# InnovFin
# Infectious Diseases

## What is InnovFin Infectious Diseases?

**InnovFin Infectious Diseases** enables the EIB to provide typically between EUR 7.5m and EUR 75m of funding to innovative players active in developing vaccines, drugs, medical and diagnostic devices, and research infrastructure for combatting infectious diseases. Financing is aimed at projects that have completed the pre-clinical stage and for which clinical validation is needed for further development.

Under Horizon 2020, the EU research and innovation (R&I) programme for 2014-20, the European Commission and the European Investment Bank Group (EIB and EIF) launched a new generation of financial instruments and advisory services in 2014 to help innovative firms access finance more easily. Until 2020, "**InnovFin – EU Finance for Innovators**" is offering a range of tailored products which provide financing in support of research and innovation by small, medium-sized and large companies and the promoters of research infrastructure.

## Indicative Term Sheet

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| **Instrument** | broad range of products ranging from standard debt instruments (i.e. senior, subordinated and mezzanine operations) to risk-sharing instruments (RSL/equity-type operations) |
| **EIB financing** | EUR 7.5m to EUR 75m (most frequently EUR 10m – EUR 25m) |
| **Co-financing** | the EIB finances up to 50% of eligible project costs;<br>co-financing required from the company's own resources, possibly supplemented by external sources |
| **Tenor** | up to seven years |
| **Covenants & security** | transaction-specific |
| **Jurisdiction** | transaction-specific |
| **Application & inquiries** | directly to the EIB; see contact details below |

## What are the benefits for you?

The EIB:

- ✓ offers longer tenors and competitive pricing;
- ✓ provides a quality stamp and positive signalling effect;
- ✓ does not offer other banking services such as FX, swaps etc. (no competition with the company's main banks);
- ✓ pursues a long-term lending strategy and does not sell its exposures to third parties.

**Please turn over the page to find out if you are eligible to apply for this financing product.**

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# Eligibility criteria

Eligible counterparties must comply with the following criteria:

**The promoter should be a large pharmaceutical company, a midcap or an SME, a research outfit/university, a not-for-profit entity, or a special-purpose vehicle (SPV).**

**Geography:**

The borrower must be established and operating in one or several of the Member States and H2020 Associated Countries. The project and/or the intellectual property development (e.g. clinical trials) can be undertaken outside Member States and H2020 Associated Countries.

**Innovativeness:**

The project must have a proven public health impact and potential market prospects.

Proceeds must be invested in developing and producing innovative products, processes and/or services in the field of infectious diseases.

**Validated technology:**

Projects must relate to pre-commercial stage investments in the field of infectious diseases (ID), i.e. the project must develop and produce innovative vaccines, drugs, medical and diagnostic devices, and infrastructure in the field of ID.

The product should have passed successfully through the pre-clinical stage or through the proof-of-concept stage (in the case of medical and diagnostic devices).

Research infrastructure that provides facilities, resources and related services for use by the scientific community to conduct top-level research in the ID field.

**Commitment:**

Promoters, sponsors and/or operators must be willing to substantially co-fund the project.

The operations to be financed will be selected by the EIB (from operations satisfying the eligibility criteria), also taking into account aspects such as the operation's risk profile and bankability prospects, the overall Infectious Diseases Finance Facility (IDFF) funding available, portfolio composition and other transactions in the pipeline.

**Eligible counterparties shall comply with each of the following eligibility criteria:**

1. the counterparty shall not have a substantial focus on one or more restricted or excluded sectors (to be determined by the Bank at its discretion based, without limitation, on the proportionate importance of such sectors with respect to the revenues, turnover and client base of the relevant counterparty);
2. the counterparty shall be established and operating in one or several of the EU Member States and Associated Countries (for reference please consult: http://ec.europa.eu/research/participants/data/ref/h2020/grants_manual/hi/3cpart/h2020-hi-list-ac_en.pdf).

**Excluded Activities:**

1. production (or construction) of, distribution (or processing) of and trade in weapons and arms, ammunition, military or police equipment or infrastructure, and equipment or infrastructure which limit people's individual rights and freedom (i.e. prisons, detention centres of any kind) or violate human rights;
2. production (or construction) of, distribution (or processing) of and trade in gambling and related equipment;
3. production (or construction) of, distribution (or processing) of and trade in tobacco products;
4. activities involving live animals for experimental and scientific purposes insofar as compliance with the "Council of Europe's Convention for the Protection of Vertebrate Animals used for Experimental and other Scientific Purposes" cannot be guaranteed;
5. activities which give rise to environmental impacts that are not largely mitigated and/or compensated for;
6. activities considered ethically or morally controversial or which are forbidden by national law, e.g. research on human cloning;
7. pure real estate development activity;
8. pure financial activities, e.g. purchasing or trading in financial instruments.

The exclusion and eligibility criteria shall be met at the latest at the time of the approval of the EIB loan.



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