

BE CREATIVE - CALL THE BANK!

CULTURAL AND CREATIVE SECTORS GUARANTEE FACILITY



To find out more information
visit our website:
www.eif.org

EUROPEAN INVESTMENT FUND (EIF): OUR ROLE

We make it easier for SMEs to access finance

We are an **EU body**, part of the **EIB Group** dedicated to improving **access to finance** for small businesses.

Entrepreneurs are the backbone of the European economy and a key focal point for EU policy.



We design **equity and debt** financial instruments that share **risk** with our **financial intermediaries**.

These solutions encourage lending and investment in riskier small businesses and, as a result, **increase the supply of finance**.



EIF: A UNIQUE APPROACH TO SERVE SMES

Risk sharing mechanisms multiply public resources and increase the supply of finance

Our resources

- European Commission
- European Investment Bank
- Local authorities & National Promotional Institutions
- Other investors*

Our approach

We design and deploy **financial instruments** that target funding gaps

Our partners

Equity
risk sharing

600+
Funds

Debt
risk sharing

400+
Banks

Small businesses

More than
€5
investment and lending to
small businesses

5x leverage of public resources**

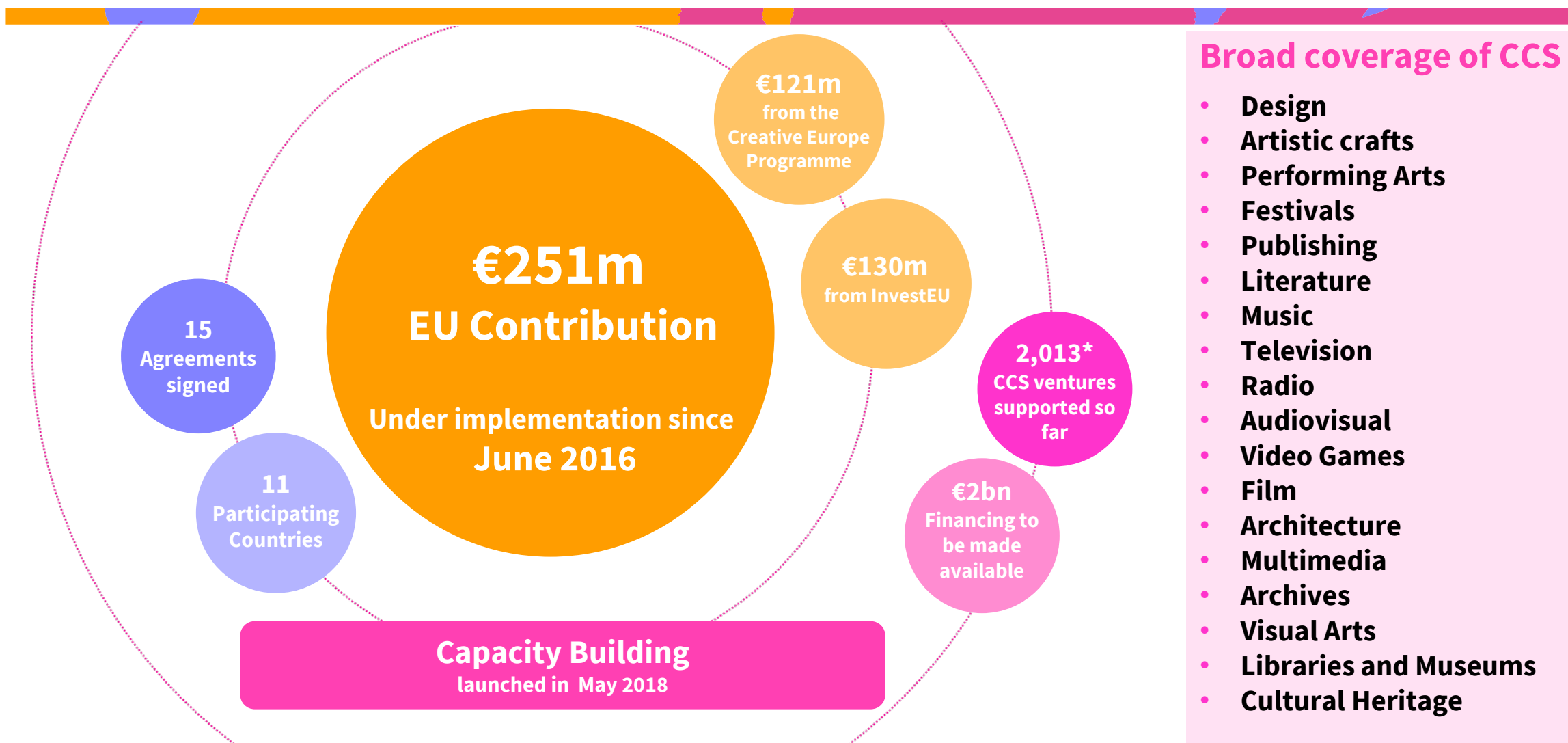
*Includes EIF's own resources and other external resources including private investors.

**On aggregate based on 2019 transactions. Depending on the instrument and the transaction, the leverage achieved can range from 4x to 40x.

Source: EIF Annual Report 2019.

THE FIRST FINANCIAL INSTRUMENT FOR CCS

Key Facts and Figures



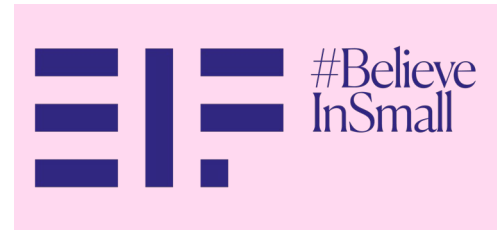
* Transaction status as at 30/04/2020 and inclusion data as at 31/12/2019

HELPING THE CCS ACCESS LOAN FINANCING

An intermediate model of implementation for the benefit of SMEs & Small Public Companies active in CCS

1

THE EU



2

THE FINANCIAL
INTERMEDIARIES

SELECTED BANKS / FINANCING PARTNERS THROUGHOUT PARTICIPATING COUNTRIES



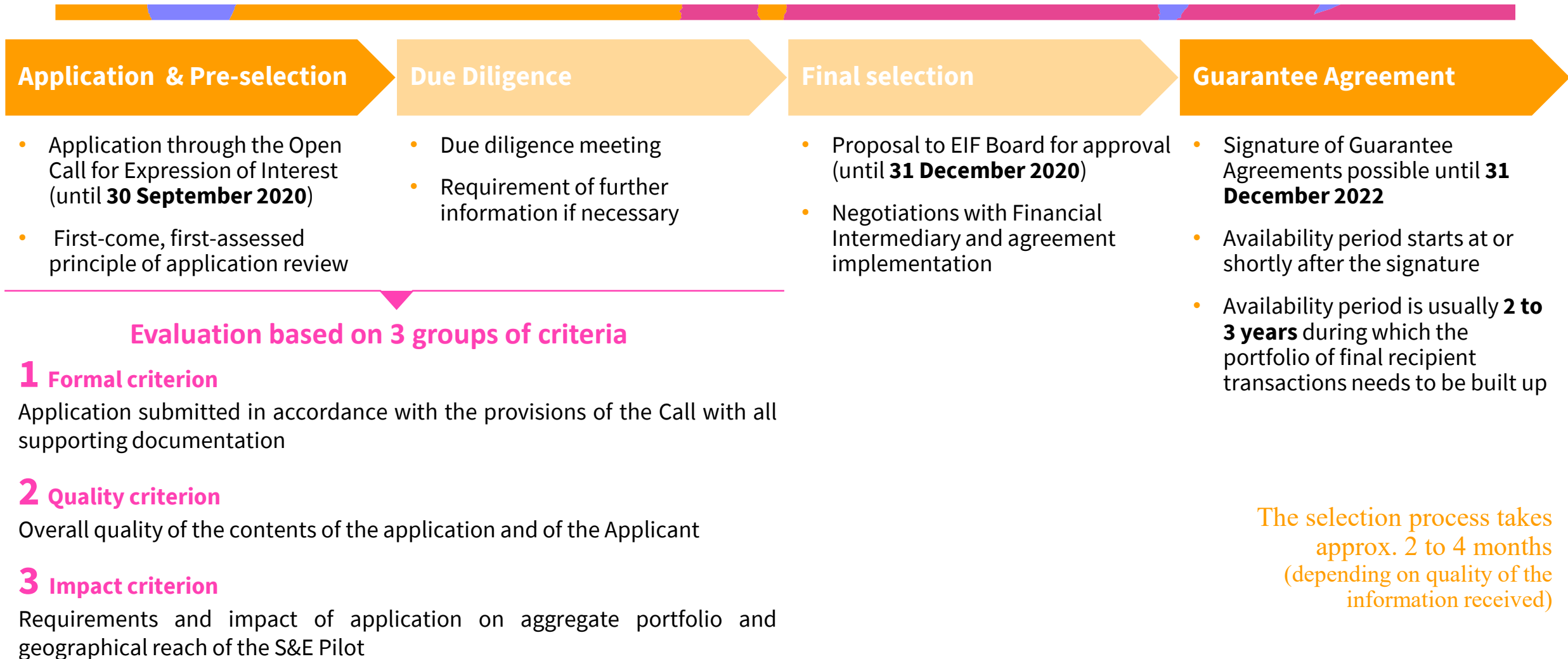
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THE FINAL
BENEFICIARIES



THE FINANCIAL INTERMEDIARIES SELECTION

What is the selection process



THE GUARANTEE MECHANISM

How it works

CCS GF's capped (counter-) guarantee proposed features

Structured in the form of **free-of-charge (counter-) guarantee**

(Counter-) Guarantee rate on a loan-by-loan typically set at **max. 70%**

(Counter-) Guarantee cap rate: **10%, 18% or 25%**

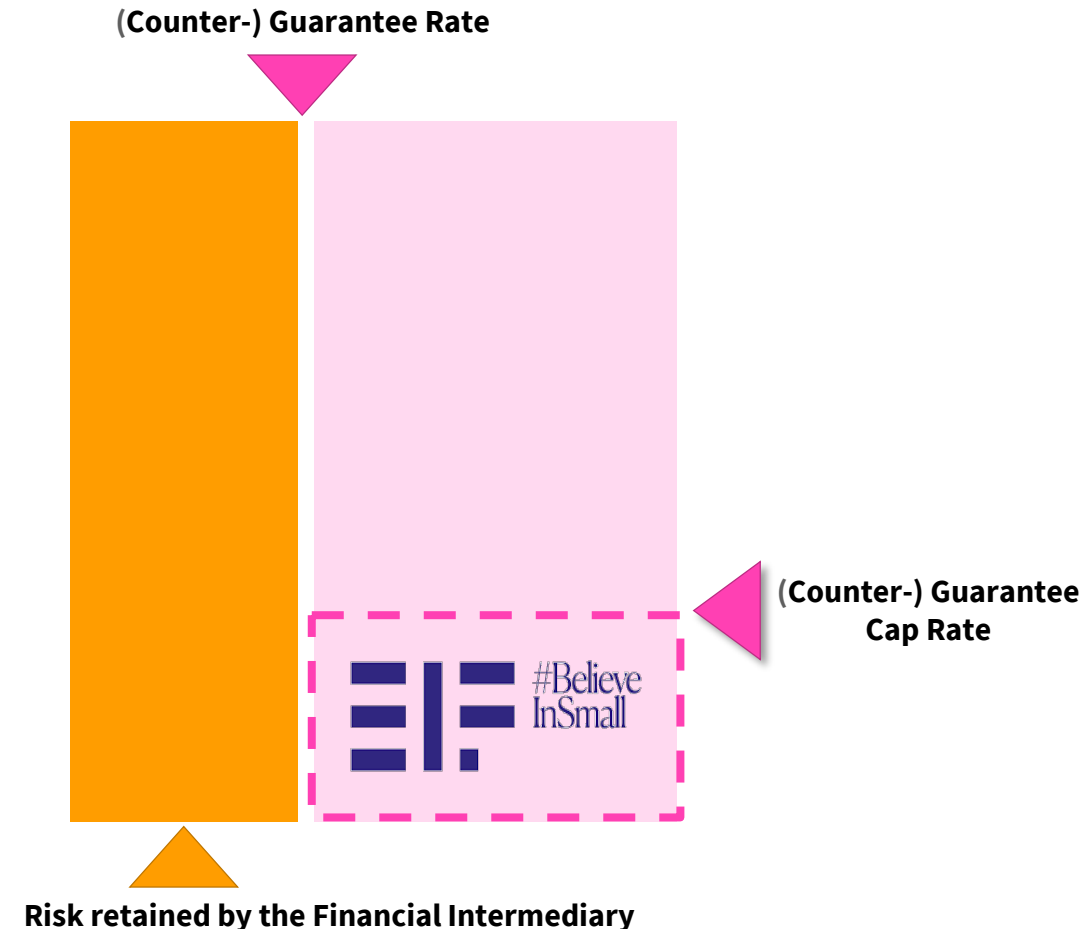
Financial Intermediary must **retain at least 20% of risk** of portfolio

(Counter-) Guarantee term: **10 years**

Pari-passu ranking

State aid consistent

Free-of-charge customised capacity building services

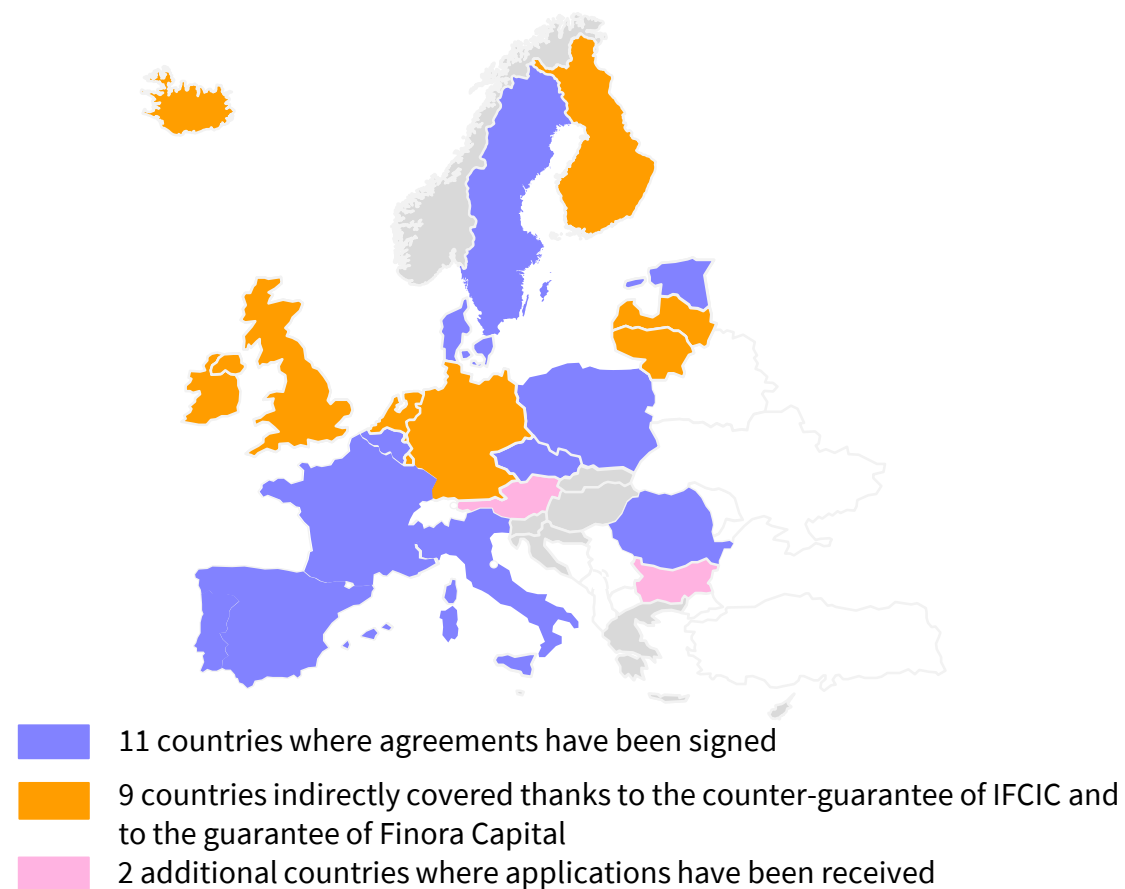


THE FINANCIAL INTERMEDIARIES UNDER THE CCS GF

State of play

15 AGREEMENTS SIGNED IN 11 (14) PARTICIPATING COUNTRIES, WITH A TOTAL EXPECTED DEBT FINANCING OF ALMOST EUR 1.55bn, CORRESPONDING TO AN AGGREGATED BUDGET ALLOCATION OF c. EUR 150m

| | Intermediary | Start of Availability Period | Expected Debt Financing supported |
|---|-----------------------|------------------------------|-----------------------------------|
|  | CERSA | 01/01/2017 | EUR 277m |
|  | Libra Internet Bank | 01/03/2017 | EUR 10m |
|  | Bpifrance | 01/05/2017 | EUR 100m |
|  | IFCIC (2 agreements)* | 25/07/2017 | EUR 201m |
|  | PMV | 19/12/2017 | EUR 10m |
|  | Start SA | 19/12/2017 | EUR 15m |
|  | Komerční Banka | 19/12/2017 | EUR 25m |
|  | CDP | 28/03/2018 | EUR 500m |
|  | BGK | 01/01/2019 | EUR 123m |
|  | Vækstfonden | 01/11/2018 | EUR 40m |
|  | CGD | 15/11/2018 | EUR 25m |
|  | Marginalen Bank | 01/09/2019 | EUR 19m |
|  | Millennium bcp | 08/02/2020 | EUR 200m |
|  | Finora Capital* | 10/03/2020 | EUR 6m |



* The counter-guarantee agreement with IFCIC supports film and TV productions of SMEs domiciled outside of France and SMEs domiciled in France provided that at least 80% of the co-production share derives from outside of France; the guarantee agreement with Finora Capital supports SMEs in Estonia and is expected to extend the support into Latvia, Lithuania and Finland during the availability period.

ELIGIBLE ENTITIES & DEBT FINANCING

Who can benefit and at which terms

SMEs* and Small Public Enterprises** that:

- Have a **CCS NACE code**; or
- Intend to develop a **CCS project** with the debt financing; or
- In the **last 24 months** before the transaction approval:
 - Have been **operating in the field of CCS** and intend to continue doing so; or
 - Have **received debt financing for a CCS project** by a European or national CCS institution/association; or
 - Have been awarded a **CCS prize**; or
 - Have filed **copyrights, trademarks, distribution rights, etc. in the CCS field**; or
 - Have benefitted of **tax credit/exemption related to development of intellectual property rights or CCS activities**

Debt Financing where:

**Max loan amount:
EUR 2m**

**Min maturity: 12
months**

**Purpose:
Investment
Business Transfer
Working Capital**

**Max Collateral:
Assets used for the
business activity
Personal guarantee
from the owner(s)**

THE SUPPORT TO CCS VENTURES UNDER THE CCS GF

Focus on News Media

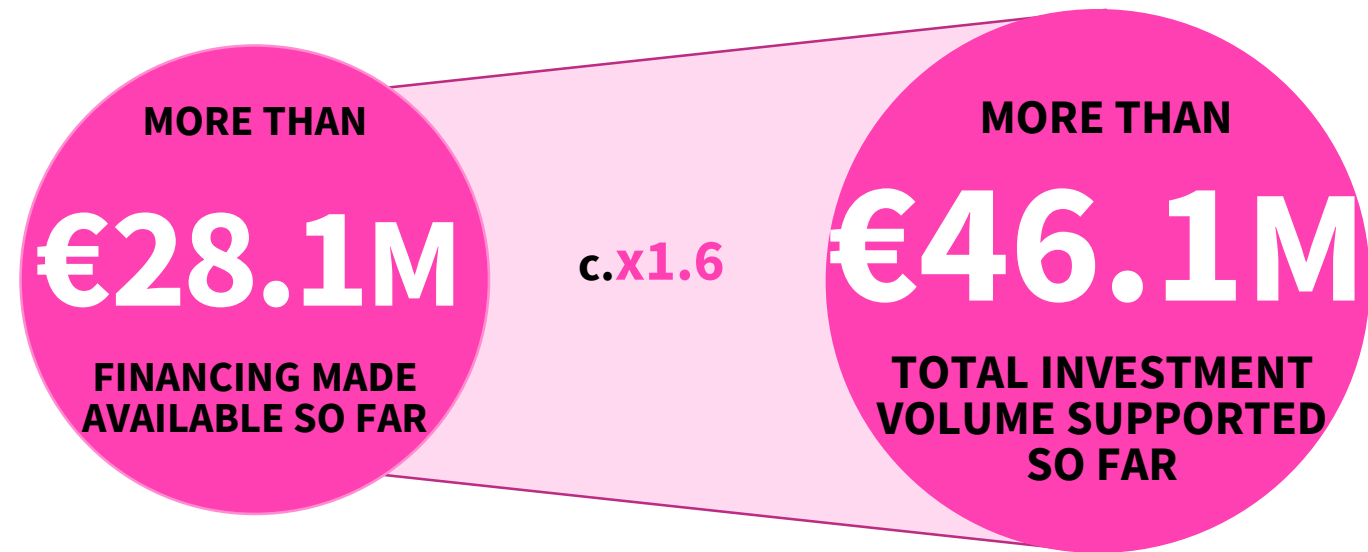
OUT OF c. 2000 SMEs SUPPORTED UNDER THE CCS GF, **241** (12%) CCS PROJECTS / ENTERPRISES FOCUSED ON **NEWS MEDIA***

- **Located in:**

- **Belgium**
- **Czech Republic**
- **Denmark**
- **France**
- **Italy**
- **Spain**

- **Loan amount:**

- **Max** EUR 1M
- **Avg** EUR 117k
- **Min** EUR 4k



- **The CCS GF has a pivotal role to play:**

- the **guarantee** aims at providing **comfort** in terms of risk taking, while
- the **capacity building support** aims at providing the **needed knowledge and understanding** of the mechanics and specificities of the sector

* NACE codes of CCS GF: C18.11 (printing of newspaper), C18.12 (other printing), G47.62 (retail of newspapers and stationery in specialized stores), J58.13 (publishing of newspapers), J58.14 (Publishing of journals and periodicals), J58.19 (Other publishing activities), J60.20 (Television programming and broadcasting activities), J63.91 (News agency activities)

FINAL RECIPIENT SCENARIO

Focus on News Media

You are an entrepreneur from the News Media sector wishing to obtain financing to support your business activity or develop a CCS project

Action

Apply for a loan at one of the CCS GF financial intermediaries

Who's eligible

- Any entity/organisation that is an SME or Small Public Enterprise
- Based in any of the participating countries under the CCS GF
- Operating in the field of CCS on the basis of its NACE code*, or
Developing an eligible CCS project (CCS prize, tax credit exemption, etc.)

Loan characteristics

Loan amount

Up to **EUR 2m**

Loan term

Minimum 12 months

What can you use it for

- Investments
- Working capital
- Business transfer

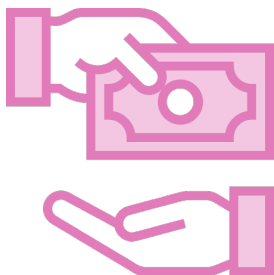
Max collateral

- Assets used for the business activity
- Personal guarantee from the owner(s)

* Relevant NACE codes for News Media under the CCS GF are C18.11/12, G47.62, J58.13/14/19, J60.20, J63.91

BUILDING THE FINANCING ECOSYSTEM FOR THE CCS

The first EU financial instrument that combines a Guarantee with Capacity Building



- **70% OF EACH ELIGIBLE FINANCING** IS GUARANTEED BY THE EU THROUGH THE EIF
- **THIS RISK-SHARING MECHANISM OF THE GUARANTEE INCENTIVISES FINANCIAL INTERMEDIARIES TO EXTEND LOANS TO CCS**
 - **FINANCIAL INSTITUTIONS NEED OFTEN SUPPORT TO BETTER SERVE THE SPECIFIC FEATURES OF CCS**



- **THE CAPACITY BUILDING ACTIVITIES SUPPORT THE FINANCIAL INTERMEDIARIES IN THE DEVELOPMENT OF IN-HOUSE SKILLS THAT ALLOW TO EXPAND THEIR ACTIVITIES IN THE FIELD OF CCS**



THE TEAM BEHIND THE CULTURAL AND CREATIVE SECTORS GUARANTEE FACILITY



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EIF - Mandate Management



CHIARA
Amadori

EIF - Guarantees

Thank you!



<http://www.eif.org>



European Investment Fund (EIF)



European Investment Fund (EIF)



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To find out more information
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