

## Conclusions

### **Framework operation #9 for SMEW-RIDW Joint Equity product – Enabling Sectors Sub-Product**

**INVEU-ICR-0045-2022 – SME & Research, Innovations and Digitation Windows**

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

Final recipients	Seed, start-ups, SMEs, Small Mid-Caps, potential large mid caps
Countr(ies) of implementation	Multi-country in the EU
Sector	Research, development and innovation
Implementing partner	EIF

The Sub-Projects under this Framework Operation aim to support the advancement of the European economy in enabling sectors by facilitating and accelerating the access to finance of enterprises, projects, initiatives and innovators operating in critical industries/sectors for sustaining the technological sovereignty of the EU, by, inter alia, securing semiconductor and hardware production and supply. This support is expected to contribute to increasing EU's competitiveness by supporting enterprises or projects active in the sectors driven by strategic technologies to develop (notably through research & development), commercialisation and scale-up innovation as well as securing semiconductor and hardware production and supply. It contributes to the development of the defence industry in order to contribute to the Union's strategic autonomy in line with the objectives of the Space Strategy for Europe.

#### **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.

Fundraising targeting this market is challenging due to technology uncertainties, long lead times to achieve meaningful returns and lack of tech-savvy (co-)investors. Investment volumes available are far from desired particularly for tech transfer and great disparity across the EU can be observed.

The Fund is expected to play often the role of cornerstone investor, thus playing a catalytic effect on institutional investors in support of the existing or novel funds in emerging industries. The EIF joining in early closings is viewed as fundamental to achieve the target fund size considered optimal for the execution of the fund's strategy, and is expected to unlock and materialise additional private capital commitments.

The Investment Committee appreciates the fact that this intervention supports the European economy in strategic technologies by facilitating and accelerating the access to finance of enterprises, projects and innovators operating in critical industries for sustaining the technological sovereignty and independence of the EU and close the financing gap with competitors.