



European Network for
Rural Development

EFSI, EIAH and EIPP

Collection of FAQs

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1. How to apply for EFSI funding? / How to access the EFSI?

Where to apply for EFSI support depends on the EFSI Window under which support is sought. If you are not sure, whether your project proposal would be eligible under the EFSI at all, or under which EFSI Window the project is eligible, you should contact the EIAH, which can be regarded as central contact point for investment-related queries.

If the project proposal does not fall under the scope of the EFSI, you might be directed to another advisory service, like JASPER or fi-compass.

Accessing the EFSI I&I Window:

- **Promoters of projects > € 25 mn costs**, e.g. agri-food enterprises, can contact the EIB directly, and make a loan application; they do not need to pass via a local authority or government or the EIAH/EIPP.
- **Promoters of projects < € 25 mn costs** should contact [EIB-/EIF-partners](#) in each country or the EIAH.
- **Promotional banks, (other) Financial intermediaries** and **Managing Authorities** should contact the EIB.

Accessing the EFSI SME Window:

- **SMEs and Midcaps**, e.g. famers and other small agri-food businesses, can submit project proposals to EIF partner institutions in each country, such as certain guarantee banks (list of partners); if there is no such institution in your country, you might contact the EIF directly.
- **Financial intermediaries** and **Managing Authorities** should contact the EIF directly.
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2. As a farmers' association, what to do to initiate schemes offering finance to agricultural holdings supported under the EFSI SME Window?

As a first step, check whether the **EIF partner institution** in the country concerned has already initiated the set-up of an agri-guarantee scheme.

If such a scheme has not been initiated yet, it could be proposed to that partner institution to apply for such a scheme as a **financial intermediary** to the EIF.

This proposal could also be addressed to the **Managing Authority** of the Rural Development Programme concerned.

If there is no EIB/EIF partner institution in the country concerned, one might contact the EIF.

Alongside such partly pre-defined schemes, the EIF also invests in, for example venture capital or private equity funds under the EFSI. Additionally, new instruments will be launched in 2016 and 2017.

3. Is there a minimum size for an EFSI project?

According to the EFSI Regulation, projects of any size can be supported under the EFSI.

Yet, for reasons of efficiency and applying normal EIB procedures under the EFSI I&I Window, projects normally have a minimum size of **€ 25 mn**.

There is no overarching minimum threshold for projects receiving support under the EFSI **SME Window**. Financial intermediaries offering a scheme supported under the SME Window might define a minimum threshold.

4. How to reach the critical mass to apply for support under the I&I Window?

One possibility to reach this critical mass is to set up an Investment Platform under which projects of a certain scope are bundled¹.

Alternatively, a framework loan can be applied for.

5. Is there need for a “formal” modification of a Rural Development Programme in order to introduce a Financial Instrument linked to the EFSI?

Yes.

As for the introduction of any Financial Instrument (FI) into a Rural Development Programme (RDP), this applies also to FIs which are supported under the EFSI.

Yet, as DG AGRI/ the EU Commission acknowledges that this a burden for Managing Authorities, this common approach might become more flexible, allowing for privileged programme modifications for modifications which are related to the introduction of FIs.

For this reason, Managing Authorities should attentively follow related announcements or contact DG AGRI.

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¹ “Investment platforms” is subject of the second set of FAQs published on the [ENRD website](#).

6. Can support under the EFSI SME Window be combined with investment support under the EAFRD?

The EFSI Regulation allows Member States to use RDP resources (including resources programmed to be delivered through Financial Instruments) with a view to contributing to the financing of projects eligible for EFSI support.

At the same time, the CPR as the legal basis of the ESI Funds, allows that beneficiaries and final recipients receiving support from grants and Financial Instruments under ESI Funds programmes may also receive assistance from other instruments supported by the Union budget.

The combination of ESI Funds and EFSI is therefore possible either at individual project or at Financial Instrument level in cases where the respective applicable eligibility criteria are satisfied.

7. Why is quick action needed when one wants to benefit from the EFSI?

In comparison to most other EU support instruments, the EFSI has a quite short initial life-time. The guarantees should be given within 3-4 years. As there are no sectoral or geographical quotas, the **first-come-first-served principle** applies. However, project proposals are likely to have reached an advanced stage to have the status that they can be approved, i.e. project ideas which have to be brought to maturity have an advantage.

The number of requests for counter-guarantees by financial intermediaries under the SME Window is high, and it can be assumed that by the end of 2016 the EFSI guarantee sum devoted to COSME and InnoFin will be fully used.

8. How to understand ‘additionality’ in the context of the EFSI?

EFSI added value should be achieved by:

- a) addressing market failure or sub-optimal investment situations that block viable investments,
- b) attracting other sources of finance, and by
- c) orientation on impact with regard to maximising growth and supporting employment creation and retention.

9. What is understood as a 'bankable project'?

There is no universal definition of a 'bankable project', nor is there a 'one-fits-all' solution.

Bankable projects are based on realistic projections of both costs and revenues, and are compliant with the EIB's social and environmental standards.

This implies that a project can only be assessed as 'bankable', if the EIB/EIF has all key features of the project and a feasibility study at hand.

10. Are there significant differences between applying for an EFSI supported project (either in comparison to regular EIB and COSME projects)?

No, there are no significant differences.

Yet, one difference which might be relevant for some projects is the eligibility: projects must fall within the scope of the EFSI Regulation.

Under the SME Window, the application process for financial intermediaries and final recipients/beneficiaries does not vary from that under COSME or InnoFin.

Under the I&I Window, the application process is quite similar to that for regular EIB projects. There is only one additional step in the back-office part of the application process, the decision of the EFSI Investment Committee.

For projects supported under the EFSI, there is a fast-track state-aid approval process.

11. Is the service of the EIAH free of charge?

The service provided by the EIAH is organised in stages; support at the initial stages is free of charge. For more in-depth support, e.g. advice on ex-ante assessments, fees will have to be paid, whereby the pricing system has not been established yet.

Most of the advisory support provided via the Hub is free of charge for public sector promoters. However, under certain conditions and for private sector counterparts a contribution from the beneficiary will be requested in order to align interests and ensure ownership of results.

For **SMEs** the price of the service provided by the EIAH will have a significant reduction (approx. 70%); yet the final pricing policy of the EIAH has not been adopted yet.

12. What is the role of Managing Authorities in the implementation of the EIAH?

Managing Authorities (MAs) can seek advice from the EIAH themselves.

Ideally, MAs will contribute to making the EIAH Network a useful tool by directing project promoters to the EIAH or existing partners (e.g. regional/national promotional bank) if the project has special needs in terms of financial structuring, market reach or technological challenges.

Projects receiving EIAH advice can later on be submitted to EFSI, ESI Funds or make use of the European Investment Project Portal.

13. What to do when one has wants to propose a question to be addressed under the FAQs?

If you want to propose a question for the collection of FAQs related to the implementation of the EFSI, the EIAH, and the EIPP, send it to efsi@enrd.eu.