

Conclusions

Thematic Innovation (InvestEU VD) PL¹

INVEU-ICR-0032-2022 – Research, Innovation and Digitisation

Short description of the financing or investment operation and its objectives

Name of the Promoter/Financial Intermediary	N/A to be determined at sub-project level
Country(-ies) of implementation	Eligible InvestEU countries
Implementing partner	EIB

The purpose of the Framework operation is to provide direct thematic financing (TF) to innovative companies developing projects in the Policy Areas of "Future Technologies" and "Health Innovation Investments" in the form of equity-type financing (i.e. venture debt). The investments include, for example, health innovation investments in the field of vaccines and prevention, therapeutics and diagnostics, and future technologies investments including strategic digital technologies and key enabling technologies as well as to other areas of strategic importance.

Global Assessment and rationale for approval

The Investment Committee of the InvestEU Fund approved the use of the EU guarantee on 8 July 2022 for the above mentioned operation.

The EIB financing supports investments addressing the market failures and gaps associated with imperfect competition and incomplete markets for very innovative and still market-entry stage technologies, and those associated with positive environmental, social and knowledge externalities generation.

The sub-projects to be financed under this programme loan will help the promoters to implement long-term innovation and commercialisation strategies usually entailing high investment risks.

The financing will enhance the promoters' technology edge and capabilities, and support the development and deployment of new technologies and innovative, higher value-added products and services leading to long-term sustainable growth and profitability.

The sub-projects under this Framework Operation are expected to be sound, properly managed and implemented by competent and knowledgeable management and development teams, which will make possible implementing them, delivering the expected results and addressing the relevant market failures.

¹ PL stands for Programme Loan. The EIB Programme Loans are a delegation mechanism of the approval authority from the Board of Directors to the Management Committee for a series of sub-loans to multiple borrowers that are grouped together under one sector, policy objective or geographical region.

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The financing structure under this equity-type operation is designed to address high-risk investments that are requiring long-term capital, so the EIB is additional in terms of both maturity and volume. A similar long-term financing structure is not available from other market players at comparable terms and/or within the same crucial timeframe. The EIB's expertise is pivotal in quasi-equity transactions as they involve a highly customised structuring component, a key element of this innovative financing, and frequent monitoring to ensure consistency with policy objectives and implementation milestones.

The Investment Committee was reassured about the criteria for placing the sub-projects in the Framework Operation based notably on risk taking capacity, maturity of the technology and solidity of the respective company. The Committee welcomed the Framework Operation covering traditional VC sectors. The Investment Committee underlined the strategic value of the sector for Europe as the Framework Operation boost creation of new highly skilled jobs, retains strategic technologies in the EU, crowds-in additional private financing and fosters an environment that supports innovation. Retaining know-how in Europe is critical for the EU's resilience and positioning of Europe as a technological leader.