

# EIF CORPORATE OPERATIONAL PLAN

## 2016-2018

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## Appendix 1: Glossary of Terms

## Executive summary

In 2015, EIF has reinforced its prominent role as a provider of risk finance for SMEs and small mid-caps in Europe by doubling its volume of activity compared to the previous year. Approximately half of its 2015 activity will be EIF's contribution to the Investment Plan for Europe ("IPE"), fulfilling one of IPE's key objectives improving "access to investment finance for SMEs and mid-cap companies". In less than one year, EIF will have deployed one third of its commitment mobilising EUR 25bn of final investment out of the EUR 75bn foreseen for the 2015-2018 period.

Despite this record activity, EIF transactional volumes are set to increase in 2016 by another 13% to EUR 7.7bn (see Table 1), building on a strong financial foundation resulting from the 2014 capital increase.

Table 1: Consolidated volumes

EUR m	COP & forecast 2015		COP 2016-2018			
	2015 COP	YE expected	2016 COP	# deals	2017 COP	2018 COP
Equity	2,030	2,196	2,688	131	2,914	2,964
Guarantees, Securitisation & Microfinance	3,700	4,644	5,004	158	3,332	1,884
<b>Total committed</b>	<b>5,730</b>	<b>6,841</b>	<b>7,692</b>	<b>289</b>	<b>6,245</b>	<b>4,848</b>
<b>Total leveraged volumes</b>	<b>20,690</b>	<b>23,016</b>	<b>27,438</b>		<b>26,246</b>	<b>20,942</b>

Focus will remain on the implementation of IPE, preparing and launching the next phase, including a new model of collaboration with National Promotional Institutions ("NPIs"). The deployment of the different mandates granted by the European Commission ("EC") under the Multi-Annual Financial Framework ("MFF") 2014-2020 will be rolled out:

- inside IPE with the frontloading of InnovFin SMEG, COSME LGF and an enhanced EaSI;
- outside IPE, with Erasmus+ and the launch of the new initiative for EU's Cultural and Creative Sector. The possibility of combining EREM with EC instruments will also be envisaged.

In parallel, EIF is seeking to continue and expand – together with the Commission and Member States – its involvement in the management of new EU Structural Funds ("ESIF"). ESIF will be blended, when possible, with EIB group resources, especially in the framework of the SME Initiative ("SMEi") and of Funds of Funds co-invested with Risk Capital Resources ("RCR"). In addition, the possibility of combining ESIF funds with IPE resources is currently being explored in cooperation with the Commission. In total, 32 new mandates are under development, with the majority of them to be signed in 2016. These new mandates should add to the 73 mandates that are currently under management.

Despite the need to implement a sizable recruitment plan in support of higher activity, which will continue to impact its cost basis, EIF is expected to operate with a cost/income ratio in the range of 55% to 60%. This will be achieved through increased management fees, a buoyant Private Equity ("PE") market and ramped up InnovFin and RSI's risk fees. This objective will be achieved despite the low financial interest rate environment which is expected to prevail and to erode its returns and revenues from securitisation and treasury operations.

## 1 EIF key strategic objectives

The Corporate Operation Plan ("COP") 2016-2018 focuses on some specific key areas and strategic objectives, including:

### ■ *Delivery on the Investment Plan for Europe*

Initial IPE resources under the SME Window have been used to accelerate and enhance the deployment of existing EU flagship programmes which EIF manages – i.e. COSME, InnovFin – and to significantly increase the RCR mandate for equity investments, which EIB has entrusted to EIF. EIF is expected to commit EUR 1.7bn by the end of 2015, which should mobilise investment up to EUR 25bn, i.e. about 33% of its some EUR 75bn target. Over the COP period 2016-18 EIF will continue to rapidly deliver the existing products (RCR, the frontloading of COSME LGF and InnovFin SMEG), following strong market demand. EIF will aim at covering a maximum number of EU countries. In parallel, within the next phase of the IPE, EIF will work to the launch of an equity platform to be followed by a securitisation platform, both in collaboration with NPIs (see also below) and on the frontloading of EaSI.

### ■ *Maximise impact on growth of SMEs and mid-caps through delivery of mandates*

In addition to the IPE, EIF will focus on the implementation of new EIB and EC mandates concluded in 2015 and 2016 (such as EREM, Erasmus+, EaSI, Creative and Cultural Sector etc.), as well as the launch of new ESIF initiatives (SMEi, the successors of JEREMIE). EIF will maximise the outreach and impact of these mandates by blending them where possible with EIB resources (SMEi model).

### ■ *Cooperation with EIF shareholders and National Promotional Institutions ("NPIs")*

Building on the reinforced cooperation with shareholders and NPIs, EIF will maintain close interaction and communication with them. In particular, EIF will continue to produce specific publications and an information-sharing framework specifically designed for the financial institution shareholders. EIF should also develop the cooperation with NPIs through a shared mission of enhancing access to finance to SMEs and small mid-caps, on international, national and regional scales. EIF will seek to increase the number of NPIs benefiting from existing EIF products and will intensify relations through the creation of NPI platforms, initially for private equity and subsequently for guarantees and securitisation activities.

### ■ *Sustain operating profit levels*

EIF will likely operate in a low interest rate environment during the next period. This will impact expected revenues from securitisation and treasury activities. EIF's objective is to counter-balance this decrease through increased management fees from existing and new mandates, the possible creation of a new discretionary treasury portfolio (subject to Board approval), and increased risk fees from the ramp-up of RSI and InnovFin guarantee mandates. EIF should keep a sustainable operating profit level which should be sufficient to strengthen its own funds. EIF targets a long-term RoE of 4% to 5% and a cost/income ratio in the range of 55%-60% despite the additional recruitment necessary to implement IPE (see chart 2).

### ■ *Source new opportunities*

EIF will face, in 2017, the end of the deployment of the SMEi and of the frontloading of COSME and InnovFin under IPE. This will negatively impact the activity levels of EIF's guarantee products. One of the key objectives will therefore be to identify additional resources to ensure that EIF will keep providing support to SMEs and small mid-caps. These additional budgets may come from the increase of existing mandates such as COSME/InnovFin, where the current budget will not be sufficient to cope with the strong market demand, or from new initiatives such as the AGRI, SOCIAL or ENERGY business, SMEi type products (including the combination of structural funds and EFSI beyond 2017), broader use of uncapped guarantees through "blended" or through funded products.

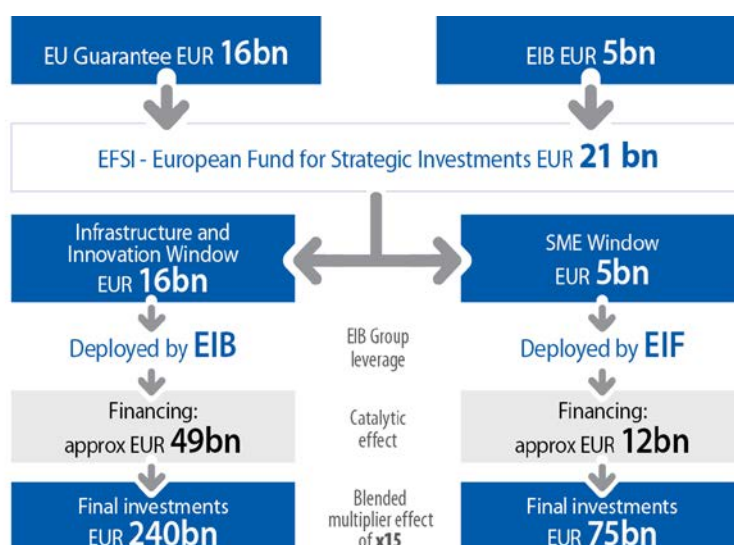
## 2 Business planning and transactions: 2016–2018

### 2.1 Investment Plan for Europe

EFSI's initial resources of EUR 21bn should result in total additional investments of at least EUR 315bn due to the EFSI's potential to mobilise private funding over the next 3 years. Within this framework, the EIF is asked to support access to finance for SMEs (via the so called "SME Window" – see Chart 1 below).

Out of the EUR 21bn contributions made available by the EC (EUR 16bn EU guarantee) and the EIB (EUR 5bn), EUR 5bn will be allocated to the SME Window managed by EIF. This should lead to an additional financing of approximately EUR 12bn to support an investment volume of at least EUR 75bn for the benefit of SMEs and small mid-caps.

*Chart 1: Structure of the Investment Plan for Europe*



EIF is expected to deliver about one third of its EUR 75bn target by the end of 2015 through 70 to 80 transactions covering around 15 countries.

For the COP period 2016-2018, EIF will focus on:

- the deployment of the EUR 2.5bn RCR increase expected to be fully committed by the end of 2016;
- the frontloading of COSME LGF and InnovFin SMEG expected to be deployed by June 2017;
- the launch of the new NPI equity platform. This platform is designed to enhance the collaboration with NPIs within the EFSI framework. Based on information available to date, it would consist of a budget of EUR 1.8bn to 2.3bn for equity investments in SMEs and small mid-caps via a range of instruments including Funds of Funds, PE funds or co-investment facilities. The objective of the equity platform is to make this budget available to NPIs subject to a minimum matching of 1:1 via a collaborative platform. The equity window is expected to be approved by the different governing bodies (EIF Board, EFSI Steering Board) by end of 2015, beginning of 2016, and to start operation in 2016.
- the preparation of the next phase, with the frontloading of EaSI, and the new guarantee and securitisation products, possibly in the form of a platform with NPIs.

*Table 2: IPE forecast volumes*

EUR m	2015 (f)	2016 (f)	2017 (f)	2018 (f)
Phase I				
RCR	1,300	1,200	-	-
COSME LGF	150	180	160	
InnovFin SMEG	250	300	210	
Phase 2 & 3				
NPI equity platform		260	500	270 - 430 (*)
EaSI		TBD	TBD	
Securitisation		17	33	50
Uncapped		10	40	100
<b>TOTAL</b>	<b>1,700</b>	<b>1,967</b>	<b>943</b>	<b>390</b>
Cumulated	1,700	3,667	4,610	> 5,000
Mobilised investments	24,000	51,000	66,000	> 75,000
<b>% of Target</b>	<b>32%</b>	<b>68%</b>	<b>88%</b>	<b>100%</b>

(\*) Not including EUR 270m - EUR 430m from the release of the EU guarantee

## 2.2 Equity investments

### 2.2.1 Equity strategy

After recovering from the 2008/9 financial crisis, the Private Equity market has been benefiting from an up-cycle which has positively impacted both the fund raising from PE managers and the returns provided to investors. In this context, EIF's equity investments are expected to gradually increase over the next years, reaching a record EUR 3bn by 2018. This volume is expected to be generated from a deal flow which has never been so abundant. Nevertheless, EIF will continue to focus on selectivity also aiming for establishing larger funds that can support, with repeated financing rounds, the growth and expertise of the most promising SMEs in their portfolios.

In its core business lines (equity and hybrid debt/equity for SMEs and small mid-caps), EIF will pursue and intensify its parallel actions of strengthening established players and supporting new teams through the existing and new mandates and the deployment of the IPE. The main equity instrument to be deployed under IPE will be RCR progressively complemented by additional volume from the NPI platform. RCR is expected to be committed at a high pace to maximise the impact of IPE. The full commitment of the EUR 2.5bn is expected in 2016 with EUR 1.2bn of new commitment. EIF's COP envisages a continuation of the deployment of RCR beyond 2016 outside IPE. The planned volume of activity expected for 2016-2018 would require an increase of RCR in 2017/2018 depending on the level of reflows.

Additional planned actions for the 2016-2018 period comprise the following:

- Deployment of COSME EFG (EUR 228m of commitments are targeted for the COP period) and InnovFin Equity (EUR 240m of commitments are targeted in total for 2016-2018). Focus will be on the non EU-28 countries, as it is expected that the COSME EFG target group may be largely covered by the IPE equity platform and that the InnovFin equity budget will likely be re-allocated as a foundation of the NPIs equity platform.

- Increase of EREM Loan Funds' budget both for selective and diversified funds. Given the current pipeline and expected volumes (EUR 1.5bn for the whole COP period), the deployment of EREM Loan Funds requires, as strongly argued, a reallocation of the EREM budget from other EREM windows.
- The Social Impact Accelerator ("SIA") has reached its final closing in 2015. EIF will continue the deployment of this initiative in an increasingly receptive market. SIA is expected to make available EUR 60m per year for European social enterprises. In the light of a growing appetite for social finance EIF equally explores complementing the SIA Funds of Funds instrument with new instruments such as Payment-by-Results instruments under IPE resources, notably in order to increase its reach into less mature equity markets in Central and Southern Europe or countries which are affected by the refugee influx.
- Funds of Funds continue to be a successful business model for both national and cross-regional equity activities. Therefore, EIF will pursue the implementation of first (Central Europe) or second generation (DVI2, MDD2, TGIF or ERP) of Funds of Funds. Total volumes for Funds of Funds are expected to be significant (EUR 424m in 2016, EUR 451m in 2017 and EUR 406m in 2018).
- The EAF – Business Angel platform roll-out will continue in cooperation with local partners (including NPIs). In the years 2016 to 2018, the expected volumes amount to EUR 42m per year covering a significant number of countries (already signed mandates in Austria, Germany, Spain and the Netherlands and to be signed in Ireland, Italy and Denmark).
- Under the new 2014-2020 programming period, EIF is currently assessing market needs across EU Member States and Regions. This will allow for the planning of the deployment of the second generation of the ESIF and for the design of investment solutions through standardised funding agreements and partnerships with national (Romania, Estonia, Sweden, etc.) or regional (Languedoc -Roussillon, Basse-Normandie) agencies.
- The first co-investments pilot targeting small mid-caps (MCIF) is being implemented as planned. The model of co-investments where EIF invests alongside existing funds is expected to grow during the 2016-2018. For this reason, a follow up (MCIF2) to the existing programme will need to be approved. In parallel EIF will extend the instruments of co-investments alongside funds to the venture capital space, starting with a first facility under the ERP mandate. Additionally, the co-investment instrument alongside VC funds will be used under the IPE in order to increase EIF's geographic reach into less mature Venture Capital ("VC") markets.
- The first sale of equity tail-end funds has been successfully completed in 2015, and further individual and portfolio transactions of similar type are expected during this COP period.

## 2.2.2 Equity activity

Table 3 presents EIF forecast commitment volumes in the equity business, as well as the related catalytic effect for the years 2015 to 2017. Overall, equity investments are expected to regularly increase from EUR 2.2bn in 2015 to EUR 2.7bn in 2016 and reaching almost EUR 3bn in 2018. These volumes are subject to additional resources (e.g. RCR, EREM) being made available. A budget reallocation amounting to EUR 550m out of the SME Initiative Instrument to the Loan Funds Instrument is under approval. Additional RCR resources might be needed in the future depending on the final framework of the NPI platform.

*Table 3: Equity / Hybrid Debt/Equity commitments*

EUR m	COP & forecast 2015		COP 2016-2018			
	2015 COP	YE expected	2016 COP	# deals	2017 COP	2018 COP
LMM	1,145	1,196	1,382	57	1,560	1,610
ITI	885	1,000	1,306	74	1,354	1,354
<b>Total committed</b>	<b>2,030</b>	<b>2,196</b>	<b>2,688</b>	<b>131</b>	<b>2,914</b>	<b>2,964</b>
<b>By resource:</b>						
Own funds	70	115	98		101	113
EC Mandates	146	109	156	9	156	156
EIB Mandates	1,012	1,437	1,684	46	1,759	1,988
EREM Loan Funds	76	95	171	7	209	228
RCR	936	1,342	1,513	39	1,550	1,760
SIA	87	33	60	3	60	60
Regional Mandates/FoFs	585	349	529	32	616	406
Business Angels	81	74	42	29	42	42
Co-investments	50	80	120	12	180	200
<b>Total committed</b>	<b>2,030</b>	<b>2,196</b>	<b>2,688</b>	<b>131</b>	<b>2,914</b>	<b>2,964</b>
<b>of which IPE:</b>						
RCR	811	1,300	1,200			
EIF share (5% Co-inv)	43	65	60			
NPI Equity Platform			260		500	270 - 430
EIF share (5% Co-inv)			13		25	13 - 22
<b>Total IPE (including EIF/EC share)*</b>	<b>854</b>	<b>1,365</b>	<b>1,533</b>		<b>525</b>	<b>283 - 452</b>
<b>Total leveraged volumes</b>	<b>9,210</b>	<b>10,410</b>	<b>11,053</b>		<b>11,912</b>	<b>12,525</b>

\* EIF share is not part of the EUR 5bn IPE SMEW.

NB: NPI equity platform might represent additional volume depending on the final focus and layout.

In the Lower and Mid-market ("LMM") segment, commitment volumes are anticipated to grow gradually over the 2016-2018 period, from almost EUR 1.2bn in 2015 to EUR 1.6bn in 2018.

In the Investments Technology & Innovation ("ITI") segment (regrouping Tech Transfer, Business Angels, Social Impact and Venture Capital), commitment volumes are expected to reach EUR 1.3bn in 2016 vs EUR 1bn in 2015 and remain stable for the 2017-2018 period.



## 2.3 Guarantees, securitisation and microfinance

### 2.3.1 Guarantees, securitisation and microfinance strategy

Overall, the market has shown some signs of recovery in the macroeconomic situation, but there are significant market fragmentation and market gaps for SMEs financing. New channels are emerging to cover this gap (i.e. Loan Funds, crowdfunding and Peer to Peer lending).

Securitisation market (for both originators and investors) is expected to be affected by the new regulatory initiatives (Basel III securitisation framework and the forthcoming regulations following the public consultations from EBA, BCBS-IOSCO and the Commission in the Capital Markets Union request for comments).

It is the strong wish of the Commission to create a single market in the EU in the form of a Capital Markets Union. Among the measures announced at the end of September 2015 towards this goal, was a proposed Securitisation Regulation, as well as the definition of a category of securitisation transactions that are defined as Simple, Transparent and Standardised ("STS") which should attract a more lenient regulatory treatment. EIF has kept a constant dialogue with both the market and the various regulatory bodies to ensure that it can influence positively the future shaping of the SME securitisation market. In the last couple of years, regulatory uncertainty and feeble SME lending led to generally volatile issuance volumes.

In 2016, the debt products that will be deployed mainly refer to different types of products, blended or not blended, such as (i) centralized mandates (COSME, InnovFin, Erasmus+...), (ii) Securitisation, Regional, SMEi-type and other EIB group joint operations, and (iii) enhanced cooperation with NPIs including the possible new EFSI Securitisation platform. In more detail, the following activities have been considered during the COP period.

- The first SMEi have been launched in Spain and Malta. Bulgaria and Romania are expected to be signed and be deployed as of 2016. The EIB Group is also engaged in discussions with Managing Authorities in Italy and Finland.
- The InnovFin guarantee mandate (RSI successor), with a total budget of approximately EUR 1.1bn, has become fully operational at the end of 2014. The InnovFin budget is being frontloaded and will be fully committed by 2017 (guarantees for EUR 1.8bn in 2016 and EUR 1.3bn in 2017, including circa 80% of EIF senior tranche).
- COSME LGF was signed in July 2014 with a planned budget of approximately EUR 0.7bn, out of an aggregate budget of EUR 1.2bn for COSME equity and debt. The delivery of COSME LGF has been accelerated by the expected availability of the EFSI guarantee and budget should be fully committed by 2017 (EUR 229m in 2016 and EUR 210m in 2017).
- SME securitisation guarantee volumes are expected to remain stable, in view of the low spread environment and ongoing uncertainty about important regulatory aspects (despite signals that a more positive stance towards securitisation is being considered - in particular for SME portfolios). EIF will continue to support this market through the guarantee of senior tranche (EIF own risk) and mezzanine tranche (EREM ABS). EIF plans in 2016 and 2017 a volume of activity similar to 2015 (EUR 800m). The EIF activity will increasingly focus on mezzanine tranches and on warehousing facilities, where the demand for the EIF products is stronger and the EIF value added higher. The robust cooperation with EIB (both with joint operations and under the existing ABS Service Level Agreement) is expected to further grow.
- The Erasmus+ Programme that serves to support access to loan financing for mobile students across Europe at master's level has a total size of EUR 517m for the whole 2014-2020 period, of which EUR 200m are budgeted for the years 2016 to 2018.

- The Creative and Cultural Sector Guarantee Facility is planned to be signed in 2016. The total size of the mandate is EUR 121m and during the COP period, EUR 42m are expected to be committed in total.
- Inclusive Finance: the European Union Programme for Employment and Social Innovation ("EaSI"), successor of the European Progress Microfinance facility was signed in 2015, and EIF is already successfully deploying the EUR 96m guarantee window focusing on microfinance and social entrepreneurship. This deployment would be accelerated by frontloading this budget under the IPE. A new mandate with funded products under EaSI with a potential contribution also from EREM is under negotiation with the EC and will replace the Progress FCP loan mandate. Its size and focus is currently under negotiation and would form part of the Commission/EIB Group measures to support social inclusion through micro credit and social impact. EaSI will allow for the further development of an inclusive finance business activity. The total committed amount for the COP period is EUR 159m and it is envisaged to be partially frontloaded as part of IPE. Furthermore, in 2015 the originally planned signature of the EREM Instrument for Cooperative Banks did not materialise. Accordingly, for 2016 EIF has assumed no activity in this market segment, although the discussions with EIB around this instrument are ongoing.
- New products under the IPE (such as uncapped guarantee, securitisation) will be developed and implemented in 2016/2017. These products will likely be covered by the EFSI Guarantee.

As concerns national and regional EU Structural Funds/ESIF programmes, the availability period of the 2007-2013 generation will end in 2015, but new commitments might be added for the extended mandates. EIF will focus on securing new ESIF national and regional mandates for the next programming period (e.g. Basse-Normandie, Languedoc Roussillon, Romania, Silesia and Wielkopolska).

## 2.3.2 Guarantees, securitisation and microfinance activity

Table 4 presents EIF guarantee commitments and the related catalytic effect. Total commitments are expected to reach close to EUR 5bn in 2016 and steadily decrease from the years 2017 to 2018 due to fully deployment of SMEi in 2016, and depletion of InnovFin SMEG and COSME LGF funds by 2017.

*Table 4: Guarantee/Microfinance commitments*

	COP & forecast 2015		COP 2016-2018			
EUR m	2015 COP	YE expected	2016 COP	# deals	2017 COP	2018 COP
Securitisation / EREM ABS	800	800	800	11	800	800
InnovFin SMEG	1,491	1,550	1,766	35	1,319	-
COSME LGF	195	209	229	20	210	-
Erasmus+ / Creative & Cultur. Sect.	9	9	40	10	86	116
SME Initiative	790	1,735	1,536	21	-	-
Regional Mandates	191	179	185	18	292	28
EREM Loan Funds	105	100	300	7	300	300
IPE (New products)			83	2	266	600
Inclusive finance (EaSI/EPMF)	121	63	65	34	59	40
<b>Total committed</b>	<b>3,700</b>	<b>4,644</b>	<b>5,004</b>	<b>158</b>	<b>3,332</b>	<b>1,884</b>
<b>of which IPE:</b>						
COSME LGF	99	150	180		160	
InnovFin SMEG	168	250	300		210	
EIF share	598	643	692		523	
EaSI			36		18	
Securitisation/uncapped			27		73	150
EIF&EC share			56		193	450
<b>Total IPE (including EIF/EC share)*</b>	<b>865</b>	<b>1,043</b>	<b>1,291</b>		<b>1,177</b>	<b>600</b>
EIB ABS SLA	1,100	2,550	2,000	6	2,000	2,000
<b>Total leveraged volumes</b>	<b>11,480</b>	<b>12,606</b>	<b>16,385</b>		<b>14,334</b>	<b>8,416</b>

\* EIF/EC share is not part of the EUR 5bn IPE SMEW.

As highlighted above, EIF will explore the feasible options for prolonging and/or replacing mandates expiring in 2017. Currently a number of new initiatives are being discussed. The scenario below presents the additional volume which could be envisaged. Some of these initiatives would require changing the current legal base, the testing of eligibility criteria (for e.g. EAFRD) and would need to be deployed in some cases through specific and multiple national or regional mandates.

	COP & forecast 2015		COP 2016-2018		
<u>EUR m</u>	2015 COP	YE expected	2016 COP	2017 COP	2018 COP
Guarantees, Securitisation & Micro	3,700	4,626	4,984	3,329	1,900
<b>Potential new initiatives</b>					
Continuation of EC mandates (reflows from previous mandates/addit'l budget)					
SME initiative like (blended products)				EUR 1bn	EUR 2bn
AGRI-EAFRD/ENERGY/SOCIAL				to	to
Cooperative banks under EREM				1.5bn	3bn
Reallocation from EFG to LGF under COSME					
<b>Potential GSM volume incl new initiatives</b>				<b>4-5bn</b>	<b>4-5bn</b>

## 2.4 Funds absorption

Funds absorption is measured as a percentage of commitments, which have been disbursed and have reached final beneficiaries (Micro enterprises/SMEs/Small midcaps). It is part of EIF's KPIs and as such is regularly monitored. Targets have been set and reviewed for key mandates, particularly JEREMIE (first generation), RCR, Progress as well as the new ones (InnovFin Debt and Equity, COSME LGF & EFG, SMEi, Creative & Cultural Sector, Erasmus+, EREM loan funds and EaSI).

*Table 5: Estimated cumulative Absorption/Utilisation targets (year-end)\**

	2016	2017	2018
RSI	100%	n.a.	n.a.
JEREMIE **	95%	n.a.	n.a.
RCR	70%	70%	70%
Progress	75%	80%	85%
InnovFin SMEG	30%	35%	40%
COSME LGF	30%	35%	40%
EaSI GF	25%	40%	45%
SME initiative	25%	30%	35%
InnovFin Equity	5%	15%	20%
COSME EFG	5%	15%	20%
EREM Loan Funds	5%	15%	20%
Erasmus+	5%	15%	20%
Creative & Cultural Sector	0%	5%	15%

\* absorption calculated as the amount of the loan portfolio generated by the intermediaries (for guarantees) or the disbursed amount (for equity) over the amount committed to FIs at the latest report date

\*\* calculated as a % of Holding Fund size

## Appendix 1: Glossary of Terms

ABS	Asset-Backed Securities
BCBS	Basel Committee on Banking Supervision
COP	Corporate Operational Plan
COSME	Competitiveness for SMEs
DVI	Dutch Venture Initiative
EAF	European Angel Funds
EAFRD	European Agricultural Fund for Rural Development
EaSI	European Union Programme for Employment and Social Innovation
EBA	European Bank Authority
EC	European Commission
ECB	European Central Bank
EFG	Equity Facility for Growth
EFSI	European Fund for Strategic Investments
EREM	EIB Group Risk Enhancement Mandate
ERP	European Recovery Programme
ESIF	EU Structural and Investment Fund
EU	European Union
FoF	Funds of Funds
GF	Guarantee Facility
G&S	Guarantees & Securitisation – EIF Service
IOSCO	International Organisation of Securities Commissions
IPE	Investment Plan for Europe
JEREMIE	Joint European Resources for Micro to Medium Enterprises
LGF	Loan Guarantee Facility
LMM	Lower Mid-Market
MCIF	Mezzanine Co-Investment Facility
MFF	Multi-Annual Financial Framework
MDD	Mezzanine Dachfonds für Deutschland
NPI	National Promotional Institutions
PE	Private Equity
PI	Promotional Institution
RCR	Risk Capital Resources
ROE	Return On average Equity

RSI	Risk Sharing Instrument
SIA	Social Impact Accelerator
SME	Small and Medium-sized Enterprise
SMEi	SME Initiative
SMEG	SME Guarantee Facility
STS	Single Transparent and Standardised
TGIF	Turkish Growth and Innovation Fund
VC	Venture Capital