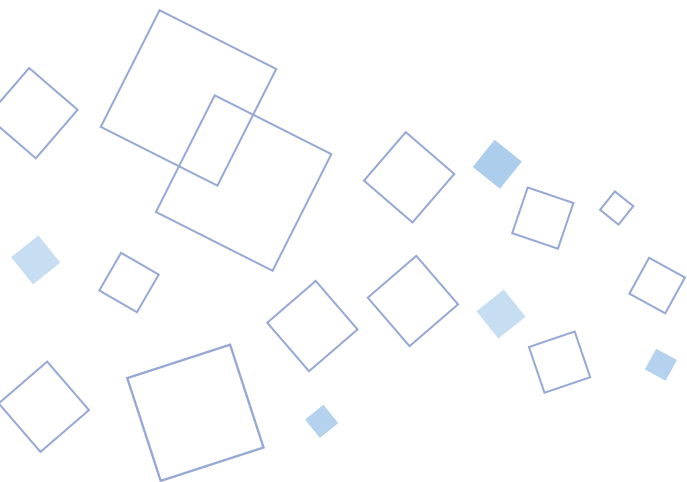


**InnovFin**  
EU Finance for Innovators



# InnovFin

## Fund-of-Funds



## What is InnovFin Equity?

- InnovFin Equity - managed by EIF - is part of "InnovFin - EU Finance for Innovators", an initiative launched by the European Commission and the EIB Group in the framework of Horizon 2020.
- Under InnovFin Equity, EIF provides equity investments and co-investments to or alongside funds focusing on the early stage financing of enterprises that operate in innovative sectors covered by Horizon 2020, and that are located or active in the EU or Horizon 2020 Associated Countries (Participating Countries). In this way, InnovFin Equity supports micro, small or medium-sized enterprises (SMEs) and social enterprises which play a crucial role in promoting innovation and the creation of growth and employment, but which face difficulties in accessing finance.

## What is InnovFin Fund-of-Funds?

- InnovFin Fund-of-Funds (FoF) is part of the InnovFin Equity umbrella managed by EIF. InnovFin FoF targets investments into venture and multi-stage fund-of-funds.
- EIF seeks to invest in fund-of-funds that have a geographical coverage of at least 4 Participating Countries, and that focus on early stage venture capital or have a balanced strategy with a significant target allocation to early stage.

## What are the main features of InnovFin Fund-of-Funds?

- InnovFin FoF investments are carried out on a *pari-passu* basis with other investors in the fund-of-funds.
- The investee fund of a fund-of-funds must focus on areas covered by the societal challenges and industrial leadership of Horizon 2020.
- The investment strategy the fund-of-funds shall foresee a significant allocation to early-stage enterprises established or active in one or more Participating Countries (determined as a percentage of the aggregate investee funds' investable amounts), to be achieved through or alongside its investee funds.
- The maximum investment to a fund-of-funds under this initiative is limited to EUR 50m, and shall not represent more than 25% of the total commitments of the fund-of-funds. However, EIF may invest more than 25% but not more than 50% of the total fund-of-funds' commitment, if an EIF investment is made at any closing other than the final closing, and the policy fit of an EIF investment in a fund-of-funds is high, as per EIF's assessment.
- The fund-of-funds' terms shall reflect market practice.
- The fund-of-funds shall have at least 30% of total commitments coming from private investors at the time of EIF's closing.
- The managers of the fund-of-funds have to be established or operating in Participating Countries.
- The fund-of-funds activities should not breach ethical principles or contravene EIF restricted sectors.

Additional terms and conditions can be found in the Call for Expression of Interest, which is published on EIF's website. EIF selects applicants after a full assessment and due diligence process.

## What are the requirements at the underlying investee funds level?

The funds in which the fund-of-funds seek to invest should also adhere to certain requirements as follows:

- Shall focus their investment strategy on areas covered by the societal challenges and industrial leadership of Horizon 2020.
- Should focus their strategies on early stage or multi-stage with significant early stage allocation.
- Managers must be established or operating in one of the Participating Countries.
- Must have sound governance structure and processes that allow for an effective management of conflicts of interest, and for investment and divestment decisions to be made in accordance with market practice and the fund's legal documentation.
- Activities should not breach ethical principles or contravene EIF restricted sectors.

Additional terms and conditions can be found in the Call for Expression of Interest, which is published on EIF's website.

## How to apply?

- InnovFin Fund-of-Funds is part of InnovFin Equity. Applicants are encouraged to visit EIF's website for further details on investments under this instrument. InnovFin Equity is deployed as part of the Single EU Equity Instrument and as part of the EFSI Equity Instrument, for which respective Calls for Expression of Interest are published on EIF's website:

[www.eif.org/innovfinequity](http://www.eif.org/innovfinequity)

- An application can be made before 30 September 2020 at the latest, or an earlier date as notified by EIF on its website. EIF will select fund-of-funds following a commercial and legal due diligence process.
- Applicants should submit the details of the investment proposal / Private Placement Memorandum, including at least the information set out under the Call documentation, according to the instructions found on our website:

[www.eif.org/EIF\\_for/venture\\_capital\\_equity\\_funds/index.htm](http://www.eif.org/EIF_for/venture_capital_equity_funds/index.htm)

## Information for businesses – How to access EU financing

Businesses can contact selected financial institutions in their country to get access to finance supported by the EU:

[www.access2finance.eu](http://www.access2finance.eu)

Interested funds can find information on how to work with the European Investment Fund on its website:

[www.eif.org](http://www.eif.org)

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