



Risk-Sharing Finance Facility (RSFF) in FP7

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Workshop on EU financial instruments for RDI



What is the RSFF?

- An innovative **loan finance instrument** co-developed by the EC/EIB and supported by FP7
- Operational since 2007 and available until the end of 2013
- Provides loan finance for **Research, Development, Demonstration and Innovation** in EU Member States and FP7 Associated Countries
- Can support **riskier but creditworthy RDI projects** through risk-sharing between the EU and the EIB
- Is **demand-driven**: projects supported on a “1st come, 1st served” basis (no grant procedures, no expert panels)
- From 2012: a **new portfolio FLP approach**

EU/EIB Risk-Sharing & multiplying effect

FP7 Contribution:
up to € 1 billion



EIB Contribution:
up to € 1 billion

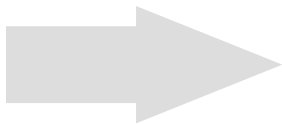
up to € 2 billion
for **Risk coverage** for potential losses
(non-repayment of RSFF loans by borrower/ beneficiary)

allows EIB Group to provide up to € 10 billion
of **RSFF loans and guarantees**

for Research, Development & Innovation investments

Beneficiaries

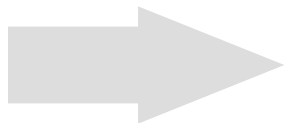
- Mid-Caps and large corporates (typically unrated / sub investment grade / turnaround situations)
- SMEs
- Research Institutes
- Universities
- Special Purpose / Project Companies
- Research Infrastructure promoters



**Any size and ownership
legal entity established in MS or AC**

What is eligible (1/2)

- Project capital expenditures in tangible assets.
- Intangible assets:
 - Research staff cost
 - Incremental working capital requirements
 - Acquisition of Intellectual Property Rights



Multi-annual R&D budgets
(typically 3-4 years)
Financing up to 50% of total cost



What is eligible (2/2)

Fundamental research

EC window

Definition stage / feasibility studies

EC window

Industrial research

EC window

Pre-competitive development activity

EC window

Pilot and demonstration projects

EC window

Innovation

EIB window
partly EC window

Which products

- Corporate Loans (senior / junior)
- Guarantees
- Project Finance
- Mezzanine Loans
- Risk Sharing Facilities with banks
- Other structured products
- Development of specific RSFF products by the EIB

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Risk Capital

- **Facility: High Growth Innovative SME Scheme (GIF), Ecotech**
- Purpose: IP financing, technology transfer, seed financing, investment readiness
- Target Group: VC Funds, Business Angels
- EIF Product: Fund-of-Funds

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CIP Resources (SME)

- **Facility: CIP Guarantee schemes**
- Purpose: Growth financing for SMEs
- Target Group: Formal VC Funds, CLOs
- EIF Product: SME guarantees (loans, microcredit, equity/mezzanine, securitisation)

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RSFF (SME / MidCap / LC)

- **Facility: RSFF**
- Purpose: RDI financing
- Target Group: SMEs/MidCaps, Banks, PE Investors,
- EIB Product: Loans (incl. Mezzanine), Funded Risk Sharing Facilities with Banks (Investors)

Bank Loans and Guarantees

Formal VC Funds

Seed/Early Stage VC Funds

Business Angels

Entrepreneur, friends, family

Seed / Start-Up Phase

Emerging Growth Phase

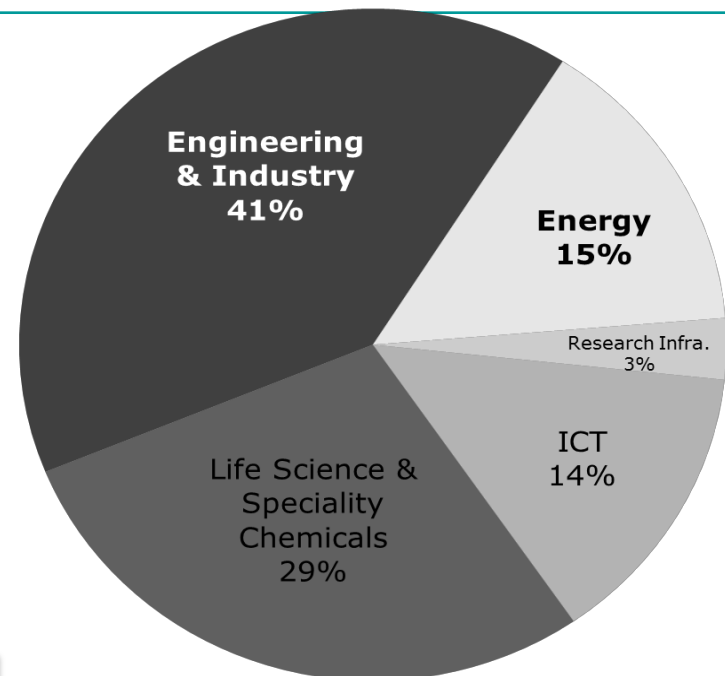
Development Phase

RSFF results and portfolio

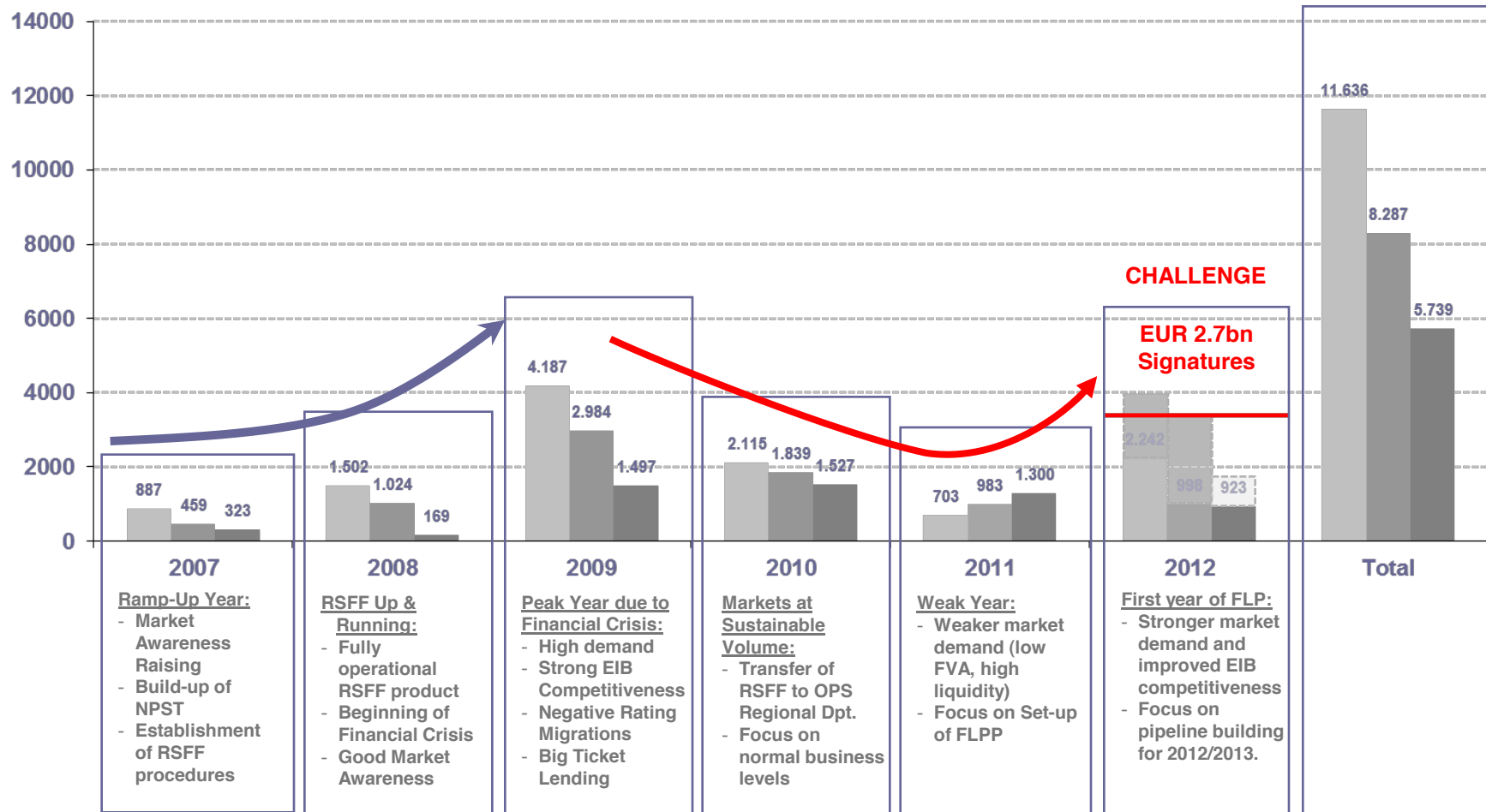
since Mid-2007 to end September 2012

- **Approved** loans (by EIB): **EUR 11.2 billion**
- **Signed** loans (loan contract EIB – borrower): **EUR 8.5 billion**
- **More than 80 signed projects** in **21 European countries** (19 MS & 2 AC)

Results by sector:



RSFF Approval/Signature/Disbursement Volume in EURm (august 2012)





Innovative anticancer treatments: helping bring 4 cancer drugs to the market



PharmaMar: Spain's leading biotech company dedicated to developing **innovative anticancer treatments from marine origin**

- Biopharmaceutical research & development in the areas of oncology and orphan diseases
- Different forms of cancer targetted, including rare cancers
- **EUR 30 million RSFF loan**

www.pharmamar.com

Cleaner engines: improving energy efficiency



- **AVL:** Austrian family-owned specialist with strong reputation for producing fuel-saving technologies for **powertrain** systems
- Offers research and development support to many major car manufacturers worldwide.
- **EUR 30 million RSFF loan** to help AVL extend powertrain R&D and research in the areas of hydrogen fuel-cell technology, nanocomposites and engine technologies, supporting the European Union objectives of decreasing emissions and reducing the impact of transport on climate change.

www.avl.com

Financing solar power: using indigenous renewable energy to contribute to combat climate change



- **Solucar Solar Thermal Power project :**
Europe's first commercially operating power station using the sun's energy, west of Seville (Spain)
- **EUR 50 million RSFF loan** to further develop a large scale application of Concentrating Solar Power (CSP) technology, generating electricity without greenhouse-gas emissions
- Field of mirrors to concentrate solar radiation on a tower-mounted thermal receiver

Thank you very much
for your attention !

