

EFSI Operation Scoreboard¹

PROJECT PRESENTATION	
<u>Project name</u>	SMART INNOVATION 2
<u>Promoter and financial intermediary</u>	GLOBAL DOMINION ACCESS SA
<u>Country of implementation</u>	Denmark, Germany, Spain
<u>Summary project description</u>	<p>The project concerns the European RDI activities performed by the promoter in Spain, Germany and Denmark. It is composed of 15 sub-projects that can be divided into 4 distinct groups. The diversification of those groups covering a variety of sectors reflects the promoter's history of acquisitions and its strategy to expand into specific niche sectors. The subgroups are the following:</p> <p>a) Data and Platforms: development of software targeting mainly e-commerce, fintech and consumer centric data platforms accounting for 32% of the project costs;</p> <p>b) House centric solutions, composed of one key subproject aiming at developing a digital Marketplace for home services (23% of total project costs);</p> <p>c) Industrial, tall structures and industrial chimneys, gathering the promoters activities in the development of software and solutions for industrial applications (Industry 4.0, Automated Vehicles, Artificial Vision technology, Collaborative Robots - Cobots), software for the design of solar towers, industrial furnaces and chimneys (34% of total project costs) and</p> <p>d) Biotech and eHealth, developing IT solutions for the health system as well as research in new oncological treatments (11% of project costs).</p>

¹ This Scoreboard of indicators reflects the information presented to the EFSI Investment Committee (IC) for its decision on the use of the EU guarantee for this operation. Therefore, the document does not take into account possible developments that could have occurred after this decision.

Parts of this document that fall under the exceptions for disclosure defined by the EIB Group Transparency Policy, notably under articles 5.5 (protection of commercial interests) and 5.6 (protection of the Bank's internal decision-making process), have been replaced by the symbol [...].

PROJECT PILLAR ASSESSMENT

Pillar 1

Contribution to EU policy		Moderate
Cross-cutting objectives		
EIB Cohesion Priority Regions / Economic and Social Cohesion		13.00%
EFSI		
Contribution to EFSI		100.00%
EFSI: Research, development and innovation		96.00%
Projects that are in line with Horizon 2020		53.00%
Knowledge and technology transfer		43.00%
EFSI: Development and deployment of information and communication technologies		4.00%
Digital content - cybersecurity and network protection infrastructures		4.00%

Pillar 2

Quality and soundness of the project		Good
1. Growth		[...]
2. Promoter capabilities		[...]
3. Sustainability		[...]
4. Employment		[...]

This pillar evaluates the quality and soundness of the operation. This pillar is composed of up to four indicators, as relevant, among which:

- (i) "Growth" i.e. for example and where relevant the economic rate of return ('ERR'), which considers the project's socioeconomic costs and benefits, including its spillover effects;*
- (ii) "Promoter capabilities" i.e. the capacity of the promoter/intermediary to implement the project and create the expected impact at the [final] beneficiary level;*
- (iii) "Sustainability" i.e. environmental and social sustainability²;*
- (iv) "Employment" i.e. the project's direct employment effect;*
- (v) "Increasing access to finance and improving financing conditions including for final beneficiaries".*

² For additional information on the EIB's assessment of the project's environmental and social aspects, please refer to the project's Environmental and Social Data Sheet (ESDS) published on the EIB website.

Pillar 3

EIB Technical and financial contribution to the project		Significant
1. Financial contribution		[...]
2. Financial facilitation		[...]
3. Advice		[...]

This pillar measures the EIB's particular contribution to the project and its financing scheme in the form of financial and non-financial benefits which go beyond what commercial players would normally be able to offer. This dimension of value added is assessed through up to three indicators:

(i) "Financial Contribution" i.e. improving the counterpart's funding terms compared to market sources of finance (interest rate reduction and/or longer lending tenor);

(ii) "Financial Facilitation" i.e. helping to attract private financiers (for example through positive signaling effects), promoting synergies in co-financing with other public sources of funds including National Promotional Banks or EU financial instruments;

(iii) "Technical Contribution and Advice" i.e. providing advice with a view to optimizing the financing package (financial structuring), or technical advisory services in the form of expert input / knowledge transfer - provided in-house by the EIB or in the form of assignments to external consultants - to facilitate the preparation or implementation of a project.

Pillar 4 - Complementary indicators

Additionality

In line with the EFSI objective of supporting research, development and innovation (RDI), development and deployment of information and communication technologies the project will support the promoter's efforts to foster its competitive position in high value added products by investing in RDI and thereby contributing to the targets of the Europe 2020 Strategy. The project falls under the scope of the EU Horizon 2020 programme. Equally the operation will address the objective of supporting less-developed regions and transition regions as circa 13% of the operation is expected to be deployed in Cohesion regions. The operation will thus also contribute to the Union priorities on convergence and social cohesion, helping reduce regional disparities by supporting investment.

The financing of this project addresses a market failure by supporting RDI activities. The inherent uncertainty of commercialization potential of RDI activities, accompanied with high screening and monitoring costs, leads to low appetite from commercial lenders to finance RDI activities and thus to underinvestment in RDI, i.e. deviating from the socially optimal level of investment. The financing of this project thus addresses this failure in financial markets for RDI. Moreover, the RDI activities supported by this project will generate significant positive knowledge, technology and/or environmental externalities, through the creation of innovative processes, products or services and through skills development and upgrading. This project also supports the strengthening of the EU's economic, social and territorial cohesion.

The project is expected to be classified under the EIB Special Activities category, in particular due to the long tenor of the unsecured loan and the inherent uncertainty of outcomes of the RDI investments and their future take-up by the market. As such, the EIB would not be able to provide such type of unsecured long-term financing support during the period in which the EU guarantee can be used, or not to the same extent, without EFSI.

The financing provided by the EIB with the support of EFSI is expected to result in a quality stamp on the operation. By increasing commercial banks' confidence in the promoter's long-term sustainability and its future research and development plans, the EIB intervention is expected to crowd-in private sector financing.

Set of indicators related to the macroeconomic environment

Denmark - Economic environment

Economic Performance

	DK 2018	EU 2018	US 2018	DK 2001-2007
GDP per capita (EUR, PPS)	39,152.43	30,935.11	43,569.11	34,322.12
GDP growth (%)	1.42	1.97	2.86	1.64
Potential GDP growth (%)	1.81	1.60	2.24	1.54
Output gap (% of potential GDP)	-0.46	0.62	0.74	1.54
Unemployment Rate (%)	5.00	6.60	3.90	4.53
Unemployment Rate (%) - Y/Y change (% points)	-0.30	-0.60	-0.20	-0.11
Bank-interest rates to non-financial corporations (%)	0.51	1.26	--	3.69
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	-0.37	-0.06	--	0.60
Investment rate (GFCF as % of GDP) - Total	22.18	20.54	20.84	21.61
Investment rate (GFCF as % of GDP) - Public	3.42	2.86	3.31	2.84
Investment rate (GFCF as % of GDP) - Private	18.76	17.68	17.53	18.77

General Sector Indicators

	2014	2015	2016	2017	EU (latest available)
Value added in Computer programming, consultancy, and information service activities (% of total VA)	2.03	2.07	2.19	2.19	2.55
Employment in Computer programming, consultancy, and information service activities (% of total employment)	1.76	1.77	1.85	1.88	1.72

Information and communications technology

	2014	2015	2016	2017	EU (latest available)
The Digital Economy and Society Index (DESI) (composite index)	62.33	65.94	62.66	65.61	52.25
Fixed broadband subscriptions (lines) per 100 people	42.01	42.76	42.79	43.70	32.66
Fixed broadband Next Generation Access (NGA) coverage/availability (% of households)	91.70	91.70	93.26	94.58	83.15
Mobile broadband subscriptions per 100 population	109.30	117.96	123.37	--	83.90
Internet bandwidth (kb/s per user)	9.00	9.00	--	--	--

Germany - Economic environment

Economic Performance

	DE 2018	EU 2018	US 2018	DE 2001-2007
GDP per capita (EUR, PPS)	37,956.14	30,935.11	43,569.11	33,490.42
GDP growth (%)	1.43	1.97	2.86	1.40
Potential GDP growth (%)	1.63	1.60	2.24	1.32
Output gap (% of potential GDP)	0.69	0.62	0.74	-0.17
Unemployment Rate (%)	3.30	6.60	3.90	9.43

Unemployment Rate (%) - Y/Y change (% points)	-0.30	-0.60	-0.20	0.06
Bank-interest rates to non-financial corporations (%)	1.02	1.26	--	4.11
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	-0.13	-0.06	--	-0.04
Investment rate (GFCF as % of GDP) - Total	20.77	20.54	20.84	19.91
Investment rate (GFCF as % of GDP) - Public	2.33	2.86	3.31	2.05
Investment rate (GFCF as % of GDP) - Private	18.44	17.68	17.53	17.87

General Sector Indicators

	2014	2015	2016	2017	EU (latest available)
Value added in Computer programming, consultancy, and information service activities (% of total VA)	2.62	2.60	2.66	--	2.55
Employment in Computer programming, consultancy, and information service activities (% of total employment)	1.76	1.78	1.84	--	1.72

Information and communications technology

	2014	2015	2016	2017	EU (latest available)
The Digital Economy and Society Index (DESI) (composite index)	47.66	50.30	47.94	49.41	52.25
Fixed broadband subscriptions (lines) per 100 people	36.42	37.37	38.71	40.27	32.66
Fixed broadband Next Generation Access (NGA) coverage/availability (% of households)	80.80	81.35	81.75	84.10	83.15
Mobile broadband subscriptions per 100 population	64.75	71.24	73.31	--	83.90
Internet bandwidth (kb/s per user)	24.00	20.00	--	--	--

Spain - Economic environment

Economic Performance

	ES 2018	EU 2018	US 2018	ES 2001-2007
GDP per capita (EUR, PPS)	28,497.70	30,935.11	43,569.11	29,209.95
GDP growth (%)	2.58	1.97	2.86	3.56
Potential GDP growth (%)	1.17	1.60	2.24	3.58
Output gap (% of potential GDP)	0.88	0.62	0.74	2.75
Unemployment Rate (%)	14.40	6.60	3.90	9.99
Unemployment Rate (%) - Y/Y change (% points)	-2.10	-0.60	-0.20	-0.34
Bank-interest rates to non-financial corporations (%)	1.69	1.26	--	3.79
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	0.13	-0.06	--	-0.05
Investment rate (GFCF as % of GDP) - Total	21.22	20.54	20.84	28.72
Investment rate (GFCF as % of GDP) - Public	2.11	2.86	3.31	4.15
Investment rate (GFCF as % of GDP) - Private	19.11	17.68	17.53	24.57

General Sector Indicators

	2014	2015	2016	2017	EU (latest available)
Value added in Computer programming, consultancy, and information service activities (% of total VA)	1.77	1.76	1.81	1.85	2.55

Employment in Computer programming, consultancy, and information service activities (% of total employment)	1.43	1.53	1.62	1.72	1.72
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Information and communications technology

	2014	2015	2016	2017	EU (latest available)
The Digital Economy and Society Index (DESI) (composite index)	42.97	47.99	46.98	49.08	52.25
Fixed broadband subscriptions (lines) per 100 people	27.63	28.77	29.96	30.87	32.66
Fixed broadband Next Generation Access (NGA) coverage/availability (% of households)	73.23	76.59	80.84	85.03	83.15
Mobile broadband subscriptions per 100 population	78.07	83.17	86.26	--	83.90
Internet bandwidth (kb/s per user)	28.00	27.00	--	--	--

- Country average for "GDP per capita (EUR, PPS)" is calculated in real terms
- EU value for "Bank-interest rates to non-financial cooperations" corresponds to Euro Area average; Country average is the simple average between 2003 and 2007
- The EU value is displayed as the value in the year that corresponds to the latest value of the indicator in a particular country

Other indicators³

Key project characteristics	Expected value at PCR
Start of works	01.01.2020
End of works	31.12.2023
Project investment cost [MEUR]	51.20 MEUR
EIB/EFSI eligible investment mobilised [MEUR]	51.20 MEUR
External EFSI multiplier	2.05
External EIB (non-EFSI) multiplier	
Amount of private financing [MEUR]	26.20 MEUR
Quick start (% of expenditure during 2015-2018) [%]	
Co-financing with national promotional banks [MEUR]	0.00 MEUR
Co-financing with structural funds (ESIF) [MEUR]	0.00 MEUR
Co-financing with other EU instruments (i.e. Horizon 2020, Connecting Europe Facility, etc) [MEUR]	
Energy efficiencies realised [MWh/a]	0.00 MWh/a
Climate Action indicator	
Employment during construction - temporary jobs [person years]	700 person years
Employment during operation - new permanent jobs [FTE]	400 FTE

³ For additional information on the EIB's assessment of the project's environmental and social aspects, please refer to the project's Environmental and Social Data Sheet (ESDS) published on the EIB website. The abbreviation PCR stands for Project Completion Report. If applicable, a difference between the amount of Project investment costs and EIB/EFSI eligible investment mobilized might derive from the fluctuation of the underlying exchange rate.