*] shall pay to the Commission the exceeding part. In such event, the Commission shall inform [*Member State*] without delay of any guarantee call received from the Implementing Partner, which exceeds the amount in the Common Provisioning Fund as referred to under this Clause 5.1.2. [*Member State*] shall pay the exceeding part and, in the light of Clause 5.2.2., the [*up to 15 of initial provisioning, to be adjusted based on the figure agreed upon under Clause 5.2.2*] % of the initial provisioning at the latest within [three] Working Days from the reception of the information from the Commission. The relevant payment shall be executed on the bank account specified in the notification .
- 5.1.3 In addition to the reporting obligations set forth in Clause 14, the Commission further undertakes to submit a financial report to [*Member State*] annually, setting out the level of the actual provisioning under the Member State Compartment as resulting after the payment of possible guarantee calls.

5.2 Reduced level of provisioning and procedure for replenishment

- 5.2.1 In the event where, after the Constitution Phase, as a result of the guarantee calls, the provisioning in the Common Provisioning Fund relating to the Contribution from the Funds under Shared Management falls below [*amount corresponding to 20% initial provisioning*] %, the Commission shall immediately inform [*Member State*].
- 5.2.2 In the event where the provisioning in the Common Provisioning Fund relating to the Contribution from the Funds under Shared Management reaches [*amount corresponding to 10% initial provisioning*] % of the initial provisioning, [*Member State*] shall provide to the Common Provisioning Fund [up to 5]% of the initial provisioning upon request by the Commission.

6. MEMBER STATE INVESTMENT STRATEGY

- 6.1 The policy objectives of the contributing Funds under Shared Management as reflected in the Partnership Agreement/Programme/CAP Strategic Plan are reflected in the investment strategy. In particular, the investment strategy of [*Member State*] targets [*relevant policy objectives of the Partnership Agreement / Programme / and relevant specific objectives of the CAP strategic plan*]. The approach of the Implementing Partner to achieve these policy objectives and/or specific objectives shall be explained in the Guarantee Agreement.

[If applicable, if the Contribution Agreement envisages contribution from the Just Transition Fund, this section should define how MS contribution benefits the just transition territories as identified in the Member States territorial just transition plans].

- 6.2 The Cash Contribution shall be used to cover [Option 1 - *the same policy objectives of the contributing Funds under Shared Management / Option 2 to pursue, more broadly, the policy objectives of the relevant policy window as specified in the Guarantee Agreement(s)*].
- 6.3 The EU Guarantee shall be used to cover Financing and Investment Operations under the following Financial Products.

[Option 1 – If the Financial Product(s) are “existing” Financial Products designed for the EU Compartment] [cross-reference to the Financial Product and description of specific features, i.e., minimum leverage, the geographical scope, including regional coverage if necessary, types of projects, the investment period and, where applicable, the categories of final recipients and of eligible intermediaries].

[Option 2 – If the Financial Product(s) are “existing” Financial Product(s) adjusted for the purposes of the Member State Compartment] [cross-reference to the Financial Product, description of specific features, i.e., minimum leverage, the geographical scope, including regional coverage if necessary, types of projects, the investment period, where applicable, the categories of final recipients and of eligible intermediaries and indication of adjustments to be developed in the Guarantee Agreement].

[Option 3 – If the Financial Product(s) are “tailor-made” by the Member State]:

Description of the Financial Products to be developed in the Guarantee Agreement:

- *Type of product: debt-type, equity-type; joint product;*
- *Minimum leverage;*
- *Geographical coverage and, if applicable, also regional coverage. Possible specific regional ring-fencing;*

And for all types of products, description should include:

- *Types of projects;*
- *Investment period;*
- *If applicable, categories of final recipients and of eligible intermediaries*
- *Possible state aid implication and relevant cumulation rules regarding potential combination with support provided under CAP Strategic Plans (in the case of tailor-made product description of the relevant parameters of the financial product needs to be annexed)*
- *Other conditions if applicable.*

6.4 In the light of the characteristics and risk profile of the Financial Product(s) and as it will be further detailed in the Guarantee Agreement, the remuneration of the EU Guarantee shall take the form of [*fees / revenue sharing*].

7. IMPLEMENTING PARTNER(S)

7.1 The Commission shall select the Implementing Partner(s) in accordance with the procedure and criteria laid down in Article [14] of the InvestEU Regulation.

7.2 (if applicable) In accordance with Article [14(1)] of the InvestEU Regulation, the Member State proposes as Implementing Partner(s): [*insert name(s) and contact details*]

7.3 The Commission shall notify [*Member State*] of the signing of the Guarantee Agreement with the Implementing Partner and it shall share its content with the Member State.

8. RESOURCES GENERATED BY OR ATTRIBUTABLE TO THE PART OF THE EU GUARANTEE CORRESPONDING TO THE CONTRIBUTION FROM FUNDS UNDER SHARED MANAGEMENT

8.1 With regard to the part of the EU Guarantee corresponding to the Contribution from Funds under Shared Management, after the Constitution Phase, any annual surplus of provisions, calculated by comparing the amount of provisions required by the Provisioning Rate and the actual provisions, shall be made available to [*Member State*] and shall be used for support under the same objective or objectives in the form of financial instruments or budgetary guarantees pursuant to [Article 10(7) of the of Regulation [[CPR] number // Article 75(7) of CAP Regulation]].

8.2 During the Constitution Phase, the resources referred to under Clause 8.2 shall be allocated to the provisioning of the EU Guarantee corresponding to the Contribution from Funds under Shared Management.

8.3 The annual surplus of the provisions shall be calculated by the Commission by [timing] and according to [procedure to be followed // and the corresponding amounts shall be notified to the Member State]. After the Constitution phase, the annual surplus, which has been so determined, shall be treated as follows:

[Option 1] If the amount exceeds EUR [•], it shall be paid each year to [Member State] [within time period – i.e. within • days from the relevant notice to the Member State] on the following bank account: [details]

[Option 2] It shall be paid every [•] years on an aggregate basis if the amount exceeds EUR [•] to [Member State] [within time period – i.e. within • days from the relevant notice to the Member State] on the following bank account: [details]

[Member State] shall use the resources corresponding to the annual surplus according to the conditions set forth under [Article 10(7) of Regulation [[CPR] number // 75(8) Regulation CAP].

9. RESOURCES GENERATED BY OR ATTRIBUTABLE TO THE PART OF THE EU GUARANTEE CORRESPONDING TO THE CASH CONTRIBUTION

9.1 With regard to the part of the EU Guarantee corresponding to the Cash Contribution after the Constitution Phase, any annual surplus of provisions, calculated by comparing the full provisioning of the part of the EU Guarantee corresponding to the Cash Contribution and the actual provisions, shall

[Option 1: be used to increase the corresponding level of provisioning. Any amounts left upon expiry/ termination of the Contribution Agreement shall be paid to [Member State] [within time period – i.e. within • days from the relevant notice to the Member State] on the following bank account: [details]

[Option 2] It shall be paid every [•] years on an aggregate basis if the amount exceeds EUR [•] to [Member State] [within time period – i.e. within • days from the relevant notice to the Member State] on the following bank account: [details]

9.2 The possible surplus of provisions referred to under Clause 9.1 derives from the resources kept in the Common Provisioning Fund corresponding to the part of the EU Guarantee provisioned through the Cash Contribution, including treasury revenues, remuneration of the guarantee, recoveries, released guarantees, in accordance with Commission Decision [COM(2020) 1896 final of 25 March 2020 on the asset management guidelines of the common provisioning fund].

9.3 During the Constitution Phase, the resources referred to under Clause 9.2 shall be allocated to the provisioning of the EU Guarantee corresponding to the Cash Contribution.

9.4 The annual surplus of the provisions shall be calculated by the Commission by [timing] and according to [procedure to be followed // and the corresponding amounts shall be notified to the Member State].

10. IMPLEMENTATION, PROLONGATION, TERMINATION

10.1 This Contribution Agreement shall enter into force and be effective upon the Signature Date.

10.2 The Commission shall implement the Contribution Agreement by concluding a Guarantee Agreement[(s)] with the Implementing Partner[(s)] within nine months from the Signature Date.

10.3 Where no Guarantee Agreement has been concluded by the Commission within nine² months from the Signature Date, this Contribution Agreement shall:

(a) Either be prolonged by mutual agreement of the Parties for a period of up to 3 months. Such extension shall be made in writing by the Parties before the expiry of the initial nine-month period following the Signature Date and shall take effect as from the signature of such agreement.

(b) Or, in the absence of mutual agreement by the Parties, be terminated.

10.4 This Contribution Agreement shall expire once all the underlying Guarantee Agreements have been terminated and no amounts are outstanding under the Back-to-Back Guarantee.

11. AMENDMENTS

11.1 General clauses relating to amendments

11.1.1 Amendments to this Contribution Agreement shall be made in writing, with each Party representing that all prior authorisations necessary for such amendments have been obtained or performed at the time when the written consent is given. Amendments shall become effective upon signature by both Parties of the document under which the amendments are agreed and upon completion of other procedures, if required by law.

11.1.2 The Parties shall negotiate and execute in good faith any amendment to the terms of this Contribution Agreement which may become necessary or desirable in case of any amendment to any laws, regulations or administrative acts or pursuant to the specific clauses under Clause 11.2 below.

11.2 Specific clauses relating to amendments:

11.2.1 In the event that the amount of the Contribution Agreement is not fully committed through a Guarantee Agreement within nine months from the Signature Date, or within the longer period agreed according to Clause [10.3] above, the Parties shall amend the Contribution Agreement as appropriate.

² To be aligned with the final text of the InvestEU Regulation and Article 10 CPR.

11.2.2. In the event that the Guarantee Agreement has not been duly implemented within four years from its signature date, the Contribution Agreement shall be amended by the Parties.

12. [IF APPLICABLE] IMPLEMENTATION, PROLONGATION, TERMINATION AND AMENDMENTS OF ADVISORY AGREEMENT

[Placeholder for possible provisions on: deadlines for signature and implementation of the Advisory Agreements; return of resources to the contributing funds in case such deadlines are not met.]

13. RETURN OF THE UNUSED RESOURCES³

13.1 In the event where no Guarantee Agreement has been concluded by the Commission with an Implementing Partner within nine months from the Signature Date, or within the longer period agreed according to Clause 10.3 , and the Contribution Agreement is terminated pursuant to Clause 10.3(b), or in the event where the amount of the Contribution Agreement is not fully committed through a Guarantee Agreement within nine months from the Signature Date, or within the longer period agreed according to Clause 10.3 above, pursuant to Clause 11.2.1, the following provisions shall apply:

- (a) *[Member State]* shall submit a request for a Programme or CAP Strategic Plan amendment to use the amounts corresponding to the Contribution from the Funds under Shared Management which have not been committed through the Guarantee Agreement(s). *[This clause does not apply if only Cash Contribution is provided]*
- (b) The unused amount of provisioning corresponding to the Contribution from the Funds under Shared Management shall be re-used pursuant to [Article [10(5)] of CPR or Article [75(5)] of CAP Regulation]. Namely, such unused amounts shall be recovered under the originating Fund under Shared Management and, if applicable, under the respective category of regions and under a programme or CAP Strategic Plan proposed by the MS and agreed by the Commission. *[This clause does not apply if only Cash Contribution is provided]*
- (c) The amount of the Contingent Liability shall be adjusted accordingly. *[This clause does not apply if only Cash Contribution is provided]*
- (d) The termination or amendment of the Contribution Agreement shall be concluded simultaneously with the adoption of the decision amending the relevant Programme. *[This clause does not apply if only Cash Contribution is provided]*
- (e) *[If applicable:]* The unused amount of provisioning coming from Cash Contribution shall be paid back to *[Member State]* by the Commission within 30 calendar days.

³ To be updated with the final text of Article 10 CPR

13.2 In the event where the Guarantee Agreement has not been duly implemented within four years pursuant to Clause 11.2.2, [*Member State*] may request that the amounts corresponding to the Contribution from the Funds under Shared Management and covered by such Guarantee Agreement but not yet implemented through signed Financing and Investment Operations (loans, equity investments or other risk bearing instruments) are treated in accordance with Clause 13.1(b).

14. REPORTING

14.1 The Commission shall annually, [by end-June], submit an operational and a financial report to [*Member State*] in relation to the Guarantee Agreement(s).

14.2 The operational report shall include:

- (a) Information on the general status of implementation of the Contribution Agreement, including information on signature of the Guarantee Agreement[(s)] with Implementing Partner[(s)] and the corresponding amounts;
- (b) Level of achievement of the policy objectives of the [Partnership Agreement / Programme / and/or the specific objectives of the CAP Strategic Plan] against the following relevant indicators: [*reference to relevant KPI under Annex III InvestEU Regulation, e.g. investment mobilised, and other indicators that may be set and [if applicable other indicators when proposed by the MS and agreed by the Commission]*];

14.3 The financial report shall include:

- (a) The value of the investments operations;
- (b) Information on guarantee calls made on the EU Guarantee, losses, returns, amounts recovered and any other payments received;
- (c) After the Constitution Phase, the data relating to the annual surplus of provisions / resources generated by or attributable to the amounts contributed by [*Member State*] in accordance with Clause 9 above

14.4 The Guarantee Agreement shall require that the Implementing Partner[(s)] submits a six-month operational report to [*Member State*], including an assessment of compliance with the requirements on the use of the EU Guarantee and with the key performance indicators laid down in the Guarantee Agreement[(s)] in accordance with Annex III to the InvestEU Regulation and [*if applicable*] other indicators when such are proposed by the MS and agreed by the Commission.

14.5 [As regards the Advisory Agreement[(s)] the following information shall be provided:

- (a) financial data on each supported Advisory Initiative provided by the Advisory Partners;
- (b) annual operational report on each supported Advisory Initiative [content tailored depending on the regulatory framework of the funding source.]

15. [IF APPLICABLE] CONTRIBUTION TO THE INVESTEU ADVISORY HUB

15.1 [*Member State*] Contribution to the InvestEU Advisory Hub is EUR [•] and shall be used to cover the following Advisory Initiative[(s)], as specified in the Advisory Agreement.

Option 1 – Advisory Initiative already existing under InvestEU Advisory Hub [*cross reference*]

Option 2 – Adjustments to Advisory Initiative already existing under InvestEU Advisory Hub [*cross reference, relevant adjustments, as further detailed under the Advisory Agreement*]

Option 3 – New tailor-made Advisory Initiative. [*description, as further detailed under the Advisory Agreement*]

16. [IF APPLICABLE] COMBINATION WITH RESOURCES UNDER THE EU COMPARTMENT

The resources under the Member State Compartment may be combined with the resources under the EU Compartment, including in a layered structure to achieve better risk coverage or higher volumes of operations in accordance with [Article 8(2) of the InvestEU Regulation].

[*Procedure*]

[*Maximum*] amount of resources from the EU Compartment to be combined.]

17. JURISDICTION

Any and all disputes arising between the Parties in relation to the validity, interpretation or execution of this Contribution Agreement or howsoever connected to it shall be exclusively referred to the jurisdiction of the Court of Justice of the European Union.

18. NOTICES AND COMMUNICATION

All notices and communications between the Parties shall be made in writing, either in paper or in electronic form, and shall be deemed as validly made upon receipt of the same and if addressed as follow:

For the Commission:

[*address*]

For [*Member State*]

[*address*]

19. MISCELLANEOUS

19.1 [*Subject to discussion and provisions in Investment Guidelines: Climate targets*]

19.2 Annex

The Annex to this Contribution Agreement form an integral part thereof.

IN WITNESS WHEREOF, each of the Parties has caused this Contribution Agreement to be executed in [•] originals in the English language, each one taking [•] copy/copies, as of the day and the year specified below

Signed for and on behalf of

EUROPEAN UNION

Signed for and on behalf of

[MEMBER STATE]

[•]

Date

[•]

Date

ANNEX 1

Details of the provisioning in accordance with Annual Financial Plan.

According to [Partnership Agreement/request for an amendment of the Programme/CAP Strategic Plan / request for an amendment of the CAP Strategic Plan] and according to [Article 10(2) CPR / 75(1) CAP Regulation], the amounts of resources allocated to the InvestEU Programme per calendar year are the following:

1. *Calendar year XX: EUR [•]*
2. *Calendar year YY: EUR [•]*

[According to Article 10(3) CPR, the budgetary commitments of the Union in respect of this Contribution Agreement are made in annual instalments.]