



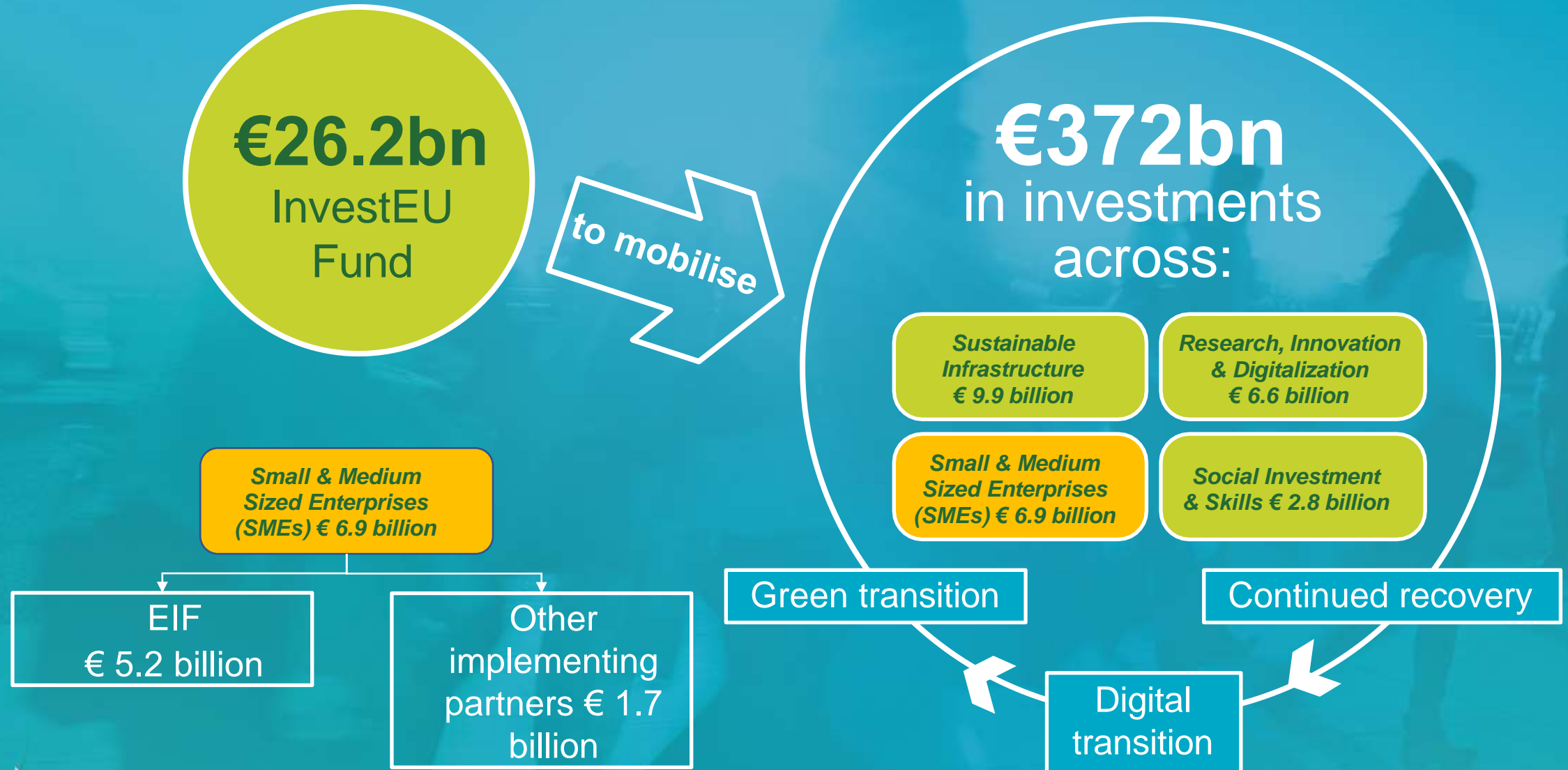
SME Envoy meeting Status update on InvestEU – SME window

Brussels, 14th March 2024

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Directorate General for Internal Market, Industry, Entrepreneurship and SMEs

InvestEU Fund

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EIF portfolio guarantee products

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Adapted
(ex COSME Loan
Guarantee Facility)



Enterprises perceived as high risk (or lacking collateral) to improve the competitiveness of European enterprises

(including new solvency support)

Adapted
(ex InnovFin SME
Guarantee Facility)



Innovation and digitalization-driven enterprises to help drive Europe's economic growth and global competitiveness

Continued
(ex cultural and Creative
Sector Guarantee Facility)



Enterprises to support a thriving, agile and profitable European creative and cultural space, & one which is adaptable to change

NEW



Sustainable enterprises as well as green investments contributing to the green and sustainable transformation of Europe

(Taxonomy inspired!)





Demand for EU guarantees exceeds available resources on average by a factor of 3! *(data as of 15.10.2023)*

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Since launch of Call for expression of interest on **11th April 2022**:

- Applications from **216 Financial Intermediaries (FIs)**
- Covering **26 EU Member States** (*Cyprus in discussion*)

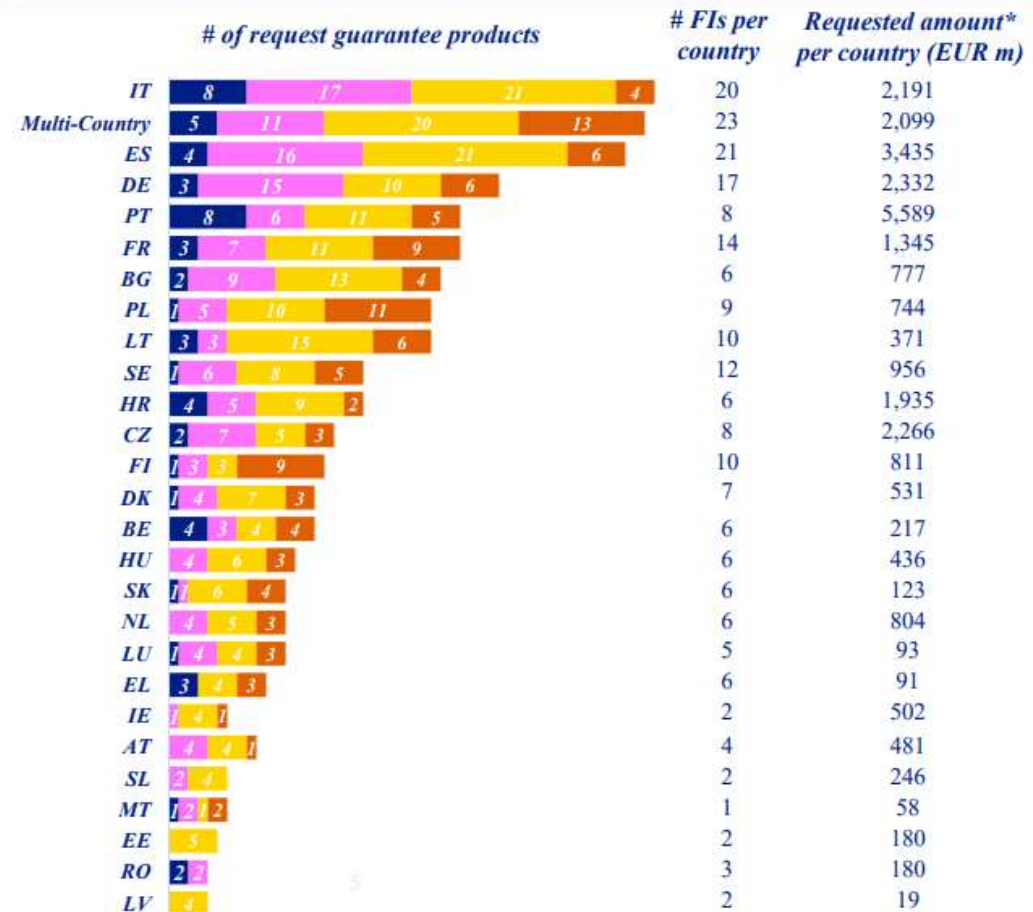
Requests received under SMEW- SIW guarantee products

	# requests	EURm requested*	<i>o/w EU Guarantee</i>
 SME Competitiveness Guarantee	110	3,640	2,794
 Sustainability Guarantee	215	11,091	3,621
 Innovation and Digitalisation Guarantee	141	13,059	3,909
 Culture and Creative Sectors Guarantee	58	1,020	488

Over EUR 28.8 bn in aggregate guarantee amount requested (524 requests for guarantee products):

- Capped Guarantees: **EUR 4.8bn** vs **EUR 1.4bn** total capacity
- Uncapped Guarantees: **EUR 24 bn** vs **EUR 8.4bn** total capacity




* Cap amount for capped guarantees and guarantee amount for uncapped guarantees

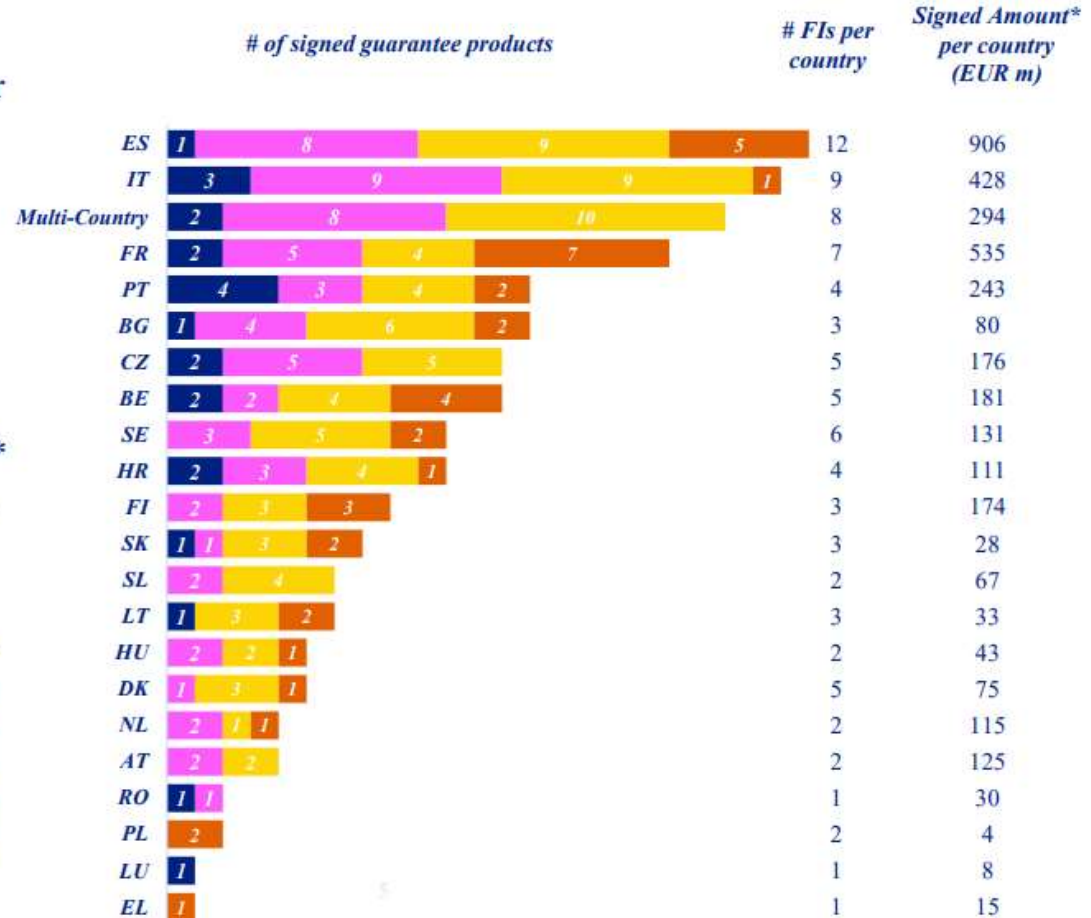


Signed transactions support mainly sustainability **#InvestEU** innovation and digitalisation projects *(data as of 15.10.2023)*

- 97 guarantee agreements signed with 90 FIs
 - 65 FIs entered into a guarantee agreement covering 2 or more guarantee products
- EUR 3.8bn signed guarantee amount*, of which:
 - Uncapped transactions EUR 3.4 bn*
 - Capped transactions EUR 413m*
- Expected portfolio volume (signed transactions) EUR 12.8bn
- Covering 25 Countries (incl. Multi-Country transactions)**

Signatures under SMEW- SIW guarantee products

	# signed	EURm Signed**	<i>o/w EU Guarantee</i>
 SME Competitiveness Guarantee	37	441	265
 Sustainability Guarantee	81	1,616	482
 Innovation and Digitalisation Guarantee	63	1,573	418
 Culture and Creative Sectors Guarantee	23	173	95



* Cap amount for capped guarantees and guarantee amount for uncapped guarantees

** Latvia, Estonia and Germany entered into InvestEU guarantee agreements via Multi-Country transactions.

MS contributions to MS compartment

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MS	Source of funding	InvestEU window(s)	Products	Implementing Partner
RO	RRF (€ 550 million)	SME window	1. Portfolio guarantee for resilience (min € 300 m)	EIF
		Sustainable infrastructure window	2. Climate Action Portfolio Guarantee (min € 200 m)	EIF
			3. Energy efficiency investment in the residential and buildings sector (€ 50 m)	EBRD
EL	RRF (€ 500 million)	SME window	1. Sustainability Guarantee (€ 154 m)	EIF
		Sustainable infrastructure window	2. Competitiveness Guarantee (€ 163 m)	EIF
			3. Innovation & Digitalisation Guarantee (€ 83 m)	EIF
		RID window	4. Green & Digital Portfolio Guarantee (€ 90 m)	EBRD
CZ	ERDF (€ 80 million)	SME	Guarantee 2023-2030 programme (€ 80 m)	National Development Bank
FI	-ERDF + national budget (€ 30 million) + potential to increase	SME window	Sustainability Guarantee for Finland	EIF
		Sustainable infrastructure		
BG	RRF (€ 150 million)	SME window	1. Sustainability Guarantee (€ 75 m)	EIF
	ERDF (€ 125 million)	Sustainable infrastructure window	2. Competitiveness Guarantee (€ 75 m) 3. InvestEU Guarantee for SMEs and small mid-caps (€ 125 m)	EIF BDB
MT	ERDF + national budget (€ 14 million)	SME	SME Competitiveness Guarantee (€ 14 m)	EIF

Examples of guarantee agreements signed #InvestEU



The screenshot shows the InvestEU website header with navigation tabs: Who we are, What we do, InvestEU, and News & Publications. The main content area features a news article titled "EIF and Mano Bankas sign agreement under InvestEU to guarantee more than €40 million in new loans for SMEs" dated 27 September 2022. The article includes a list of bullet points and a paragraph describing the agreement.

EIF and Mano Bankas sign agreement under InvestEU to guarantee more than €40 million in new loans for SMEs
 Date: 27 September 2022

- A new portfolio guarantee agreement has been signed under the European Commission's InvestEU programme by the EIF and the Lithuanian bank Mano Bankas, which will guarantee more than €40 million in new business loans.
- This is the first financial institution in Lithuania to sign such an agreement fostering innovation, sustainability projects, jobs and growth.

Mano Bankas, a Lithuanian-owned specialised bank, has become the first financial institution in Lithuania to sign a portfolio guarantee agreement under the new InvestEU programme to guarantee more than €40 million in new loans for businesses. InvestEU aims to stimulate €372 billion of additional investment in sustainability projects, innovation and job creation across the European Union. The main implementing partner for InvestEU is the EIB Group, which consists of the European Investment Bank (EIB) and the European Investment Fund (EIF).

Loans for two key EU policy priorities, with a strong focus on sustainability

With the agreement between the EIF and Mano Bankas signed on 18 October in Luxembourg, the EIF will provide guarantees for loans under two key policy areas. The sustainability guarantee will support more than €25 million of new debt financing for small and medium-sized enterprises (SMEs) to contribute to Europe's green transition. Projects to make services, products and infrastructure more accessible for people with disabilities are also eligible for these investments. A further €15 million of loans under the SME competitiveness guarantee will support small businesses that were negatively affected by the COVID-19 pandemic and have managed to stabilise their operations but need additional financing to refinance debt, strengthen working capital reserves and/or further invest in ongoing projects.



The screenshot shows the "How to apply for EU finance" webpage. It features a map of Europe, a search bar, and a table of financial intermediaries. A large blue arrow points to the URL www.access2finance.eu.

How to apply for EU finance

Financial Intermediaries

Financial Intermediary	Region of Activity	Type of Finance	Amount of Finance	Investment Focus	Additional Information	Support ID Finance
Witbank - and Sustainable Finance (WIFANS)	EUROPE	Loan Guarantee	€100M	At least 50% (SMEs), Development, Innovation, Start up, Early Stage	EU capacity development Scheme	Access 2 Finance
WIF Bank						

Financing from other EU financing programmes still available for businesses: www.access2finance.eu

Examples of projects supported

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Portchain ApS (Denmark)

EUR 800k financing under Sustainability Guarantee Product – SMEW (uncapped)

Description of the Final Beneficiary

Founded in 2017 and headquarter in Copenhagen, Portchain tries to optimize the use of resources in the **shipping industry** by addressing the problem of planning. The International Maritime Organization estimates that the global container shipping industry can reduce bunker and CO2 emissions by 5.9% by implementing a “Just In Time Arrival” approach. Portchain develops software solutions, incorporating AI, to **create a change in operational performance for shipping companies**.

Final Recipients Transaction supported

The **EUR 800k** loan has been used to expand and develop the organization of Portchain and invested into Portchain’s technology in order to maintain **their technological advantage**. The financing has been made under the “Green Information Communication Technology” eligibility criteria.

EIF’s impact on the Intermediary’s lending activities

EIFO would not have been able to enter into the transaction in the same extent without the support of the IEU Sustainability Guarantee given the high-risk profile of the company, since it is both a fairly new SME and a Software as a Service (SaaS) tech-company.

Access to finance measures triggered by the Final Recipient Transaction

The enhanced access to finance will be materialized in:

- **Price reduction** – A reduction of the risk spread for the final recipients



Moj Gruntek d.o.o. (Croatia)

EUR 250k financing under Innovation and Digitalisation guarantee – SMEW (uncapped)

Description of the Final Recipient



Moj Gruntek d.o.o. is a final recipient founded in 2021 focused on producing vegetables and delivering fresh vegetables to end buyers. Production is done in accordance with the **highest ecological standards** – no use of chemicals, zero plastic principles, zero good waste - it allows end buyers to redirect the delivery to an alternative address in the event of a reduced need for vegetables - for example, a children's home, soup kitchen.

Final Recipients Transaction supported

The loan supported the development a DTC (Direct to Customers) selling platform with prepaid monthly model which was never used for selling fresh vegetables. **This is a new innovative product on a Croatian market**.

EIF’s impact on the Intermediary’s lending activities

The EIF guarantee program offered the necessary support for the financing of the growth of the **company which would not be financed without the presence of the guarantee**.

Access to finance measures triggered by the Final Recipient Transaction

The enhanced access to finance will be materialized in:

- **Price reduction** – A reduction of the risk spread for the final recipients.



SMEW Guarantee products by other Implementing Partners

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First call for expression of interest for guarantee products under the SMEW:

- **Bpifrance: EUR 500 million EU guarantee (out of which EUR 400 million from SMEw) for improving the technological leadership and innovation capacity of French SMEs/small mid-caps (GA signed)**
- **Garantiqa: EUR 249 million guarantee product for the competitiveness of Hungarian SMEs (GA signed)**
- **Bulgarian Development Bank BDB in the process of completion**
- **Another entity is still in the pipeline (cannot be disclosed as this point in time)**

A second call for expression of interest is ongoing and the first cut-off will occur April 2024.

Equity products*

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*EIF Joint products between SME and RID window, investment capacity of over € 6 billion

**Capital
Market
Union
support**

Promote an integrated European capital market, provide diversification of sources of financing & strengthen solvency of enterprises

**Enabling
sectors**

Support crucial sectors which can sustain the EU as a independent and autonomous economy

**Climate &
environmental
solution**

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

**Digital &
Cultural and
Creative
Sector**

Strengthen the EU's competitiveness, digital independence strategic autonomy

As of launch, the EIF signed and/or approved transaction for more than € 3 billion supporting more than 100 funds #InvestEU

(status October 2023)



Supported funds have a broad geographic reach

102 funds (c. 90%) have **multi-country investment strategies**.

15 funds (or 13%) are single-country: including, seven selective debt and hybrid debt-equity funds, two space co-investments (DE), two TTs and four generalist deals.

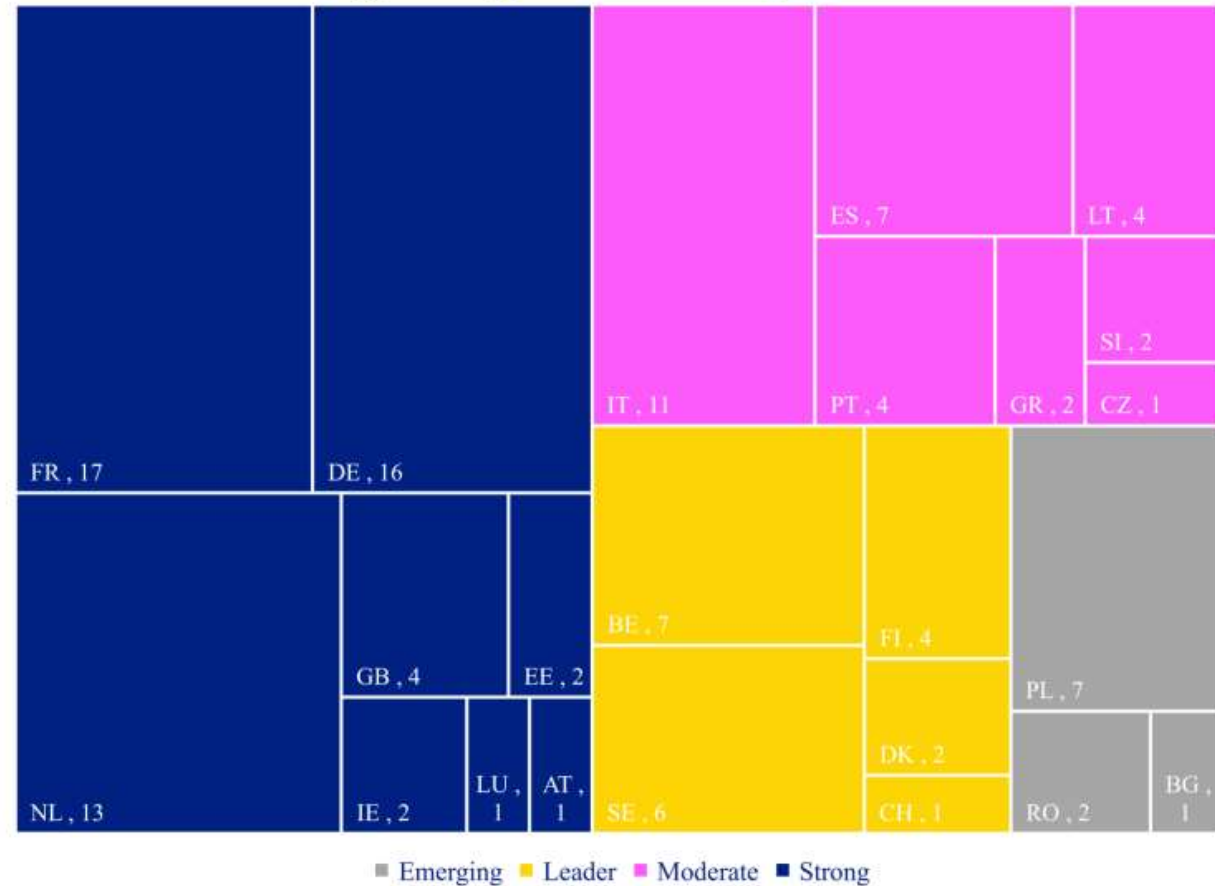
72 funds (62%) target **MEICs in the investment strategy**.

41 (35%) have management teams located in MEICs.

Teams based across **21 Member States**.

Fund vehicles incorporated across **17 Member States**, with Luxembourg being the most popular jurisdiction.

Funds: signed or approved Amounts by **team location**



InvestEU equity transversal goals

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Scale-up

To boost financing options specifically for enterprises in their scale-up phase (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

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

FOR EVERY €1 OF VC FUNDS RAISED BY EUROPEAN COMPANIES



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

Examples of fund agreements signed

FORWARD.one Fund II

Quantum computing to biomanufacturing, to semiconductors, or robotics for Evs

Location: Netherlands

IEU Operation: € 15m ES (Semicond)

Target fund size: EUR 100m

Green Generation Fund

First time team investing in disruptive technologies at seed stages to enable breakthroughs in foodtech + greentech

Location: Germany

IEU Operation : € 15m C&ES

Target fund size: EUR 100m

Innova/7

CEE PE investing in buyout LMM in business & finance, TMT, consumer products, manufacturing, healthcare, retail)

Location: Poland

IEU Operation: € 40m CMU-DDF/D&CCS

Target fund size: EUR 350m

Junction Growth Investors

impact-driven companies developing software and/or hardware solutions enabling the energy transition in Benelux, France and Germany

Location: Belgium

IEU Operation : € 16.2m C&ES

Target fund size: EUR 125m

Newion Investments IV

pan-European established team investing in early-stage business software.

Location: Netherlands

IEU Operation : € 25m D&CCS

Target fund size: EUR 125m

Xenon FIDEC

LMM fund focusing on SMEs and Mid-Caps, active in decarbonisation and circular economy sectors in Italy

Location: Luxembourg

IEU Operation : € 30m C&ES

Target fund size: EUR 120m

Shift4Good Fund I

First-time equity fund dedicated to Impact Investing in the smart mobility & circular economy sectors.

Location: France

IEU Operation: € 40m C&ES

Target fund size: EUR 250m

OTB Ventures

Established team investing in CEE early growth, post-product, high-tech start-ups incl. space

Location: Poland

IEU Operation: € 45m D&CCS + ES

Target fund size: EUR 150m

Trind Ventures Fund II

seed-stage venture fund focusing on startups with a consumer or community component.

Location: Estonia

IEU Operation : € 20m D&CCS

Target fund size: EUR 50m

Alteralia III SCA

Established team providing tailored private debt to lower mid-market companies in Spain, Italy and other

Location: Spain

IEU Operation: € 30m CMU-DDF

Target fund size: EUR 250m

eEquity Growth V AB

ESCALAR + "normal commitment" investing in digital growth in Denmark, Finland, Germany, Netherlands; Sweden

Location: Sweden

IEU Operation: € 38m CMU-DDF/D&CCS

Target fund size: EUR 280m

Vsquared Ventures II

disruptive technologies such as space, AI, industrial tech and applying them for commercial use

Location: Germany

IEU Operation: € 19m ES

Target fund size: EUR 165m

42 | CAP

42Cap IV GmbH

Digital industry, AI/ML-enabled solutions for B2B SaaS.

Location: Germany

IEU Operation: EUR 22.5m (D&CCS, ES)

Target fund size: EUR 125m



Deep Blue Ventures

Aerospace, health-tech and climate technologies in venture capital

Location: Italy

IEU Operation : EUR 20m (D&CCS, ES)

Target fund size: EUR 70m



HV Capital

Co-investment with HV Holtzbrinck into Isar Aerospace

Location: Germany

IEU Operation: € 20.3m (ES)

Target fund size: EUR 50.3m

Capidea/

Capidea Capital IV K/S

Danish-focused growth fund targeting SMEs

Location: Denmark

IEU Operation: EUR 30.2m (CMU-DDF)

Target fund size: EUR 134m



PureTerra Ventures I

Water and wastewater management solutions

Location: Netherlands

IEU Operation : EUR 25m (C&ES)

Target fund size: EUR 80m

asabys

Sabadell Asabys Health Innov.

Early-stage biotech, medical tech and digital health technologies venture capital fund

Location: Spain

IEU Operation : EUR 40m (ES)

Target fund size: EUR 200m



Contrarian Ventures Net Zero

Climate-focused energy and mobility impact venture capital

Location: Lithuania

IEU Operation: EUR 25m (C&ES)

Target fund size: EUR 130m



Voima Ventures Fund III Ky.

Deeptech technology transfer fund focused on climate and disruptive technologies

Location: Finland

IEU Operation: EUR 35m

(ES, C&ES, D&CCS)

Target fund size: EUR 100m

MOUNT TFI

Mount Private Debt Fund II

Diversified debt fund with a singular focus on Poland

Location: Poland

IEU Operation: EUR 30m (DDF)

Target fund size: EUR 100m

Artá Capital

Artá Capital Fund III

Iberian-focused fund with a focus on growth investments

Location: Spain

IEU Operation : EUR 40m (CMU)

Target fund size: EUR 400m



Brighteye Venture Capital

Venture capital investments in education technology

Location: France

IEU Operation : EUR 30m (D&CCS)

Target fund size: EUR 100m

fundoazul

Growth Blue Fund I

Growth capital in Portuguese Blue Economy SMEs

Location: Portugal

IEU Operation: EUR 14m (C&ES)

Target fund size: EUR 50m



Blume Equity Fund I

Pan-EU late growth stage fund focusing on responsible consumption, sustainable food and healthy living

Location: Netherlands

IEU Operation: EUR 35m (C&ES)

Target fund size: EUR 200m



CD3 IV

TT platform focused on drug discovery and developing projects, primarily at the pre-clinical stage

Location: Belgium

IEU Operation: EUR 35m (ES)

Target fund size: EUR 70m



FONDO ISETEC V FCR

PE fund focusing on pre-IPO, during-IPO and post-IPO investments across Southern Europe

Location: Spain

IEU Operation : EUR 30m (CMU)

Target fund size: EUR 100m



Helix Kapital 3.2

Aerospace, health-tech and climate technologies in venture capital

Location: Sweden

IEU Operation : EUR 26m (CMU)

Target fund size: EUR 120m



ISAI Expansion III

PE focusing on investments in tech and tech-enabled SMEs in France

Location: France

IEU Operation: EUR 30m (D&CCS, CMU)

Target fund size: EUR 250m



Maguar Capital II

fund targeting lower mid-market B2B software companies in the DACH region

Location: Germany

IEU Operation : EUR 30m (D&CCS)

Target fund size: EUR 250m



PMI Italia III

DDF providing senior financing primarily to SMEs and small mid-caps in Italy

Location: Italy

IEU Operation: EUR 30 (DDF)

Target fund size: EUR 250m



Qbic III Fund

TT fund investing primarily in Belgian LS and deeptech early stage companies

Location: Belgium

IEU Operation: EUR 35m (D&CCS, C&ES, ES)

Target fund size: EUR 85m



Radix Fund

VC fund focusing on early-stage ICT in CEE

Location: Poland

IEU Operation : EUR 25m (C&ES, ES)

Target fund size: EUR 60m



Tilia Impact Ventures Fund II

Tech-for-good fund targeting early stage companies based in the Czech Republic and in CEE

Location: Czech Republic

IEU Operation: € 18.8m (C&ES, SE)

Target fund size: EUR 32m



UNIFUND II

Greek innovation and tech transfer fund focusing on pre-seed, seed and late-seed opportunities

Location: Greece

IEU Operation : EUR 20m (D&CCS)

Target fund size: EUR 50m



WDL SME Fund

Diversified debt fund providing senior financing to Dutch SMEs

Location: Lithuania

IEU Operation: EUR 15m (DDF)

Target fund size: EUR 60m

InvestEU sustainability proofing – general principles



- Taxonomy not directly applicable to InvestEU

BUT:

- couple of 'do no significant harm' (DNSH) climate taxonomy criteria taken up for InvestEU (methane leakage and fossil fuels transportation) + min social safeguards, and
 - if an activity is covered by the taxonomy and climate/env screening shows deficiencies, mitigation measures can be proposed on the basis of the taxonomy DNSH criteria
- Instead, sustainability proofing above a threshold

Sustainability proofing = identify, address and mitigate potential detrimental impacts projects may have on climate, environment and social dimension

Threshold:

- 10 MEUR for direct financing and intermediated infrastructure funds,
- no proofing for intermediated financing to SMEs and small mid-caps but a simplified approach

(NB! different from **climate tracking** = monitor and calculate the proportion of InvestEU Programme's actions that contribute to the Union climate objectives; 30% overall InvestEU target)

Sustainability proofing – Simplified approach for intermediated SMEs and small mid-caps.

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- Implementing partners to assess the ESMS practices of FIs, to determine their capacity to:
 - Screen all transactions against exclusion criteria;
 - Require that all transactions be in accordance with the relevant national environmental, climate and social laws;
 - Identify those transactions requiring an environmental impact assessment and verify that permits are in place;
 - (for equity) - where the fund will invest in companies covered under the ETS:
 - For funds with an InvestEU supported investment < 30 %: Companies covered under the ETS must be actively encouraged to adopt green transition/decarbonisation plans.
 - For funds with an InvestEU supported investment > 30 %: Companies covered under the ETS must be actively required to adopt green transition/decarbonisation plans
- Implementing partners to report on how many FIs have an ESMS in place.

**Thank you for
your attention!**

**INVEST
EU**

InvestEU: <https://investeu.europa.eu/>

Access to finance: www.access2finance.eu