

BPI France Framework operation #2 for French innovative industrial SMEs and small mid-caps

INVEU-ICR-0025-2024 –Research, Innovation and Digitisation and SME Windows (RIDW-SMEW)

Short description of the financing or investment operation and its objectives

Name of financial recipient	To be determined at sub-project level
Type of the final recipients	SMEs and small mid-caps
Countries of implementation	France
Implementing partner	Bpifrance

The Framework Operation targets investments from innovative SMEs (including start-ups) and small midcaps operating in France for the demonstration of innovative technologies, pilot factories and new factories, in all cases stemming from RDI activities. The financing will enable innovative enterprises with successful R&D to define, validate and optimise their technologies and prepare industrialisation, a high-risk and capital-intensive development stage. Consequently, the Framework will contribute to bridging the innovation ecosystem with the industrial sector with a strong expected impact on the green transition, job-creation, competitiveness, and economic growth in the EU.

Global Assessment and rationale for approval

The Investment Committee of the InvestEU Fund approved the use of the InvestEU guarantee on 17 April 2024 for the above-mentioned operation.

The operation addresses following market failures:

- exposing Bpifrance to high levels of technological and/or industrial risks with large and very capital-intensive projects, beyond levels that private financial actors are able or willing to accept.
- exposing Bpifrance to companies with mainly intangible assets or insufficient collateral and cash flow.
- triggering externalities related to large R&D investments (contributing to climate objectives) with the sovereignty challenge of reindustrialisation as main lever to generate wealth, drive attractiveness & innovation and secure welfare in the long term in France and Europe.
- multiple benefits for the final recipients such as more affordable pricing, longer maturity and grace period as well as reduced collateral requirements (limited to a cash deposit).



Investment Committee of the InvestEU Fund

Meeting no 26 of 17 April 2024

Room Schuman, Foyer Européen

European Commission, Luxembourg

10 rue Heinrich Heine, L-1720 Luxembourg (Gare)

The InvestEU guarantee will enable Bpifrance to provide final recipients larger loans with lower interest rates than they can benefit from the public & private financing sector and to do it without collaterals but with a limited cash deposit, which is key in a context of high interest rates.

The Framework will support projects with a higher risk profile compared to Bpifrance's standards as it involves larger loan amounts, riskier projects and longer tenors. It will support new investments that would have not been financed without InvestEU.

The framework aims to crowd-in private funding, structure the market and eventually improve the financial position final recipients enabling them to effectively run their investments especially thanks to the cofinancing and/or investment requirement.