



OPEN CALL FOR EXPRESSION OF INTEREST TO SELECT FINANCIAL INTERMEDIARIES

Published on 11 / April / 2022

The purpose of this open call for expression of interest (the “Call”), launched by the European Investment Fund (“EIF”) in cooperation with the European Commission (“EC”), is to select eligible Financial Intermediaries to benefit from certain portfolio guarantee products in line with the InvestEU Fund policy objectives (“InvestEU Portfolio Guarantee Products”).

All applications by Financial Intermediaries to the EIF should conform to the terms of this Call.

These documents and information are indicative, non-binding, published for information purposes and might be subject to change. None of the information contained herein constitute a commitment from the EIF. All capitalised terms and expressions shall have the meaning attributed to them in this Call document, or as may be defined in the relevant annexes hereto, as appropriate.

Contents

1	Introduction.....	3
2	InvestEU Portfolio Guarantee Products.....	4
3	Eligible Financial Intermediaries	5
4	Compliance and Integrity Principles	5
5	The Application Process.....	7
6	The Selection Process.....	8
6.1	Screening (pre-selection)	8
6.2	Due diligence	11
6.3	Approval Process.....	11
6.4	Negotiation and signature	12
7	Advisory support.....	12
8	Sustainability Proofing	12
9	Publishing of information.....	12
10	Language and governing laws.....	13

1 Introduction

On 24 March 2021, Regulation (EU) No 2021/523 of the European Parliament and of the Council establishing the InvestEU Fund was adopted (“InvestEU”).

Pursuant to the agreement between the European Union (the “EU”), the European Investment Bank and the European Investment Fund dated 7 March 2022, the EIF has been entrusted by the EU to implement part of InvestEU through various financial products, including portfolio guarantee products to improve access to finance for European companies.

EIF, through the use of portfolio guarantees and counter-guarantees, will contribute to the following policy objectives: (i) the competitiveness of the EU; (ii) growth and employment in the EU economy, the sustainability of the EU economy and its environmental and climate dimension; (iii) the social resilience; (iv) the promotion of scientific and technological advances, of culture, education and training; (v) the integration of the EU capital markets and the strengthening of the internal market; (vi) the promotion of economic, social and territorial cohesion; or (vii) the sustainable and inclusive recovery of the EU economy after the crisis caused by the Covid-19 pandemic.

The EIF portfolio guarantee products under InvestEU can be structured either as direct Guarantee(s) or Counter-Guarantee(s) and in each case in the form of either Capped or Uncapped (Counter-) Guarantee(s) as elected by the Financial Intermediary and in accordance to the terms applicable to each InvestEU Portfolio Guarantee Product.

2 InvestEU Portfolio Guarantee Products

EIF will provide (Counter-) Guarantees to selected Financial Intermediaries through the InvestEU Portfolio Guarantee Products, as follows:

- 1) **SME Competitiveness Portfolio Guarantee Product**, the successor of COSME Loan Guarantee Facility, which aims to improve the competitiveness of enterprises by facilitating access to, and the availability of, finance to SMEs, as further described in Annex IV (a) of this Call;
- 2) **Sustainability Portfolio Guarantee Product**, a new guarantee product that will support a green and fair transition and uptake of green, sustainable and inclusive investments of the target final recipients, as further described in Annex IV (b) of this Call;
- 3) **Innovation and Digitalisation Portfolio Guarantee Product**, the successor of InnovFin SME Guarantee Facility and the COSME LGF digitalisation pilot, which aims to support innovation and digitalisation driven enterprises, by enhancing access to finance to R&I intensive beneficiaries (SMEs and Small Mid-Caps) as well as supporting the uptake of digital technologies and digital transformation of enterprises, as further described in Annex IV (c) of this Call;
- 4) **Cultural and Creative Sectors Portfolio Guarantee Product**, the successor of CCS Guarantee Facility, which aims to enhance access to finance for target final recipients in the cultural and creative sectors, supporting its thriving, agile and creative ecosystem, consolidating its resilience and allowing it to adapt to the challenges ahead, as further described in Annex IV (d) of this Call;
- 5) **Microfinance and Social Portfolio Guarantee Product**, the successor of EaSI GFI, aims at enhancing access to finance for microfinance and social enterprises as further described in Annex IV (e) of this Call.
- 6) **Skills and Education Portfolio Guarantee Product**, the successor of the EFSI Skills & Education Guarantee Pilot which aims to enhance access to finance for students and learners, enterprises providing training to their employees, organisations active in the skills, education and training sectors as well as organisations providing services ancillary to skills, education and training in order to develop a nascent market for education finance as further described in Annex IV (f) of this Call.

3 Eligible Financial Intermediaries

This Call is addressed to potential Financial Intermediaries established and operating in any Member States of the EU or in an OCT, or as updated in this Call from time to time.

Potential Financial Intermediaries shall:

- a) represent that they are not in any of the Exclusion Situation, as further described in the Appendix 1 of this Call.
- b) comply with the relevant international and EU standards and legislation, as applicable, on the prevention of money laundering, the fight against terrorism tax fraud, tax evasion and artificial arrangements aimed at tax avoidance and shall not perform any illegal activities, and
- c) not be established in an NCJ, unless the Guarantee Transactions, as applicable, shall be physically implemented in the relevant Non-Compliant Jurisdiction and shall not present any indication that they support actions that contribute to (i) criminal activities such as money laundering, financing of terrorism, tax crimes (i.e. tax fraud and tax evasion) and/or (ii) wholly artificial arrangements aimed at tax avoidance;
- d) not be subject to Restrictive Measures.

4 Compliance and Integrity Principles

The EIB Group Anti-Fraud Policy¹, the EIB Group Policy towards Weakly Regulated, Non-transparent and Non-cooperative Jurisdictions and Tax Good Governance² (the “EIB Group NCJ Policy”), the EIB Group Anti-Money Laundering and Combating Financing of Terrorism Policy³ (the “EIB Group AML-CFT Policy”), the EIF Transparency Policy⁴, the Guidelines on EIF Restricted Sectors⁵, the EIF Environmental, Social and Corporate Governance (ESG) Principles⁶, the EIB Group Whistleblowing Policy⁷ and the Paris Alignment Restrictions⁸ shall apply to all Individual (Counter-) Guarantee Agreements under InvestEU.

The EIB Group is committed to continue maintaining a stringent policy against tax fraud, tax evasion, tax avoidance as well as money laundering and terrorism financing.

All EIF operations are assessed in line with the due diligence standards promoted by the EIB Group AML-CFT Policy and the EIB Group NCJ Policy. Operations with NCJ links are subject to enhanced due diligence to determine whether:

- a) the levels of transparency and integrity of the relevant operation are satisfactory to the EIB Group (in particular the contracting counterparty/ies and their beneficial owners must be clearly identified);
- b) the contracting counterparty/ies can provide plausible justifications for the NCJ location link; or

¹ <https://www.eib.org/en/publications/anti-fraud-policy>

² <https://www.eib.org/en/publications/eib-policy-towards-weakly-regulated-non-transparent-and-uncooperative-jurisdictions>

³ <https://www.eib.org/en/publications/eib-group-anti-money-laundering-and-combatting-the-financing-of-terrorism-policy>

⁴ https://www.eif.org/news_centre/publications/EIF_Transparency_policy

⁵ https://www.eif.org/attachments/publications/about/2010_Guidelines_on_restricted_sectors.pdf

⁶ https://www.eif.org/news_centre/publications/esg-principles.htm

⁷ <https://www.eib.org/en/publications/eib-group-whistleblowing-policy>

⁸ https://www.eif.org/news_centre/publications/paris-alignment-restrictions.pdf

- c) there is a risk that the operation is (or may be) misused for (i) criminal activities such as money laundering, financing of terrorism, tax crimes (i.e. tax fraud and tax evasion) and/or (ii) wholly artificial arrangements aimed at tax avoidance.

The enhanced vigilance may consider, on a risk-sensitive basis and as applicable, relevant elements of the Anti-Tax Avoidance Toolbox in Appendix 1 to the EIB Group NCJ Policy.

All Applicants are therefore hereby notified that in the course of the EIF tax integrity due diligence process, information on contracting counterparty's full ownership diagram, including all direct/indirect 10% (or more) ultimate beneficial owners (UBOs) (or deemed controlling), may be requested and that additional questions may arise as part of this process.

For more information, please refer to the FAQ on the EIB Group NCJ Policy at this [*webpage*](#)⁹.

As part of its due diligence process, EIF will analyse and exclude any applicant which itself or any of its UBOs/key persons are subject to UN/EU/OFAC/UK restrictive measures (sanctions) in relation to the invasion of Ukraine by the Russian Federation.

⁹ <https://www.eib.org/en/about/compliance/tax-good-governance/faq>

5 The Application Process

Interested Applicants shall submit, before 30 June 2027 by e-mail to the EIF a formal Expression of Interest to the relevant address indicated below. The deadline applies to the receipt of the email by the EIF. For the avoidance of doubt, applications shall only be submitted via e-mail. EIF does not accept paper applications.

The Expression of Interest shall be submitted to the EIF in the form of Annex I to this Call. It is to be noted that institutions may group together through submitting a joint Expression of Interest. In the Expression of Interest one coordinating entity shall act as the Applicant. The Applicant shall apply in the name and on behalf of the Participating Entities and shall indicate to the EIF the basis for the joint application.

Following selection of such joint application, one Individual (Counter-)Guarantee Agreement may be signed with the Applicant (in its own name and/or behalf and/or on behalf of Participating Entities), or the Applicant and Participating Entities or, alternatively, separate Individual (Counter-)Guarantee Agreements may be signed with the Applicant and each Participating Entity. The ultimate decision on the form of the Individual (Counter-)Guarantee Agreement(s) shall be made at the discretion of the EIF, taking into account the nature of the underlying transaction.

An acknowledgement of receipt shall be sent to the relevant Applicant by the EIF, via e-mail, which shall confirm that the Expression of Interest was received. Such acknowledgement of receipt shall not be construed as a declaration of completeness of the Expression of Interest and the documents submitted therewith, nor any kind of assessment or acceptance of the same.

Each Expression of Interest shall:

- be sent via email in an electronic version to: investeu_guarantees@eif.org
- state in the subject of the email: “InvestEU Guarantee Product(s) - Expression of Interest: [*name of the Applicant*]”;
- be prepared in English;
- contain the complete set of relevant documentation (including a scanned copy of the Expression of Interest duly completed and signed).

The EIF reserves the right at any time to request clarifications or the submission of additional or supplementary information in respect of an application, verify with any Applicant or with a third party any information set out in any submission.

The Applicants may withdraw, in the same manner in which they applied, i.e. via email their Expression of Interest at any stage of the selection process.

The EIF reserves the right, at any time to:

- make changes to the Call, the selection process or associated terms, dates and deadlines;
- replace the Call with another call for expression of interest;
- cancel the Call in its entirety.

For the avoidance of doubt, Applicants and Participating Entities, if any, may apply for one or more InvestEU Portfolio Guarantee Products under both Capped and Uncapped (Counter-) Guarantee(s).

Any personal data provided by the Applicants and Participating Entities shall be processed by the EIF in compliance with its Data Protection Statement and the Regulation (EU) 2018/1725 on the protection of individuals with regard to the processing of personal data by the Union institutions, bodies, offices and

agencies and on the free movement of such data, as amended from time to time. For further information visit [Data Protection Statement¹⁰](#).

6 The Selection Process

The Applicants and the Participating Entities, if relevant, will be selected in accordance with the EIF rules, policies and procedures and to the specific types of operations supported under InvestEU, at the time of signature of the relevant operation (as may be adapted or modified from time to time). The EIF regularly reviews its guidelines and procedures, both in the context of regular annual reviews as well as in the context of EIB Group developments, for example relating to EIB Group compliance standards.

Applicants will be selected with due consideration to the general principles of transparency, equal treatment and non-discrimination while avoiding conflict of interests and in compliance with EIF’s policies, rules, procedures and statutes and in conformity with best market practices.

The selection process of each Applicant typically comprises the following stages (as per below), provided that each preceding stage was concluded with a positive result. EIF may perform streamlined screening or due diligence process for Financial Intermediaries with whom EIF has a previous experience and to the extent EIF already holds the required information. This right will be exercised at the discretion of the EIF.

- Stage 1: Screening (pre-selection)
- Stage 2: Due diligence
- Stage 3: Approval process
- Stage 4: Negotiation and signature

6.1 Screening (pre-selection)

Stage 1 shall entail a first assessment/screening of whether the proposal can be taken forward.

The EIF shall assess applications on a continuous basis and on a “first come, first assessed” basis, using professional analysis and judgment.

The pre-selection comprises of:

1. Formal assessment of the application; and
2. Impact and quality assessment of the application

Only applications that meet the formal criteria, as further described in section 6.1.1 below, may continue through the impact and quality application assessment process.

6.1.1 Formal assessment of the application:

The EIF shall assess whether the application has been prepared in accordance with the provisions of this Call according to the formal criteria:

- 1) The Applicant (and any Participating Entity as the case may be):

¹⁰ http://www.eif.org/attachments/eif_data_protection_statement_financial_intermediaries_due_diligence_en.pdf

- a) is established and operating in one of the Eligible Countries;
 - b) is or will be authorised to carry out their business under the applicable regulatory framework;
 - c) is not established in a Non-Compliant Jurisdiction, unless the Final Recipient Transaction and, if applicable, the Intermediary Transaction, are physically implemented in the relevant Non-Compliant Jurisdiction and do not present any indication that they support actions that contribute to (i) criminal activities such as money laundering, financing of terrorism, tax crimes (i.e. tax fraud and tax evasion) and/or (ii) wholly artificial arrangements aimed at tax avoidance.
 - d) makes the representation set out in items 1, 4 and 5 of Annex I - *Expression of Interest*.
 - e) is not subject to Restrictive Measures
 - f) With respect to the Microfinance Portfolio Guarantee Product only, the Applicant has signed up to, in the case of non-bank Financial Intermediaries, or endorsed, in the case of bank Financial Intermediaries, the European Code of Good Conduct for Microcredit Provision.
- 2) The Expression of Interest has been submitted and prepared in accordance with the Call and that all representations, information and supporting documentation required thereunder have been provided (in the form requested, where specified).

The applications that do not conform to the formal criteria are rejected. If the Applicant or any Participating Entity covered by the application does not comply with the formal criteria, the entire application is rejected.

6.1.2 Impact and quality assessment

After the formal check of the received Expressions of Interest and after having obtained any additional information or clarifications from Applicants, if and as needed, the EIF will pre-select the Applicants (and any Participating Entities as the case may be) based on the results of the **quality and impact assessment** of the applications received.

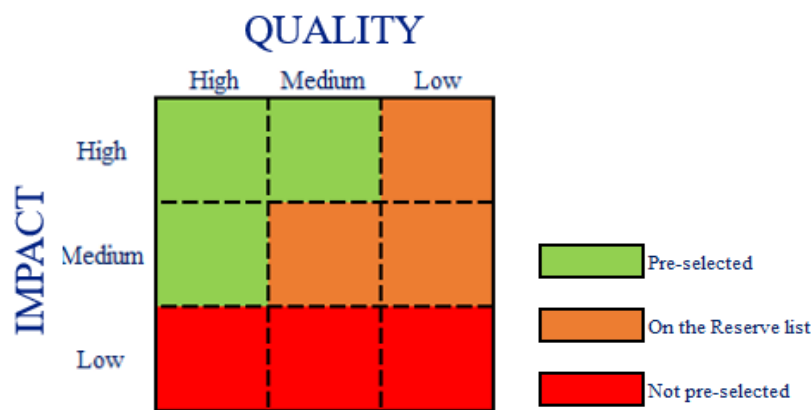
The quality and impact assessment criteria set out in this section 6.1.2 are assessed at the discretion of EIF with equal importance, which means the pre-selection process does not give specific weight to any one of these criteria. Based on its assessment EIF will assign the “quality” score and “impact” score to an application.

In case the Applicant (and any Participating Entities as the case may be) submits a proposal capturing several InvestEU Portfolio Guarantee Products, EIF will assess the quality and impact of the application separately in respect of each InvestEU Portfolio Guarantee Product(s) applied for. Based on this assessment applications may be rejected, pre-selected or partially pre-selected, meaning that the EIF may pre-select the application related to certain InvestEU Portfolio Guarantee Products proposed.

Applications for the InvestEU Portfolio Guarantee Products, for which the “impact” and “quality” scores are assessed as “High” and/or “Medium” will be pre-selected.

Applications for the InvestEU Portfolio Guarantee Products, for which the “impact” score is assessed as “Low” will be rejected.

The remaining applications will be placed on a reserve list, which will remain available for pre-selection until the deadline of this Call. Such applications may be progressed to a further stage at a later date, at EIF discretion, taking into account demand and budgetary availability under the respective InvestEU Portfolio Guarantee Products.



In the **assessment of the impact** of the application, EIF will base its assessment on the following criteria:

- a) the access to finance measures proposed by the Applicant, i.e. the number and the extent of the Applicant's proposed Enhanced Access to Finance Measures in the implementation of the InvestEU Portfolio Guarantee Product(s) applied for
- b) the additionality of the proposed implementation measures of the proposal (market outreach, product scope and type, business model) relative to the Applicants current business practices.

In the **assessment of the quality** of the application, EIF will base its assessment on the following criteria:

a) **Applicant quality** assessment criteria:

- i. Financial standing
- ii. The ability to comply with applicable terms and conditions of relevant InvestEU Portfolio Guarantee Product(s), particularly to provide or to support financing, directly or indirectly, to Final Recipients within a pre-defined timeframe (absorption capacity);
- iii. The ability of the Applicant to provide the necessary data in order for EIF to properly conduct its analysis and assessment of the Applicant's track record and future activity;
- iv. Compliance assessment (KYC/AML screening and tax integrity)
- v. With respect to the Microfinance Portfolio Guarantee Product only, the ability of the Applicant to provide or sub-contract mentoring and training programmes for Final Recipients (including the follow-up of Final Recipients before and after the creation of a micro-enterprise), or the Applicant's ability to ensure this through the Financial Sub-Intermediaries, if applicable;

b) **Portfolio quality** assessment criteria:

- i. quality and plausibility of the implementation proposal in terms of proposed volumes, type of beneficiaries targeted, financial products used, transaction sizes
- ii. the credit risk contribution of the proposed portfolio to the overall Invest EU Guarantee programme (credit quality, granularity and diversification)

In any phase of the selection process until and prior to entering into an Individual (Counter-) Guarantee Agreement with an Applicant, the EIF reserves full discretion as to whether to consider or not consider an Applicant, and no Applicant shall have any claim or other right or may expect to be ultimately selected as a Financial Intermediary. Any negotiation of terms and conditions of the Individual (Counter-) Guarantee Agreement(s) by no means entails any obligation for the EIF to enter into such Individual (Counter-) Guarantee Agreement with the relevant Applicant.

At any stage of process, the EIF may communicate, via e-mail, to the relevant Applicants whether their Expression of Interest has been taken forward, rejected or placed on a reserve list.

Those Applicants, whose Expression of Interest is rejected at any stage of the selection process, shall have the right to submit a written complaint by e-mail, to complaints@eib.org within thirty (30) days of receipt of the rejection notice. Any complaints will be dealt within the framework of and in accordance with the EIB Group complaints policy¹¹.

6.2 Due diligence

Pre-selected Applicants will progress to the due diligence process, which will be carried out in accordance with the EIF's internal rules and procedures.

The aim of the due diligence is to assess the Applicant based on, inter alia, the ability to build up each envisaged Portfolio(s), Access to Finance Measures proposed, the risk characteristics of each envisaged Portfolio, the quality of origination, risk management, collection recovery/workout processes, systems and ability to comply with the reporting requirements. The due diligence may comprise an on-site visit, which shall be at the discretion of the EIF. The due diligence process does not comprise legal negotiations.

Such due-diligence assessment will be carried out, with a main focus on, inter-alia:

- a) General information such as the institution's business plan with regard to lending/guaranteeing, the origination, risk management, collection recovery/workout and the ability to comply with the reporting requirements, including a questionnaire on compliance-related issues (AML/CFT and tax integrity);
- b) Financial information such as funding sources and ownership structure;
- c) Pricing policy as set out in the Applicant's (or Participating Entities', as relevant) internal guidelines with a particular focus on how it would apply to Final Recipients to be supported under the relevant InvestEU Portfolio Guarantee Product(s);
- d) Enhanced Access to Finance Measures proposed and Applicant's ability to build up each envisaged Portfolio; and
- e) Information, in the form of a questionnaire, on how Environmental, Social, Governance ("ESG") factors form part of the Applicant's business decisions (focusing on the relevant business segments covered by this Expression of Interest)

6.3 Approval Process

Following positive outcome of the due diligence (and prior to entering into an Individual (Counter-) Guarantee Agreement with an Applicant), the proposal to be supported under InvestEU shall be submitted by the EIF to its relevant decision making bodies for approval.

EIF has no obligation to enter into an Individual (Counter-) Guarantee Agreement with a selected Applicant. The participation of any institution will depend, inter alia, on the budget available for the relevant InvestEU

¹¹ [EIB Group Complaints Mechanism overview](#)

Portfolio Guarantee Product(s) and other considerations made by the EIF such as, without limitation: outcome of the due diligence, impact of each envisaged Portfolio on the aggregate InvestEU EIF portfolio and result of negotiations with the Applicant. Furthermore, EIF can only enter into operations which have received a favourable opinion from the European Commission in the context of the policy check process, and have obtained an approval from the Investment Committee.

6.4 Negotiation and signature

Subject to and following positive conclusion of the Approval Process and the finalisation of the contractual documentation with the Applicant, the appropriate Individual (Counter-) Guarantee Agreement(s) shall be signed with the Applicant. The Individual (Counter-) Guarantee Agreement(s) shall be prepared in English.

7 Advisory support

Advisory support may be offered by EIF, in cooperation with EIB Advisory Services, to eligible Financial Intermediaries requiring such support for the specific InvestEU Portfolio Guarantee Products.

The respective Advisory support activities with terms and conditions of participation, will be made available gradually by EIF¹² and be posted on a dedicated EIF InvestEU webpage.

8 Sustainability Proofing

Within the due diligence process, EIF will assess the Applicant's¹³ environmental, climate and social risk management procedures and the capacity to screen, assess and manage environmental, climate and social risks associated with its business activity, including the presence of an Environmental and Social Management System (ESMS), by means of an "ESG" questionnaire during the selection process. In addition, certain provisions and restrictions to address potential significant impacts that Final Recipient Transactions might have on the dimensions of climate, environment and social will apply as set out in Annex II or Annex III of this Call, as applicable.

9 Publishing of information

EIF shall publish on its website each year a list of Financial (Sub-) Intermediaries and Final Recipients supported by the InvestEU Fund, which shall include:

- a) for each Financial (Sub-) Intermediary, the name, address, the financing form, the InvestEU Portfolio Guarantee Product name and the InvestEU (counter-) guarantee amount; and

¹² Subject to the conclusion of the contractual arrangements between EIB and EIF in respect of IEU Advisory.

¹³ EIF may also choose to complete the assessment for each Participating Entity, where relevant.

- b) a list of Final Recipients where the principal amount of the respective individual Final Recipient Transaction exceeds EUR 500 000, containing for each Final Recipient: its name, the financing form and the location of the Final Recipient (meaning its address, when the Final Recipient is a legal person, or the region at NUTS 2 level, when the Final Recipient is a natural person).

The publication shall not be required if any Financial Intermediary, prior to signing an Individual (Counter-) Guarantee Agreement covering any InvestEU Portfolio Guarantee Product declares in writing to the EIF (including by a representation in the Individual (Counter-) Guarantee Agreement) that the publication requirements set out in this section 9 risk harming its commercial interests or risk threatening the rights and freedoms of the persons or entities concerned as protected by the Charter of Fundamental Rights of the European Union. Similarly, the publication related to the Financial Sub-Intermediary and, respectively, Final Recipient shall not be required if the Financial Sub-Intermediary or Final Recipient declares in writing to the Financial (Sub-) Intermediary, as applicable, prior to receiving financial support under an agreement governing the Guarantee Transaction (including by a representation in the relevant agreement), that the publication requirements set out in this section 9 risk harming its commercial interests or risk threatening the rights and freedoms of the persons or entities concerned as protected by the Charter of Fundamental Rights of the European Union.

In addition, such publication shall not be required if it would be illegal under the applicable laws and regulations. As far as natural persons are concerned, the publication shall comply with the requirements set out in Articles 4 and 5 of Regulation (EU) 2018/1725, as amended from time to time.

10 Language and governing laws

The Expression of Interest shall be prepared in English. The terms of the Individual (Counter-) Guarantee Agreement shall be in English and shall be governed by Luxembourgish law.

Applicants acknowledge that they may be requested to use a digital signature for the purpose of signing the Individual (Counter-) Guarantee Agreement.