



Experience in managing FIs under shared management & the challenges ahead

Bruno Robino, European Investment Bank
Vienna, 1 October 2015



EIB's Group experience in managing FIs

and providing advisory support:

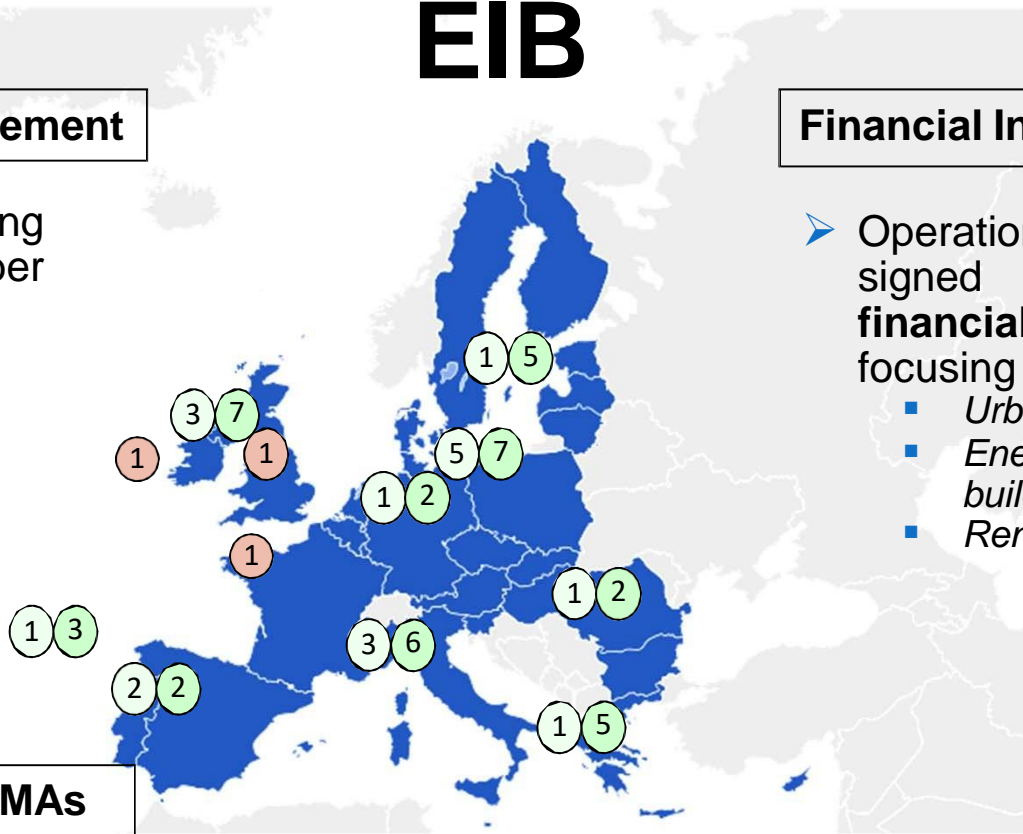
EIB

Fund of Fund management

- 18 JESSICA Holding Funds in 10 Member States
- EUR 1.8bn in commitments


Financial Intermediaries

- Operational Agreements signed with circa **40 financial intermediaries**, focusing on;
 - Urban development
 - Energy Efficiency in buildings (incl. housing)
 - Renewables



Bilateral Advisory to MAs

- Ex ante assessments
- Fund structuring support

-  JESSICA HFs
-  JESSICA UDFs in Member States
-  FI structuring mandates

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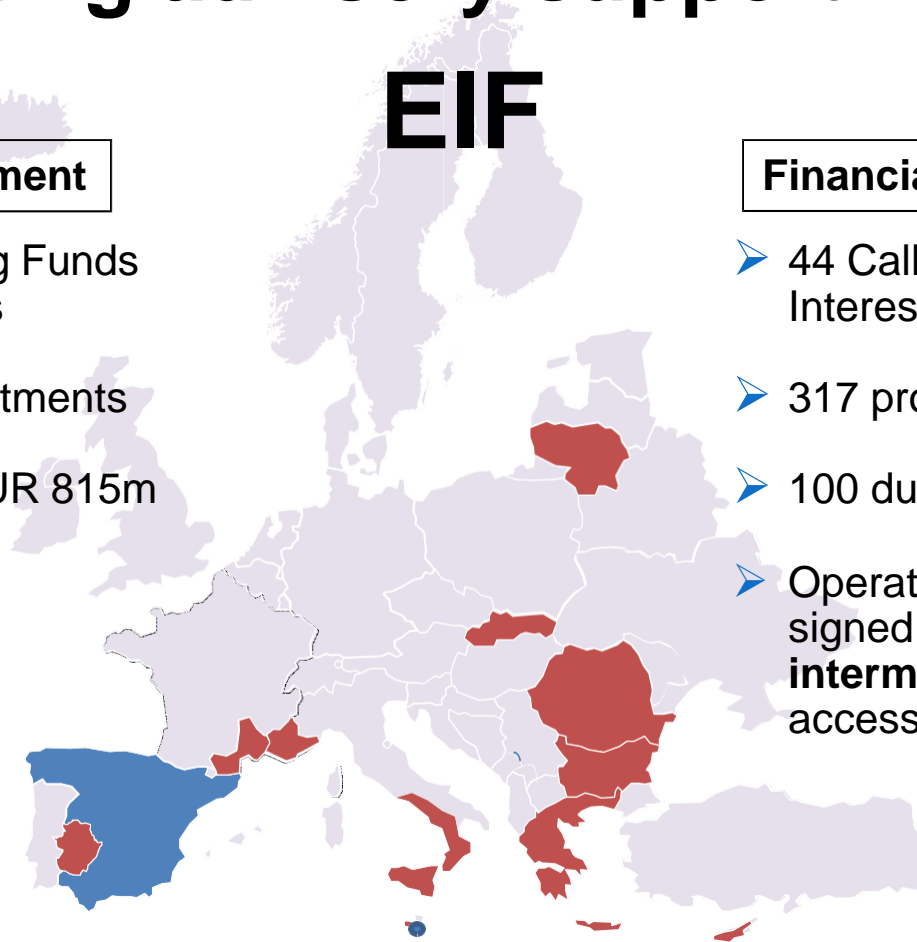
EIF


Fund of Fund management

- 14 JEREMIE Holding Funds in 10 Member States
- EUR 1.3bn in commitments
- 2 SME Initiatives: EUR 815m

Financial Intermediaries

- 44 Calls for Expression of Interest
- 317 proposal received
- 100 due diligences carried out
- Operational Agreements signed with circa **83 financial intermediaries**, focusing on access to finance for SMEs



-  JEREMIE HFs
-  SME Initiative

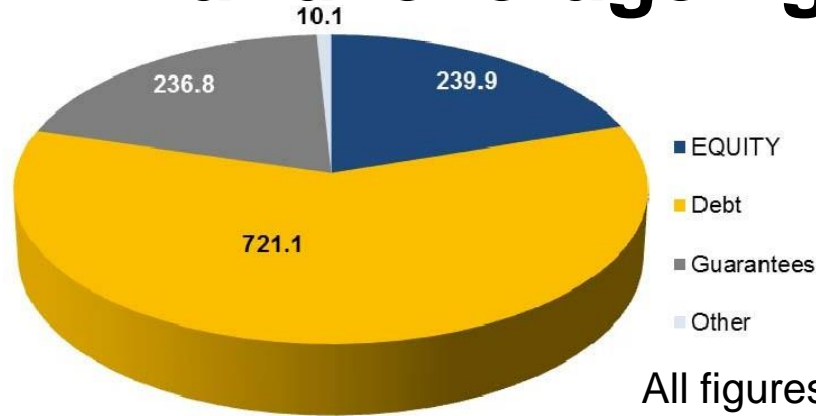
Selected Financial Intermediaries working with EIF under JEREMIE



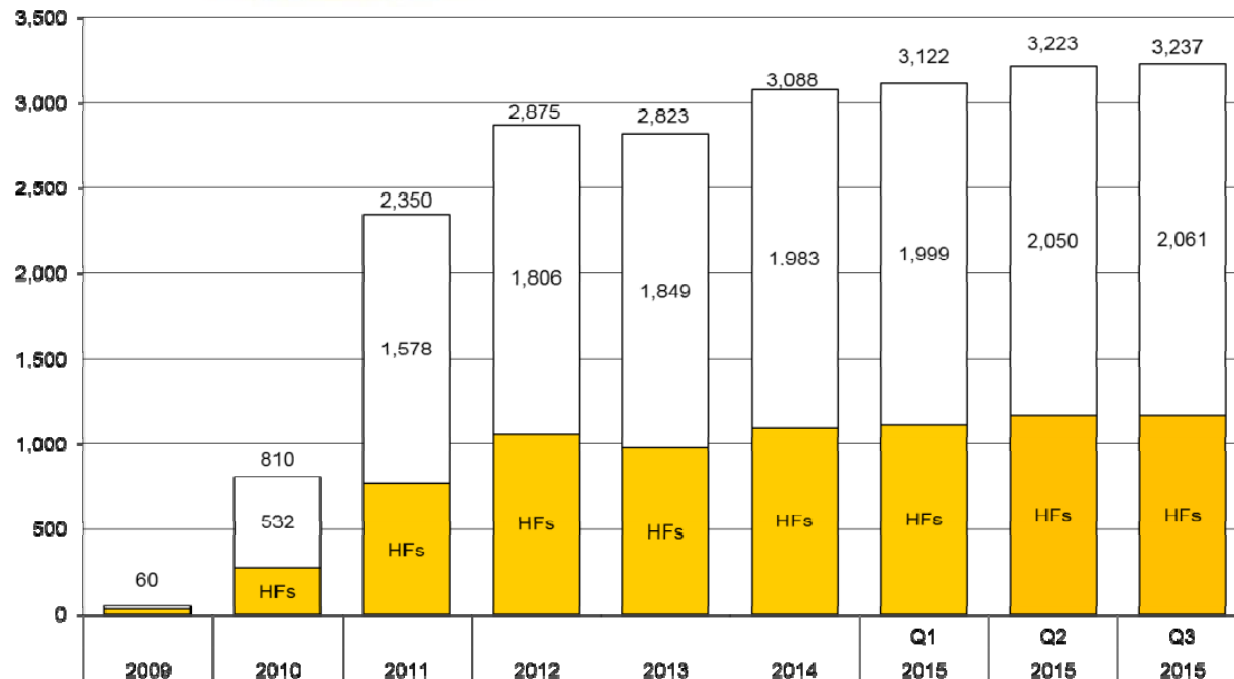
A network
of private
investors to
manage
and
mobilise
structural
funds



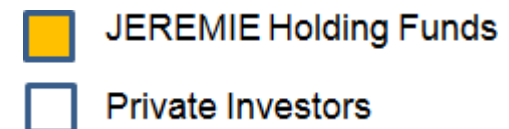
EIF's JEREMIE Holding Funds portfolio mix and leverage figures



All figures in EURm



- Equity instruments:
 - ✓ Risk Capital Funds
 - ✓ Co-investment Funds
 - ✓ Accelerator & Seed Funds
 - ✓ Tech Transfer Funds
- Debt instruments:
 - ✓ Funded Risk Sharing Products
 - ✓ Portfolio Risk Sharing Loans
- Guarantee instruments:
 - ✓ First Loss Portfolio Guarantees





Why use financial instruments?

- A **more efficient** use of (scarce) public sector resources, especially for revenue generating or cost saving projects
- Greater **leverage potential**
- Brings **financial discipline** into the project/initiative: transparency/identification/selection process
- Can be **combined** with technical support and/or grants to overcome market barriers
- Reutilisation of resources: **revolving nature** of the instruments



Key success factors

- Should be **market driven**:
importance of ex-ante assessment and of market tests
- Keep It Simple and Smart (**KISS**): right balance between policy objectives and real market absorption capacity
- **Alignment of interests** :
Managing Authority, (FoF), Financial Intermediary, Final Recipient
- Constructive **collaboration** vs “not my problem” attitude
- Appropriate **governance** structure
- Get a «good» **fund manager**
- Flexible **investment strategy**
- Financial intermediaries **as the champions**
of the instrument
- **Technical assistance** to prepare projects



Thank you

www.fi-compass.eu

