

Conclusions

AVL AUTOMOTIVE TEST SYSTEMS RDI

INVEU-ICR-0028-2023 – Research, Innovation and Digitisation Window

Short description of the financing or investment operation and its objectives

Name of financial intermediaries	AVL List GmbH
Type of the final recipients	Large Corporate
Countries of implementation	Austria
Implementing partner	European Investment Bank (EIB)

AVL is a research and development company providing mobility engineering, innovative testing and simulation solutions to automotive OEMs and Tier-1 suppliers for passenger cars and commercial vehicles applications. It is an R&D intensive company and one of Austria's most innovative ones, as highlighted by its intense patenting activity (highest number of patents in Austria in 2021). The project concerns the promoter's investments to develop innovative powertrain technology solutions for application in battery electric, plug-in hybrid electric and fuel-cell electric vehicles, ADAS and AD validation technologies. AI-based manufacturing technologies, advanced simulation technologies and innovation testing systems. It will contribute to lower the barriers to the adoption of such vehicle technologies in the market, contribute to further knowledge creation and diffusion, and to the transformation of the automotive and transport industry in the direction of electrification and increased sustainability.

Global Assessment and rationale for approval

The Investment Committee of the InvestEU Fund approved the use of the EU guarantee on 27 April 2023 for the above-mentioned operation.

This investment contributes to the EIB's "Innovation, Digital and Human Capital" public policy objective and a part of them to the EIB Climate Action and Environmental Sustainability policy objective. EIB financing supports the promoter's investments addressing market failures and gaps associated with imperfect competition and incomplete markets for innovative and still market-entry-stage vehicle electrification, including fuel-cell, technologies, and those addressed by projects with positive knowledge, safety and environmental externalities generation.

Invest EU backing makes the financing of this counterpart possible by the Bank. The combination of business, market, and financial risk would not allow the EIB to provide a loan of sufficient size or tenor to the company, and the envisaged loan amount would significantly exceed the loan amount possible under the EIB's own resources. Given the current tightening of the market, the loan of such size would also be not available for the counterpart from one-source-only.



Investment Committee of the InvestEU Fund
Meeting no. 14
27 – 28 April 2023

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Without the EIB financing under InvestEU the investments would not be carried out by the counterparty to the same extent, they would probably be scaled down, reduced in scope and objectives or delayed over time, which would not contribute to the much-needed accelerated development required by such innovative technologies for making possible their market deployment and adoption.