

## Conclusions

### Framework operation #8 for Joint Equity products – Climate & Environment

INVEU-ICR-0044-2022 – SME & Research, Innovations and Digitation Windows

#### Short description of the financing or investment operation and its objectives

Final recipients	Special Purpose Vehicles/project Companies, SMEs including micro enterprises, Midcaps, impact-driven enterprises
Countr(ies) of implementation	Multi-country with emphasis in the EU and to some extent covering UK, Norway, Switzerland, Israel and Western Balkans
Implementing partner	EIF

The purpose of this Framework Operations is to support the research, development, demonstration, upscaling and commercialisation of technologies or solutions that contribute to the EU Green Deal and, in particular: i) energy and ecological transitions pursued in the areas of climate mitigation and resilience (adaptation), ii) mobility and transport urban and built environment, iii) water and marine resources, iv) pollution, v) circular economy, vi) agri-food system and vii) biodiversity, and environmental ecosystems, while supporting the EU's competitiveness and leadership in climate and environmental technologies and solutions.

#### Global Assessment and rationale for approval

The Investment Committee of the InvestEU Fund approved the use of the InvestEU guarantee on 7 July 2022 for the above mentioned operation.

The availability of capital for climate and environmental solutions is considered limited and insufficient in all European geographies given the nascent nature of the market and the small number of specialised investors and funds.

Most of the Sub-Projects will be managed by first time or emerging teams that typically face challenges in fundraising due to a higher perception of risk by other institutional and/or private investors. Similarly, fund sizes overall continue to remain suboptimal. The EIF as an anchor investor is considered as a quality stamp and endorsement of the strategy, set-up and structure of the funds it supports and thus has a strong signalling effect towards other investors considering a commitment.

EIF's presence is expected to be instrumental in catalysing additional investor interest and helping the funds to diversify and enlarge their LP base with new investors for this emerging market. The Investment Committee welcomes the provision of equity with high risk tolerance, catering for risk at final recipient level compounded where relevant by risk of first time/ emerging fund management team.