



EUROPEAN INVESTMENT BANK

European Fund for Strategic Investments

**RATIONALES FOR THE DECISIONS TAKEN BY
THE EFSI INVESTMENT COMMITTEE IN MARCH 2019**

**EFSI Investment Committee
11th of March 2019**

Those attending

<u>Chairperson:</u>	Ms.	Iliyana TSANOVA, Deputy Managing Director
<u>Members:</u>	Mr.	Gordon BAJNAI
	Mr.	Thierry DEAU
	Ms.	Dalia DUBOVSKA
	Ms.	Vicky D. KEFALAS
	Ms.	Andreja KODRIN
	Mr.	Fabio PAMMOLLI
	Ms.	Nieves RODRIGUEZ VARELA
	Mr.	Manfred SCHEPERS
<u>Experts:</u>	Mr.	Marcus SCHLUECHTER, Advisor to the Managing Director
	Mr.	Juan Jose FEBLES, Advisor to the Deputy Managing Director
<u>EFSI Secretariat:</u>	Ms.	Emilie BOIS-WILLAERT, Head of EFSI Secretariat
	Mr.	Renko WOUTERS, Corporate Secretariat Officer
<u>Excused:</u>	Mr.	Wilhelm MOLTERER, Managing Director

Rationales for the decisions taken by the Investment Committee in March 2019

This document should be read in conjunction with the document: Decisions taken by the EFSI Investment Committee in March 2019.

In accordance with article 7.12 of Regulation (EU) 2017/2396, the rationales for the decisions taken by the Investment Committee to approve the use of the EU guarantee for EIB operations are made publicly available, except for projects subject to a confidentiality agreement between the EIB and the promoters.

In line with article 30 of the EFSI Agreement and the Transparency Policy of the Bank, the rationales of the Investment Committee decisions for such projects will be disclosed at a later stage by including them in a list of the rationales of Investment Committee decisions taken throughout the year, which is published, in general, twice a year. This is after the projects have been signed or if these projects are not subject to a confidentiality agreement between the EIB and the promoters anymore.

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The rationales of the Investment Committee to approve the availability of the EU guarantee for the following EIB operations in March 2019 are as follow:

BANCA MARCH ENHANCED SUPPORT FOR MIDCAPS (Spain)

The Investment Committee approved the use of the EFSI guarantee for a non-granular risk sharing operation. The transaction consists of an unfunded guarantee between Banca March and the EIB, aimed at creating additional lending capacity towards increased access to finance for eligible entities with less than 3,000 employees and with a contractual minimum requirement to support new eligible financing of at least 2x the amount of the EFSI intervention.

The Investment Committee noted that around 20% of the total new eligible financing will be allocated to projects in less developed and transition regions and around 11% to innovative companies, two areas where the access to finance remains especially constrained. The operation will also support climate action projects implemented by Midcaps and will contribute to sustainable growth and employment in Spain.

The availability of long-term unsecured financing and alternative funding sources for Mid-Caps in Spain is still constrained, both quantitatively and qualitatively in terms of available terms and tenors. The operation will address this market failure by enabling Banca March to provide its Mid-Cap clients with additional financing with longer tenors, which would not be possible to the same extent without the participation of the EIB with EFSI support.

The risk profile of the EFSI intervention is also Special Activity in line with the EIB's Statute, which is a strong indicator of Additionality in the EFSI Regulation.

Wilhelm MOLTERER
Managing Director