

# Conclusions

## **Framework Operation#1 for French innovative industrial SMEs and Small-Mid-Caps**

**INVEU-ICR-0059-2023 – Research, Innovation and Digitalization Window and Small and Medium Enterprises Window (RIDW-SMEW)**

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

Type of final recipient	SMEs and small mid-caps
Countries of implementation	France
Implementing partner	BpiFrance

The Framework Operation aims at supporting investment from innovative SMEs and small-mid-caps operating in France for two types of projects: either demonstrator of innovative technologies and/or pilot factories, or new factories, in both cases stemming from RDI activities. Both projects are essential to first validate and optimise all production options on an industrial scale and then enable businesses to launch new factories with a high technological and industrial risk.

### **Global Assessment and rationale for approval**

The Investment Committee of the InvestEU Fund approved the use of the InvestEU guarantee on 13 October 2023 for the above-mentioned operation.

The Framework Operation will address market failures of technological and industrial risks with very capital-intensive projects in most cases not economically viable, beyond levels that private financial actors would accept. It also helps companies with intangible assets or insufficient collateral due to the lack of banking funding focusing mainly on tangible investments. The Framework Operation will also act as a lever to generate wealth, drive attractiveness and innovation as well as secure welfare in the long term in France and Europe.

The additionality of the Framework Operation relies on the InvestEU guarantee support to Bpifrance to provide unsecured loans with lower interest rates, which is the most appropriate tool for long-term strategic investments. It will also play a signal effect to crowd-in private funding and structure the market.

The Investment Committee welcomes this Operation which is expected to generate positive economic effects on the French market targeting innovative companies.