

Conclusions

**Framework operation #29 for Social Impact Equity Product (Multi-country)
INVEU-ICR-0075-2023 – Social Investment and Skills window (SISW)**

Short description of the financing or investment operation and its objectives

Type of the financial intermediaries	Venture capital funds established in EU27
Type of final recipients	Social enterprises, impact driven enterprises and social sectors organizations.
Countries of implementation	Austria, Belgium, Denmark, Estonia, Finland, France, Germany, Hungary, Italy, Latvia, Lithuania, Luxembourg, Netherlands, Portugal, Spain and Sweden.
Implementing partner	European Investment Fund (EIF)

The Framework Operation will support financial intermediaries that, in turn, invest in social enterprises and impact driven enterprises, delivering intentional and positive social impact. Thus, the implementation of the Sub-Projects will a) enhance the availability of risk capital for enterprises businesses and organizations operating in the social impact investing space at early or growth stages of development and supporting the latter delivering social impact, including through social innovations, in their path to scale, b) support the emergence of refined thematics within the broad social impact investing market, such as gender and inclusion, c) stimulate the development and growth of providers of education, training, skills and related or enabling services, including educational technology providers and manufacturers of related equipment. These impact-focused venture capital funds are expected to be funds targeting impact companies and social enterprises in their seed to growth phase and having a business model designed to provide solutions to social issues in sectors such as the access to employment, education, affordable and quality healthcare, civic engagement, and positive media content.

Global Assessment and rationale for approval

The Investment Committee of the InvestEU Fund approved the use of the InvestEU guarantee on 9 November 2023 for the above-mentioned operation.

The Framework Operation will address several market failures mainly related to the tension existing in public budgets dedicated to welfare system. Thus, investments and innovation

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fostered by impact companies in this field may compensate for a reduction of public budgets while promoting a better quality of the welfare system.

It will also target the field of education and skills, a sector particularly important for the future of the European economy, though with a high number of deficiencies in Europe's educational and training offering such as dropping out rate, poor reading skills and equity gaps among schools due to costly laboratory equipment in relation to their spending capacity and most importantly the lack of basic digital skills in EU-27.

The additionality of the Framework Operation relies on the pivotal role EIF will play, supporting the establishment, growth and development of impact intermediaries equipped with skills and competences towards their portfolio companies, and increasing the availability of capital inflow towards impact driven enterprises. EIF can play the role of cornerstone investor, thus triggering a catalytic effect on institutional investors for new or existing funds.

Through this Framework Operation, EIF intends to pursue investments aimed at setting best practices for the European impact investing space to flourish in core markets, while building on all existing leads in emerging markets to develop a complete market infrastructure and best serve European impact companies and social enterprises.