

DRAFT GENERAL BUDGET OF THE EUROPEAN UNION

Working Document Part X

#EUBudget

2027
FINANCIAL
YEAR

Financial instruments

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DRAFT GENERAL BUDGET of the European Union for the financial year 2027

Working Document Part X

**Draft General Budget
of the European Union
for the Financial Year 2027**

Working Document Part X

Financial Instruments

Draft Budget Working Documents

The 2027 Draft Budget is accompanied by twelve ‘Working Documents’, as follows:

Part I: Programme Performance Statements of operational expenditure

Working Document I contains, pursuant to Article 41(3)(h) of the Financial Regulation, the Programme Performance Statements, which provide for each spending programme comprehensive information on the financial implementation and progress in achieving the programme objectives as of the end 2025.

Part II: Human Resources of the EU institutions and executive agencies

Working Document II presents information on the human resources of the EU institutions and executive agencies, and in particular for the Commission, both for the establishment plans and for external personnel and across all headings of the multiannual financial framework. Moreover, pursuant to Article 41(3)(b) of the Financial Regulation, it provides a summary table for the period 2025 – 2027 which shows the number of full-time equivalents for each category of staff and the related appropriations for all institutions and bodies referred to in Article 70 of the Financial Regulation.

Part III: Bodies set up by the European Union having legal personality

Working Document III presents detailed information relating to all decentralised agencies and Joint Undertakings, with a transparent presentation of revenue, expenditure and staff levels of various Union bodies, pursuant to Article 41(3)(c) of the Financial Regulation.

Part IV: Pilot projects and preparatory actions

Working Document IV presents information on all pilot projects and preparatory actions which have budget appropriations (commitments and/or payments) in the 2027 Draft Budget, pursuant to Article 41(3)(f) of the Financial Regulation.

Part V: Budget implementation and assigned revenue

Working Document V presents the budget implementation forecast for 2026, information on assigned revenue (implementation in 2025 and estimation for 2027) and a progress report on outstanding commitments (RAL) pursuant to Article 41(3)(d) of the Financial Regulation.

Part VI: Commission expenditure under the administrative heading of the multiannual financial framework

Working Document VI encompasses administrative expenditure to be implemented by the Commission under the administrative heading of the multiannual financial framework (heading 7) in accordance with Article 317 of the Treaty on the Functioning of the European Union, as well as the budgets of the Offices (OP, OLAF, EPSO, OIB, OIL and PMO), pursuant to Article 41(3)(e) of the Financial Regulation.

Part VII: Commission buildings

Working Document VII presents information on buildings under Section III - Commission, pursuant to Article 272(1) of the Financial Regulation.

Part VIII: Expenditure related to the external action of the European Union

Working Document VIII presents information on human resources and expenditure related to the external action of the European Union, pursuant to Article 41(9) and (10) of the Financial Regulation.

Part IX: Funding to international organisations

Working Document IX presents funding provided to international organisations, across all MFF headings, pursuant to Article 41(3)(g) of the Financial Regulation.

Part X: Financial Instruments

Working Document X presents the use made of financial instruments, pursuant to Article 41(4) of the Financial Regulation.

Part XI: Budgetary Guarantees and Contingent Liabilities

Working Document XI presents the implementation of Budgetary Guarantees, and the assessment of the sustainability of the contingent liabilities arising from budgetary guarantees and financial assistance pursuant to Article 41(5) of the Financial Regulation.

Part XII: Payment schedules

Working Document XII presents summary statements of the schedule of payments due in subsequent years to meet budgetary commitments entered into in previous years, pursuant to Article 41(3)(i) of the Financial Regulation.

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Introduction

In accordance with Article 41(4) of the Financial Regulation¹ ('FR'), where the Commission makes use of financial instruments it must attach to the draft budget a working document presenting information for each financial instrument.

This is the ninth edition of the Article 41(4) FR report and it covers the whole implementation period (from inception until 31 December 2025) of financial instruments funded by the general budget of the Union² and implemented by the Commission (directly and indirectly³) in internal and external policies. Financial instruments implemented within the framework of a budgetary guarantee are reported in Working Document XI: Budgetary Guarantees, Common Provisioning Fund and Contingent Liabilities pursuant to Article 41(5) FR⁴.

The report covers financial instruments implementing both internal (i.e., benefiting final recipients predominantly located in the EU) and external policies (i.e., benefiting final recipients predominantly located outside the EU).

The information on financial instruments included in this report is divided in five main headings reflecting the following policy areas: A) Infrastructure & Climate Change; B) Research & Innovation; C) Social & Education; D) SMEs and E) External Policies.

Information on each financial instrument is organised by chapters within each heading, and each chapter includes the three following sections:

- Description.
- Operational Performance.
- Financial Information.

Each section covers the requirements of Article 41(4) FR as follows:

Description - Items of Article 41(4) FR covered:

(a): general description of the instrument, basic act, impact on the EU budget, added value of the EU contribution.

(b): financial institutions involved in implementation.

Operational Performance - Items of Article 41(4) FR covered:

(c): contribution to the achievements of the objectives of the programme, geographical diversification.

¹ Regulation (EU, Euratom) 2024/2509 of the European Parliament and of the Council of 23 September 2024 on the financial rules applicable to the general budget of the Union (recast).

² This report covers financial instruments established from the 2007-2013 Multi-Annual Financial Framework onwards. Financial instruments financed exclusively by the European Development Fund or other external sources are not included in this report.

³ Within the meaning of Article 62(1)(a) and (c) FR (financial instruments implemented in shared management, including contributions from shared management funds to financial instruments implemented in direct/indirect management, are reported in accordance with the relevant sector-specific rules).

⁴ Blending operations including contribution from a financial instrument to the framework providing budgetary guarantee are reported in Working Document XI (41(5) FR report) no matter whether there is combination or not of that contribution with the EU guarantee under that framework. This is because the framework providing the budgetary guarantee is the main instrument to which the other forms of support are linked to and are delivered through (to illustrate, please note that the payments of the FI top-up contributions are made to the CPF not to fiduciary accounts). FIs implemented under shared management, including contributions from ESI Funds to FIs implemented under direct/indirect management, are reported separately in accordance with the relevant provisions of the Common Provisions Regulation.

(d): operations, target volumes, target leverage.

(k): performance of the financial instrument, investments realised, leverage and multiplier effects.

Financial information - Items of Article 41(4) FR covered:

(e): budget lines, aggregated budgetary commitments and payments.

(f): average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years.

(g): revenue and repayments under article 212(3) FR, presented separately, including an evaluation of their use.

(h): value of equity investments, with respect to preceding years.

(i): provisions for risk and liabilities, financial risk exposure.

(j): realised losses from assets and called guarantees.

(l): balance on fiduciary account.

The table below summarises the financial instruments included in this report⁵.

LIST OF FINANCIAL INSTRUMENTS 41(4) FR REPORT					
Financial Instrument		Commission Policy DG	Financial Instrument		Commission Policy DG
Internal Policies - Infrastructure & Climate Change			Internal Policies – SMEs		
1.1	Connecting Europe Broadband Fund (CEBF) – CEF Equity Instrument	CNECT	4.1	COSME Loan Guarantee Facility (LGF)	GROW
			4.2	COSME Equity Facility for Growth (EFG)	GROW
1.2	Connecting Europe Facility (CEF) – Debt Instrument	CNECT, MOVE, ENER	4.3	Horizon 2020 SMEs & Small Midcaps R&I Loans Service (InnovFin SME Guarantee)	RTD
1.3	Private Finance for Energy Efficiency Instrument (PF4EE)	CLIMA	4.4	Horizon 2020 Equity Facility for R&I (InnovFin Equity)	RTD
1.4	Natural Capital Financing Facility (NCFF)	ENV	4.5	European Innovation Council (EIC) Fund	RTD
1.5	European Energy Efficiency Fund (EEEF)	ENER	4.6	Cultural and Creative Sectors Guarantee Facility (CCS GF)	CNECT
1.6	2020 European Fund for Energy, Climate Change and Infrastructure (Marguerite Fund)	GROW	4.7	SME Guarantee Facility under CIP (SMEG 2007)	GROW
			4.8	High Growth and Innovative SME Equity Facility under CIP (GIF)	GROW
Internal Policies - Research & Innovation			4.9	SME Initiative	GROW, RTD, REGIO
2.1	Horizon 2020 Loan Services for R&I Facility (InnovFin Debt)	RTD	External Policies		
2.2	Risk-Sharing Finance Facility (RSFF) ⁶	RTD	5.1	Western Balkans Investment Framework (WBIF)	ENEST
Internal Policies - Social & Education			5.2	Global Energy Efficiency and Renewable Energy Fund (GEEREF)	INTPA
3.1.a	Employment and Social Innovation Microfinance and Social Entrepreneurship Guarantee (EaSI-	EMPL	5.3	Facility for Euro-Mediterranean Investment and Partnership (FEMIP) – Debt Instrument	MENA

⁵ The indicated policy Directorates-General (DGs) are the responsible ones at the reporting date. In 2025, due to a reorganisation of the Commission, DG NEAR is now replaced by DG MENA (Directorate-General for Middle East, North Africa, Gulf) and DG ENEST (Directorate-General for Enlargement and Eastern Neighbourhood). In addition, financial instruments under the responsibility of DG ECFIN are now under the responsibility of DG GROW.

⁶ The Pilot guarantee facility for R&I driven SMEs and Midcaps (RSI) was last reported in Chapter 2.2 of the Working Document X accompanying the 2026 Draft Budget.

LIST OF FINANCIAL INSTRUMENTS 41(4) FR REPORT					
Financial Instrument		Commission Policy DG		Financial Instrument	Commission Policy DG
	G)		5.4	ACP Trust Fund	INTPA
3.1.b	Employment and Social Innovation Capacity Building Investments (EaSI CBI)	EMPL	5.5	Ukraine Investment Framework (UIF) ⁷	ENEST
			6.1	Neighbourhood Investment Platform (NIP)	ENEST, MENA
3.2	Employment and Social Innovation Sub-Fund (EaSI FIS)	EMPL	6.2	Investment Facility for Central Asia (IFCA) & Asian Investment Facility (AIF) & Asia Pacific Investment Facility (APIF)	INTPA
			6.3	Latin America Investment Facility (LAIF) and Latin America and Caribbean Investment Facility (LACIF)	INTPA
3.3	Erasmus+ Student Loan Guarantee Facility (SLGF)	EAC	6.4	Thematic Blending (Energy, Food, Humanitarian, Environment)	INTPA
			6.5	African Investment Platform (AIP)	INTPA

A detailed list of all financial instruments included in this report⁸ and summary tables aggregating financial information are included in the annexes to this report:

- Annex I (detailed list of all financial instruments),
- Annex II (aggregated financial information for all financial instruments),
- Annex III (aggregated financial information per implementing partner/managing party) and
- Annex IV (aggregated financial information per policy area).

⁷ Last year's 41(4) FR report Chapter 5.5 has been renamed Ukraine Investment Framework (formerly: EU support to Ukrainian Micro, Small and Medium-Sized Enterprises (top-up)) and will include three additional financial instruments (cf. footnote 8)

⁸ In relation to last year's 41(4) FR report, five new financial instruments are included in this 41(4) FR report. They are included in heading E) External Policies: 5.1 Sustainable Access to Finance for Entrepreneurship, 5.5 EU4 Business Guarantee Facility Ukraine, 5.5 Green for Growth Fund – Promoting Green Lending in Ukraine (top-up), 5.5 EFSE – Ukraine Sub Fund (top-up) and 6.5 Climate Investor Three.

Overview

This report presents the operational and financial results in the implementation of the 92 financial instruments⁹ of the Union in place at the end of 2025.

As regards **internal policies**, this report presents 21 financial instruments¹⁰, from chapters 1 to 4, whose final recipients are predominantly located in the EU. These chapters are divided in 4 main headings reflecting the following policy areas: Infrastructure & Climate Change, Research & Innovation, Social & Education and SMEs support.

As regards **external policies**, this report presents 71 financial instruments, from chapters 5 to 6, whose final recipients are predominantly located outside the EU. Out of these 71 financial instruments, 64 are part of 5 geographic and/or thematic blending facilities/platforms (chapter 5.1 and chapters 6.1 to 6.5). The financial instruments in external policies provide support in different policy areas such as transport, energy, environmental infrastructures, climate change, urban development, agriculture and SME support.

This report also allows for monitoring the operational efficiency of financial instruments. As a tool for financing EU policies, financial instruments address market failures (e.g. where the private sector is unwilling to lend and/or to invest) while minimising market distortions and mobilising additional private (and public) financing. They support a broad range of development objectives to the benefit of a wide range of recipients.

Financial instruments are suitable for viable recipients and investments, i.e. those which are expected to generate enough cashflows (i.e. income or savings) to pay back the support received.

Financial instruments financed by the Union budget provide repayable support (as opposed to grants which provide non-repayable support) to final recipients and can take the form of (100% provisioned) guarantee, loan or equity instruments. As outlined in Article 213(1)(a) Financial Regulation (FR), the financial liability and aggregate net payments from the Union budget related to a financial instrument must not exceed the amount of the relevant budgetary commitment(s), hence there are no contingent liabilities for the Union budget. In other words, this means that the liabilities linked to financial instruments have a counterpart on the asset side of the balance sheet of the Union budget or are covered by the outstanding budgetary commitments not yet expensed¹¹.

Typically, the implementation of financial instruments is entrusted by the Commission to either the EIB Group (EIB/EIF) or to other financial institutions based on agreements concluded between the Commission and those financial institutions. The agreements signed with these implementing partners/entrusted entities include strict conditions and obligations so as to ensure that Union funds are adequately implemented and reported on.

Once Union funds are committed to a financial instrument, the funds are transferred to a specifically created bank account opened by the implementing partners/entrusted entities on behalf of the Commission (i.e. a fiduciary account). Depending on the type of financial instrument, the implementing partners or entrusted entities use the funds on this fiduciary account to provide loans, invest in equity, or cover guarantee calls.

⁹ Annex I presents a detailed list of all financial instruments included in this report.

¹⁰ Including 4.9 SME Initiative which is a shared management financial instrument, although the focus in this report is on the indirect management Commission part, i.e., COSME LGF/InnovFin SMEG, whereby the report of the financial information regarding the EU level instruments that contribute to the SME Initiative is presented in chapters 4.1 COSME Loan Guarantee Facility (LGF) and 4.3 Horizon 2020 SMEs & Small Midcaps R&I Loans Service (InnovFin SME Guarantee) of this report.

¹¹ Financial instruments in the form of guarantees are classified as contingent liabilities in accordance with EU accounting rules. However, they are not a source of contingent liabilities from a budgetary perspective since the budget includes in all cases full provisioning for such financial instruments, i.e. the budget has set aside the maximum financial liability that can arise from each financial instrument.

Financial instruments are generally intended to finance riskier recipients and investments (e.g. who have difficulties in obtaining funding from private lenders or investors). Against this background, it is to be expected that financial instruments have to incur some losses.

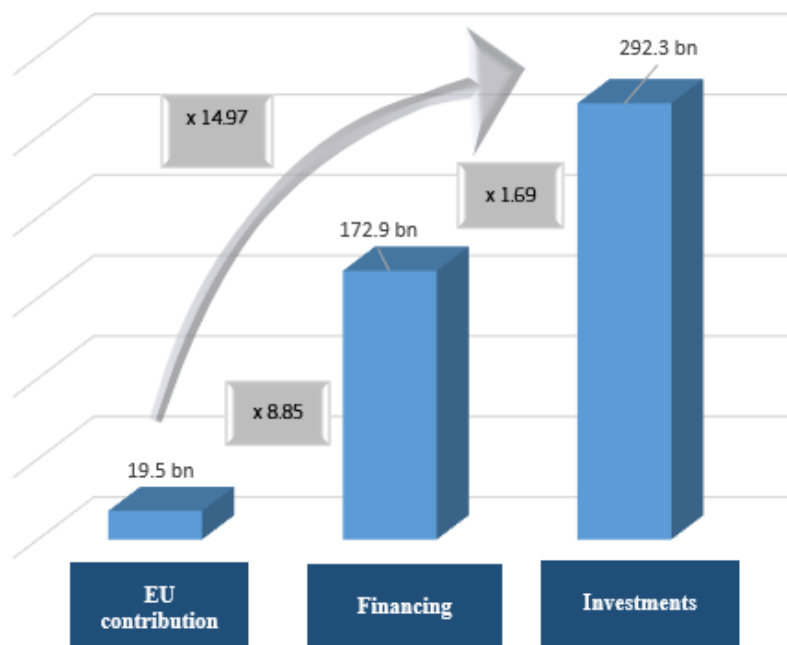
However, financial instruments also generate reflows (revenues¹² and repayments¹³) that have, as a general rule, to be entered into the Union budget¹⁴. Since most financial instruments relate to previous Multiannual Financial Frameworks ('MFF'), this report will focus to an important extent on these reflows, in particular on the ones which are earmarked to finance the Public Sector Loan Facility and the provisioning of the EU guarantee under InvestEU.

Financial instruments have in general a lifecycle spanning around 20 years, which suggests that their operational and financial results are only fully observable after an extended period. While considering that the financial instruments included in this report offer a variety of financial products from equity to debt (e.g. loans and guarantees on loan portfolios); and that they relate to distinct MFFs, a number of consolidated figures is presented below to provide a snapshot of the situation at the end of 2025 and give an overview of the performance of the financial instruments in the different policy areas.

Main facts and figures: performance, financing and investments

At the end of 2025, the **EU contribution committed** in all internal and external financial instruments amounted to **EUR 19.5 bn**¹⁵. When adding to the EU contribution the **financing mobilised from other sources of EUR 153.4 bn**, financial instruments have allowed for **EUR 172.9 bn of financing provided to final recipients** (EUR 153.4 bn + EUR 19.5 bn).

The above means a **leverage effect of the EU intervention of around nine times** the EU contribution committed (EUR 172.9 bn / EUR 19.5 bn). In other words, each euro invested by the Union budget in financial instruments has contributed to on average around EUR 9 of financing from all sources provided to final recipients.



¹² E.g. dividends, capital gains, guarantee fees and interest on loans and on amounts on fiduciary accounts.

¹³ E.g. capital repayments, guarantees released, and repayments of the principal of loans.

¹⁴ And then either returned to the general budget or returned to be re(used) as follows from Article 212(3) FR.

¹⁵ Including EFSI top-ups for a total of EUR 3,742 m (3.1.a EaSI-G EUR 300 m; 4.1 COSME LGF EUR 1,484 m; 4.3 InnovFin SME Guarantee EUR 1,400 m; 4.4 InnovFin Equity EUR 428 m; 4.6 CCS GF EUR 130 m) and EUR 20 m financed under European Development Fund ('EDF') for 5.2 GEEREF.

The **total amount of investments** made by final recipients thanks to the received financing amounted to **EUR 292.3 bn**¹⁶. This figure implies a **multiplier effect of the EU intervention of almost fifteen times the EU contribution committed** (EUR 292.3 bn / EUR 19.5 bn). In other words, each euro invested by the Union budget in financial instruments has contributed to on average EUR 15 of investments made by final recipients due to the received financing.

By the end of 2025, around **6.08 million final recipients** have been supported by these financial instruments with an average EU contribution committed per final recipient of EUR 3,209 (EUR 19.5 bn / 6.08 m final recipients) allowing for an **average financing provided by the financial instruments of EUR 28,416** (EUR 172 bn / 6.08 m final recipients) **and an average investment of EUR 48,048** (EUR 292.3 / 6.08 m final recipients) **per final recipient**.

Internal & External Policies	
Key figures (EUR)	All Instruments
EU Contribution committed ¹⁷	19,525,003,052
Leverage effect ¹⁸	8.85
Multiplier effect ¹⁹	14.97
Financing provided to final recipients	172,889,494,457
Number of final recipients	6,084,311
Investments made by final recipients due to the received financing	292,340,786,183
Average financing provided per final recipient	28,416
Average investment made per final recipient	48,048

The consolidated figures presented above do not show the differences and variations, notably as regards the eligible policy areas, the amounts of financing and investment allowed by the different financial instruments, and the types of final recipients (from students to large companies) and their location. Therefore, to provide additional detail the tables presented below disaggregate these consolidated figures by external and internal policies (and their policy areas).

The EU contribution committed in internal policies represents almost 88% of the overall EU contribution committed (for both internal and external policies) and most of it has been allocated to SMEs support followed by Research & Innovation, Infrastructure & Climate Change, and Social & Education.

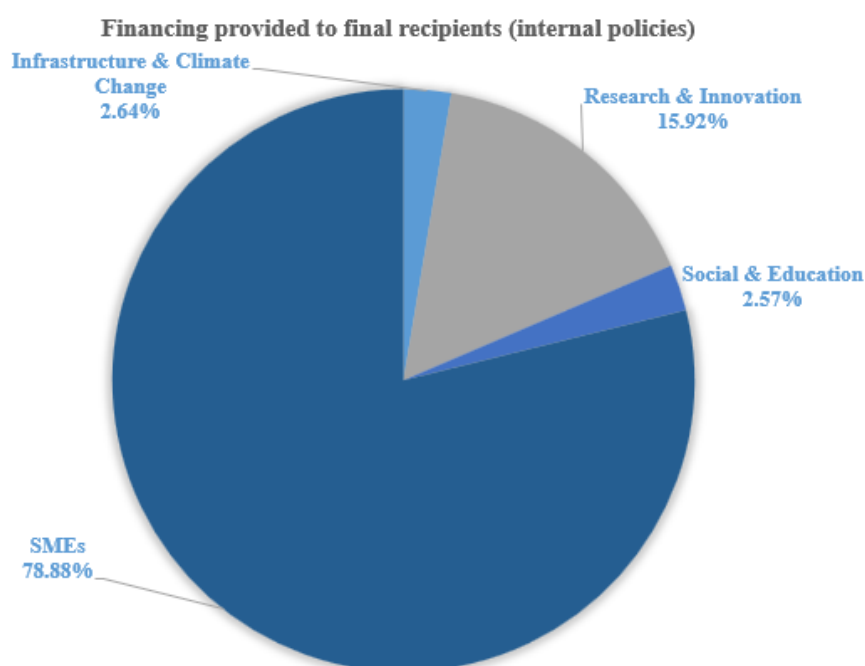
The graph below presents the split of financing provided to final recipients per policy area and shows that SMEs (at 78.88%) are the main recipients of the financing provided through financial instruments in internal policies.

¹⁶ The investments made by final recipients are usually also financed by their own resources and by other public/private sources of financing that are not directly mobilised by the financial instrument.

¹⁷ Including EFSI top-ups for a total of EUR 3,742 m (3.1.a EaSI-G EUR 300 m; 4.1 COSME LGF EUR 1,484 m; 4.3 InnovFin SME Guarantee EUR 1,400 m; 4.4 InnovFin Equity EUR 428 m; 4.6 CCS GF EUR 130 m) and EUR 20 m financed under European Development Fund ('EDF) for 5.2 GEEREF.

¹⁸ Article 2(40) FR defines 'leverage effect' as the amount of reimbursable financing provided to eligible final recipients divided by the amount of the Union contribution.

¹⁹ Article 2(48) FR defines 'multiplier effect' as the investment by eligible final recipients divided by the amount of the Union contribution.



The EU contribution committed in internal policies mobilised financing from other sources of EUR 141.76 bn; whereas in external policies the financing mobilised from other sources was of EUR 11.61 bn.

Key figures (EUR)	Internal Policies				Total
	Infrastructure & Climate Change	Research & Innovation ²⁰	Social & Education	SMEs	
EU Contribution committed ²¹	1,171,028,555	3,191,830,000	506,454,530	12,279,429,711	17,148,742,797
Leverage effect	3.58	7.92	8.06	10.21	9.27
Multiplier effect	20.83	17.44	11.34	14.79	15.59
Financing provided to final recipients	4,193,955,208	25,292,900,000	4,079,809,786	125,337,933,768	158,904,598,762
Number of final recipients	36,306	4,434	212,116	1,370,198	1,623,054
Investments made by final recipients due to the received financing	24,389,535,835	55,670,979,217	5,744,818,245	181,612,887,201	267,418,220,498
Average financing provided per final recipient	115,517	5,704,308	19,234	91,474	97,905
Average investment made per final recipient	671,777	12,555,476	27,083	132,545	164,762

When looking at the different policy areas in **internal policies**, the **average financing provided per final recipient is of EUR 97,905** (ranging from EUR 19,234 in Social & Education to EUR 5.70 m in Research & Innovation).

The average financing provided per final recipient in external policies is of EUR 3,135 which is significantly lower than the EUR 97,905 in internal policies. Similarly, the average investment made per

²⁰ To ensure consistency across the report, the figures also include the contribution of RSI (terminated in 2024, cf. footnote 6) as presented on Chapter 2.2 RSFF for comparability purposes.

²¹ Including EFSI top-ups for a total of EUR 3,742 m (3.1.a EaSI-G EUR 300 m; 4.1 COSME LGF EUR 1,484 m; 4.3 InnovFin SME Guarantee EUR 1,400 m; 4.4 InnovFin Equity EUR 428 m; 4.6 CCS GF EUR 130 m) and EUR 20 m financed under European Development Fund ('EDF) for 5.2 GEEREF.

final recipient is of EUR 5,586 in external policies whereas the average investment in internal policies is of EUR 164,762 (rising to EUR 12.56 m for Research & Innovation investments).

External Policies	
Key figures (EUR)	
EU Contribution committed	2,376,260,255
Leverage effect	5.89
Multiplier effect	10.49
Financing provided to final recipients	13,984,895,695
Number of final recipients ²²	4,461,257
Investments made by final recipients due to the received financing ²³	24,922,565,685
Average financing provided per final recipient	3,135
Average investment made per final recipient	5,586

The average financing provided and the average investment per final recipient are lower in external policies than in internal policies also because the number of final recipients is 2.75 times higher in external policies (4.46 million in contrast with 1.62 million final recipients in internal policies).

The leverage and multiplier effects of the Union intervention are noticeably higher in internal policies compared to external policies (leverage 9.3 vs 5.9 / multiplier 15.6 vs 10.5). However, it is important to note that these differences do not at all mean a lower effectiveness of the Union support provided in external policies. Instead, the lower leverage and multiplier effects in external policies suggest difficulties in mobilising additional private/public financing in markets where external financial instruments are deployed. These more modest leverage and multiplier effects attached to the external financial instruments affirm the added value of the Union intervention and its additionality as they represent a bigger share and are more critical to the overall project funding.

By the end of 2025, the cumulative losses from operations in all financial instruments (internal and external policies) amounted to EUR 2.62 bn (internal policies EUR 2.58 bn; external policies EUR 44.22 m). The cumulative losses attributed to net guarantee calls²⁴ under guarantee instruments represent 98.5% of its total, while the remaining 1.5% is attributed to equity realised losses (EUR 28.93 m) and loan write-offs (EUR 10.06 m). To be noted however, that the cumulative losses of EUR 2.62 bn are partially compensated by cumulative revenues of EUR 1.61 bn in the form of e.g., risk remuneration, dividends, realised gains, fees and interests on loans.

Cumulative losses of EUR 2.62 bn, which reflect past performance, but do not necessarily predict future outcomes, represent 15.93% of the total budgetary commitments²⁵ (EUR 16.48 bn). These budgetary commitments allowed for a total financing provided to final recipients of EUR 172.9 bn and a total amount of investments made by final recipients due to the received financing of EUR 292.3 bn. Notwithstanding those losses, it must be noted that the total cumulative reflows entered into the Union budget since inception of the financial instruments amount to EUR 2.54 bn which covers roughly 97% of the total cumulative losses reported to date.

²² Not including 6.1 Neighbourhood Investment Platform (NIP) as data on the number of final recipients supported was not available at the reporting date.

²³ For 5.1 Western Balkans Investment Framework (WBIF), 5.3 Facility for Euro-Mediterranean Investment and Partnership (FEMIP) Debt instrument and 5.5 Ukraine Investment Framework, the information on “Investments made by final recipients due to the received financing” was not available at the reporting date. To calculate the multiplier effect, it is assumed that the investments made by final recipients are at least equal to the received financing.

²⁴ Guarantee calls minus guarantee calls recovered.

²⁵ Excluding EFSI top-ups.

Reflows from financial instruments assigned to InvestEU and the Public Sector Loan Facility

Financial instruments generate reflows (revenues²⁶ and repayments²⁷) that can be returned to the general budget or be reused in the same or successor instruments²⁸.

By the end of 2025, **total cumulative reflows from financial instruments entered into the Union budget for an amount of EUR 2.54 bn accounting for approximately 15.4% of the total budgetary commitments²⁹** (EUR 16.5 bn). The total amount of reflows generated in 2025 only from the financial instruments included in this report³⁰, was of EUR 115.7 m, of which EUR 6.1 m were returned to the general budget and EUR 109.6 m were returned to be (re)used.

Reflows Financial Instruments (EUR) ³¹	2025	All years
Total reflows entered into the budget, of which:	115,689,503	2,542,627,700
<i>to the general budget</i>	6,050,222	83,689,691
<i>returned to be used</i>	109,639,282	2,458,938,008

Out of the EUR 109.6 m reflows returned to be (re)used, EUR 103.5 m³² were (re)used in line with the provisions of Article 35(1) of the InvestEU Regulation³³ and Article 5(2) of the Public Sector Loan Facility ('PSLF') Regulation³⁴. These provisions concern financial instruments for internal policies established before the MFF 2021-2027 and set out the following:

- Article 35(1) of the InvestEU Regulation sets out that any revenues, repayments and recoveries from predecessor financial instruments listed in Annex IV of the InvestEU Regulation **may** be used for the provisioning of the EU guarantee under InvestEU and the implementation of the InvestEU Advisory Hub and the InvestEU Portal.
- Article 5(2) of the PSLF Regulation sets out that EUR 275 m of the grant component of the Facility **must** be financed by repayments stemming from the financial instruments established under the programmes listed in Annex I to the PSLF Regulation.

In line with the provisions above mentioned, 2025 reflows in the amount of EUR 103.5 m from financial instruments for internal policies included in this report have been assigned to the provisioning of the EU guarantee under InvestEU as indicated in the table below.

In addition, there were also 2025 reflows amounting to EUR 13.14 m from four additional financial instruments³⁵, the European Technology Facility (ETF01)³⁶, the European Technology Facility (ETF98)³⁷,

²⁶ E.g. dividends, capital gains, guarantee fees and interest on loans and on amounts on fiduciary accounts.

²⁷ E.g. capital repayments, guarantees released, and repayments of the principal of loans.

²⁸ As follows from Article 212(3) FR and depending on the specific provisions of each basic act establishing the instrument.

²⁹ Excluding EFSI top-ups.

³⁰ This reflow figure does not include the reflows amounts coming from four additional legacy instruments which were launched before the MFF 2007-2013.

³¹ Figures do not add up due to rounding.

³² The remainder amount of 2025 reflows of EUR 6.1 m of which EUR 0.6 m were reused within the 5.1 Western Balkans Investment Framework (WBIF) and EUR 5.55 m within the 6.3 LAIF & LACIF the Facility for Euro-Mediterranean Investment and Partnership (FEMIP).

³³ Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the InvestEU Programme and amending Regulation (EU) 2015/1017, as amended.

³⁴ Regulation (EU) 2021/1229 of the European Parliament and of the Council of 14 July 2021 on the Public Sector Loan Facility under the Just Transition Mechanism.

³⁵ This report does not include specific chapters for these four additional legacy instruments that predate the 2007-2013 MFF since, currently, they are only accounted for their reflows.

the Technology Transfer Pilot Project (TTP)³⁸ and SME Guarantee Facility '01 (SMEG01)³⁹, that were also assigned to the provisioning of the EU guarantee under InvestEU.

Overall, in 2025, reflows amounting of EUR 116.63 m⁴⁰ were assigned to the aforementioned programme.

Reflows Financial Instruments (EUR)		2025
Reflows assigned to InvestEU		116,634,336

To recapitulate, since the start of this MFF in 2021, reflows for an amount of EUR 850.12 m have been assigned to the provisioning of the EU guarantee under InvestEU (EUR 575.5 m) and to the financing of the grant component of the PSLF⁴¹ (EUR 274.65 m), as shown in the table below.

Reflows Financial Instruments (EUR)	2025	2024	2023	2022	2021	TOTAL
Reflows assigned to InvestEU	116,634,336	210,938,404	136,136,410	77,153,440	34,616,531	575,479,121
Reflows assigned to PSLF	-	2,364,068	104,560,504	121,457,213	46,264,056	274,645,841
TOTAL	116,634,336	213,302,473	240,696,914	198,610,653	80,880,587	850,124,962

The three financial instruments which generated most reflows in 2025 were:

- 4.8 High Growth and Innovative SME Facility (GIF) CIP GIF – EUR 23.8 m;
- 4.1 COSME Loan Guarantee Facility (LGF) – EUR 22.2 m
- 4.2 COSME Equity Facility for Growth (EFG) – EUR 17.0 m.

Overall, in the period 2021-2025, the three financial instruments which generated most reflows were:

- 4.8 High Growth and Innovative SME Facility (GIF) CIP GIF – EUR 315.2 m;
- 2.2 Risk-Sharing Finance Facility (RSFF) & Pilot guarantee facility for R&I-driven SMEs and Small Midcaps (RSI) under the FP7– EUR 99.6 m; and

³⁶ Council Decision 2000/819/EC of 20 December 2000 on a multiannual programme for enterprise and entrepreneurship, and in particular for small and medium-sized enterprises (SMEs) (2001-2005) (OJ L 333, 29.12.2000, p. 84).

³⁷ Council Decision 98/347/EC of 19 May 1998 on measures of financial assistance for innovative and job-creating small and medium-sized enterprises (SMEs) - the growth and employment initiative (OJ L 155, 29.5.1998, p. 43).

³⁸ Technology Transfer Pilot project (TTP): Commission decision adopting a complementary financing decision concerning the financing of actions of the activity 'Internal market of goods and sectoral policies' of the Directorate-General Enterprises & Industry for 2007 and adopting the framework decision concerning the financing of the preparatory action 'The EU assuming its role in a globalised world' and of four pilot projects 'Erasmus young entrepreneurs', 'Measures to promote cooperation and partnerships between micro and SMEs', 'Technological Transfer' and 'European Destinations of excellence' of the Directorate-General Enterprises & Industry for 2007.

³⁹ Council Decision 2000/819/EC of 20 December 2000 on a multiannual programme for enterprise and entrepreneurship, and in particular for small and medium-sized enterprises (SMEs) (2001-2005) (OJ L 333, 29.12.2000, p. 84).

⁴⁰ This figure does not take count of EUR 10,204,881.07 which was assigned to the provisioning of the InvestEU guarantee in 2025 but is being reclassified as unused amount, treated as a general revenue and returned to the general budget.

⁴¹ The target EUR 275 m assigned to the grant component of the PSLF has been virtually reached (EUR 354,158.55 are recallable distributions from the Marguerite Fund that will be assigned to the PSLF once the recallability period is over).

- 4.2 COSME Equity Facility for Growth (EFG) – EUR 92.5 m.

The table below further details the financial instruments⁴² from which reflows have been assigned to the provisioning of the EU guarantee under InvestEU⁴³ and to the financing of the grant component of the PSLF.

Reflows Financial Instruments (EUR)		2025		2024		2023		2022		2021	
		To InvestEU	To PSLF	To InvestEU	To PSLF	To InvestEU	To PSLF	To InvestEU	To PSLF	To InvestEU	To PSLF
1.1	Connecting Europe Broadband Fund (CEBF)									35,141	
1.2	Connecting Europe Facility (CEF) – Debt Instrument	4,801,304		6,203,030		1,928		5,938,457		8,411,293	
1.6	2020 European Fund for Energy, Climate Change and Infrastructure (Margarite)	1,577,465		903,337	2,364,068	6,468,349	9,473,313		19,994,394		14,561,815
2.1	Horizon 2020 Loan Services for R&I Facility (InnovFin Debt)							4,925,641	4,603,069	11,188,767	
2.2	Risk-Sharing Finance Facility (RSFF) & Pilot guarantee facility for R&I-driven SMEs and Small Midcaps (RSI) under the FP7	14,187,009		85,401,717							
3.1.a	Employment and Social Innovation Microfinance and Social Entrepreneurship Guarantee (EaSI-G)	3,520,229		4,755,711		3,332,614					
3.1.b	EaSI Capacity Building Investments (EaSI CBI)	2,005,917		1,045,140		250,309				38,694	
n/a	European Progress Microfinance (EPMF FCP-FIS)						397,764		1,548,429	3,823,545	4,531,001
3.3	Erasmus+ Student Loan Guarantee Facility (SLGF)	1,059,680		614,273							
4.1	COSME Loan Guarantee Facility (LGF)	22,177,241		28,333,080		13,266,984		1,389,494			
4.2	COSME Equity Facility for Growth (EFG)	17,016,639		12,451,304		14,960,235	28,951,868		18,388,601		861,887
4.3	Horizon 2020 SMEs & Small Midcaps R&I Loans Service (InnovFin SME Guarantee)	5,208,980		1,714,130				3,650,162		5,877,139	
4.4	Horizon 2020 Equity Facility for R&I (InnovFin Equity)	13,809,386		12,449,553				1,280,395		2,564,957	
4.6	Cultural and Creative Sectors Guarantee Facility (CCS GF)	2,161,959		1,591,113		690,824					
4.7	SME Guarantee Facility (SMEGF07) - CIP SMEGF 07	2,366,111		2,335,176		873,526		780,259			3,019,799
4.8	High Growth and Innovative SME Facility (GIF) - CIP GIF	23,803,358		40,909,272		81,780,454	65,732,174	19,076,208	58,713,056	2,676,995	22,462,865
n/a	European Technology Facility (ETF01)	6,980,746		3,227,689		14,494,193		40,083,582	17,701,869		
n/a	European Technology Facility (ETF98)	1,006,010		174,271		16,994		29,243	294,537		796,331
n/a	Technology Transfer Pilot Project (TTP)	7,230		33,422			3,385		313,259		30,357
n/a	SME Guarantee Facility '01 (SMEGF01)	5,149,953		8,795,985							
Total		126,839,217		210,938,404	2,364,068	136,136,410	104,560,504	77,153,440	121,457,213	34,616,531	46,264,056
Total 2025/2024/2023/2022/2021		126,839,217		213,302,473		240,696,914		198,610,653		80,880,587	
Total 2021 to 2025 assigned to InvestEU							585,684,002				
Total 2021 to 2025 assigned to PSLF							274,645,841				
Grand total assigned to InvestEU and PSLF							860,329,843				

In internal policies in the current MFF 2021-2027, the Union budget works with one single budgetary guarantee i.e. InvestEU, which builds on the experience of the EFSI budgetary guarantee of the previous MFF, and which reduces the earlier fragmentation across distinct Union financial instruments in place⁴⁴. In this context, while financial instruments established in previous MFFs have in general a lifecycle spanning around 20 years, most of the active financial instruments in internal policies included in this report are expected to be terminated⁴⁵ in the 2030s (twelve financial instruments). Meanwhile, three financial instruments are expected to be terminated by the end of this decade, and the remaining four financial instruments in the 2040s.

Despite the relatively stable amount of yearly reflows from 2021 to 2025, estimating the pace and amount of reflows from these financial instruments for the next two decades remains challenging. This uncertainty arises from their inherent risk and the fact that these financial instruments are designed to cover some losses (which would be the normal functioning of instruments that seek to achieve additionality and address market failures). Financial instruments have long lifecycles that extend beyond the MFF under which they were established and, as a result, reflows take time to materialise. These reflows from financial instruments illustrate the revolving nature of the Union's repayable support, enabling the launch, continuation or expansion of programmes and instruments, while addressing market failures and delivering on the EU policy priorities.

⁴² The European Progress Microfinance (EPMF FCP-FIS) is already liquidated and was last reported in chapter 3.2.a of the Working Document X accompanying the 2025 Draft Budget. The Pilot guarantee facility for R&I driven SMEs and Midcaps (RSI) was last reported in Chapter 2.2 of the Working Document X accompanying the 2026 Draft Budget.

⁴³ In addition, under Chapter 4.4 Horizon 2020 Equity Facility for R&I (InnovFin Equity) a total of EUR 10,204,881.07 was assigned to the provisioning of the InvestEU guarantee in 2025 but is being reclassified as unused amount, treated as a general revenue and returned to the general budget.

⁴⁴ Nevertheless, the use of fully provisioned financial instruments brought together under the framework of InvestEU proved to be especially useful in targeting higher risk operations (further details on blending operations including contribution from a financial instrument to the framework providing budgetary guarantee are reported in Working Document XI (41(5) FR report).

⁴⁵ Further information on the duration of each specific financial instrument is available in their specific chapters. It is noted that 4.5 EIC Fund does not have specifically agreed-upon termination date. In addition, the termination date of the EU level instruments that contribute to the 4.9 SME Initiative is presented in chapters 4.1 COSME Loan Guarantee Facility (LGF) and 4.3 Horizon 2020 SMEs & Small Midcaps R&I Loans Service (InnovFin SME Guarantee) of this report.

A. Infrastructure & Climate change

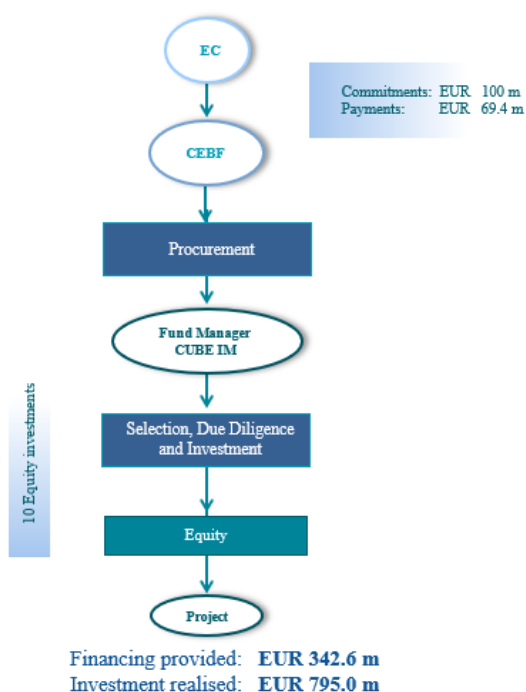
1.1 Connecting Europe Broadband Fund (CEBF)

Description

Identification / Reference to the basic act			
Regulation (EU) No 1316/2013 of the European Parliament and the Council of 11 December 2013 establishing the Connecting Europe Facility, amending Regulation (EU) No 913/2010 and repealing Regulations (EC) No 680/2007 and (EC) No 67/2010 (OJ L 348, 20.12.2013, p. 129) as amended by Regulation (EU) 2015/1017 of the European Parliament and of the Council of 25 June 2015 on the European Fund for Strategic Investments, the European Investment Advisory Hub and the European Investment Project Portal and amending Regulations (EU) No 1291/2013 and (EU) No 1316/2013 — the European Fund for Strategic Investments (OJ L 169, 1.7.2015, p. 1)			
Budget lines			
02.029907			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	0.00	0.00
Budgetary payment appropriations	9,009,009.02	10,000,000.00	11,400,000.00

Initial financial envelope:	EUR 100,000,000.00
Current financial envelope:	EUR 100,000,000.00
Overall financial envelope:	EUR 100,000,000.00

General description



The Connecting Europe Broadband Fund (hereafter, the ‘CEBF’ or ‘the Fund’) is implemented under the CEF Equity instrument under direct management by the European Commission (DG CONNECT).

The CEBF was set up to meet the growing demand for financing of smaller-scale broadband projects across Europe, which did not have easy access to funding.

The CEBF has a budget of EUR 555 million for broadband investment and is expected to unlock total investments of EUR 1-1.7 billion. The Fund can provide equity and quasi-equity financing including mezzanine.

Duration

The Fund Manager was selected in May 2017 with a public procurement procedure and the Fund was launched in 2018. The CEBF signed its first operation in January 2019. The investment period during which the Fund Manager selected in which projects to invest equity lasted 5 years and ended in June 2023. Since that date, the Fund

cannot invest in new projects but just develops its current project portfolio until maturity. All assets have to be sold by 2030 (the total expected duration of the fund is therefore 12 years) or at the latest 2032. Once all assets are liquidated the Fund will be terminated.

Added value, final recipients and projects

The CEBF invests in underserved areas where there are strong profitability opportunities. Eligible countries are EU Member States, as well as Norway and Iceland. Projects (whether fixed line or mobile) should make a significant contribution to the achievement of the targets of the Digital Agenda for Europe (DAE), which means, at the minimum, the support to the connectivity necessary to achieve the DAE Target 2 (30 Mbps) and/or Target 3 (100 Mbps). Furthermore, in case of fixed line networks, minimum speed levels in line with DAE target 3 (100 Mbps) should be permanently available for at least one or several retail products out of the operator's commercial product offerings. Priority should be given to projects that facilitate the transition towards a European Gigabit Society by the deployment of networks upgradable to 1 Gigabit as well as to projects based on wholesale-only models.

The projects are to be deployed predominantly in underserved areas, which would be typically classified as grey Next Generation Access ('NGA') networks (i.e., only one NGA network exists or is planned) and white NGA areas (no NGA network exists), for state aid purposes. The Fund is meant to support operators to cope with the large capital expenditures and long payback periods required to build Fibre to the Home networks. This is particularly true for the roll-out in rural areas where the lower density results in typically very high payback periods exceeding sometimes 10 years, going up to 20 years.

CEBF only invests in greenfield projects. These projects are defined as investments carried out by start-up companies or companies that have an asset base which is small compared to the cumulative investments planned for new assets.

The EUR 100 million from the CEF Equity Instrument budget was committed in the junior equity tranche, subordinated to all other investors. Reinforced by an EFSI guarantee covering another amount of EUR 100 million, CEBF was designed to reduce the reluctance from institutional investors and long-term funds to substantially invest in greenfield Fiber To The Home (FTTH) infrastructures. Beyond the traditional risk of greenfield projects (that are not cash/yield producing assets as in the case of brownfields) these projects carry additional risks principally due to the lack of visibility of the revenue ramp-up and the strong return sensitivity to market penetration speed.

Financial institutions involved in implementation

The Fund was launched on 27 June 2018 with EUR 420 million at first closing through commitments from:

- The EIB for EUR 140 million (out of which EUR 100 million are backed by the EFSI).
- The European Commission, via the Connecting Europe Facility ('CEF'), for EUR 100 million.
- The German KfW for EUR 50 million.
- The Italian Cassa Depositi e Prestiti for EUR 50 million.
- The French Caisse des Dépôts for EUR 50 million.
- An additional EUR 25 million contributed by European private investors.
- Cube IM (fund manager) for EUR 5 million.

Cube IM is a professional asset manager with extensive experience in infrastructure and, in particular, broadband investments in Europe and has been selected via an open and competitive selection process carried out by the EIB. For alignment of interests, Cube IM has subscribed into the Fund for an amount of EUR 5 million.

Three new closings occurred since the launch with the final one taking place in June 2021. The total commitments made to the Fund to date amount to EUR 555 million, effectively outperforming the initial target set at the beginning of the project of EUR 500 million.

Operational Performance

Contribution to the achievement of the objectives of the programme

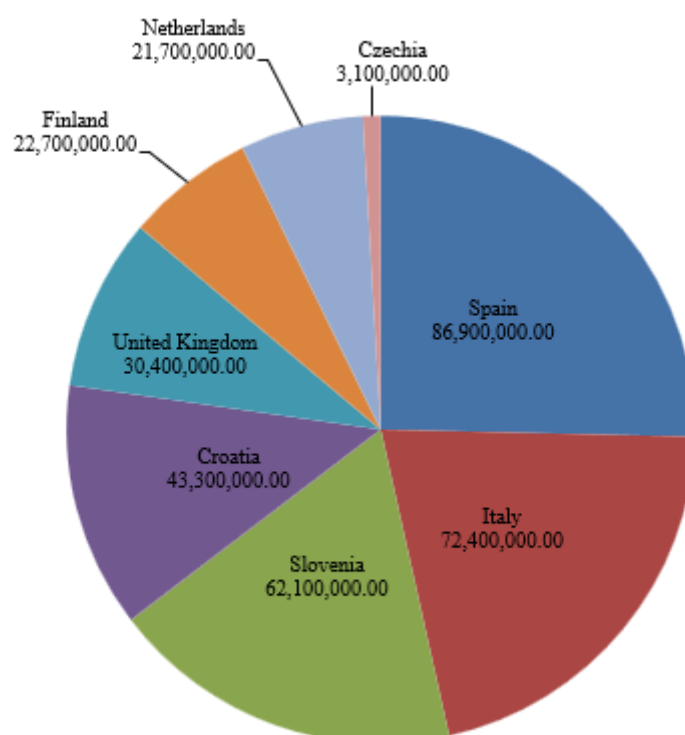
The projects in which the Fund has invested will deploy high quality FTTH network for 1,875,000 residential, business, and public administration premises mostly in rural areas. 940,000 premises have already been passed with fiber. One project will also deploy a backbone of about 1,800 km in Spain.

Geographical diversification

The CEBF can invest in all EU Member States, as well as EEA Member States participating in CEF Telecom, namely Iceland and Norway. The project portfolio shows solid geographical diversification, as do the projects already signed by the Fund to date for a total amount of EUR 342.6 million (2 in both Spain and Italy, 1 project each in Croatia, Slovenia, United Kingdom⁴⁶, Czechia, Netherlands and Finland). Although the investment phase ended in June 2023, the financing provided to financial recipients may increase afterwards as funds are deployed to the investments.

The Fund has already divested from the project in United Kingdom, Netherlands and Czechia.

As of 31 December 2025, the Fund has invested in ten projects for a total invested capital of EUR 342.6 million and divested from three.



Main issues for the implementation

The uptake for FTTH services by final consumers is slower than expected, not only in Europe but worldwide. The result is that FTTH rollout projects tend to have a flatter revenue growth than expected and therefore longer payback periods. The overall investment strategy of CEBF has shifted to fewer and larger

⁴⁶ Project signed when the United Kingdom was still an official member of the EU.

projects than initially planned and the expansion pace is more cautious and more attentive to proven demand rather than land grabbing. The payment appropriations for CEBF are therefore relatively slow.

Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed	100,000,000.00	100,000,000.00
Leverage effect	3.43	5.20
Multiplier effect	7.95	10.00
Operations	10	17
Financing provided to final recipients	342,600,000.00	520,000,000.00
Number of final recipients	10	17
Investments made by final recipients due to the received financing	795,000,000.00	1,000,000,000.00

Financial Information

Financial Information (EUR)	Connecting Europe Broadband Fund (CEBF)		
Type of instrument	Equity		
Year of inception	2018		
Implementing Partner	CUBE Infrastructure Managers		
	Notes	2025	All years
EU Contribution			
Budgetary commitments		0.00	100,000,000.00
<i>of which from third countries</i>		0.00	0.00
<i>of which from reflows</i>		0.00	0.00
Budgetary payments		9,009,009.02	69,381,965.43
Reflows	(1)		
Revenues		0.00	45,143.09
Repayments		0.00	3,666,984.00
Total reflows entered into the budget, of which:		0.00	3,712,127.09
<i>to the general budget</i>		0.00	10,001.83
<i>returned to be used</i>		0.00	3,702,125.26
Losses from operations			
Guarantees			
Guarantees called		0.00	0.00
Guarantee calls recovered		0.00	0.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		0.00	0.00
Incentive fees		0.00	0.00
Treasury management fees		0.00	0.00

Other charges		0.00	0.00
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		0.00	10,001.83
Net treasury result (including interest) (gains (+) / losses (-))		0.00	-0.17
Net FX gains (+) / losses (-)		0.00	0.00
Other revenues		0.00	35,141.26
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		31,306,660.56	40,262,501.58
Value of equity investments		688,626.00	635,458.00
<i>Investment at cost</i>		69,381,965.44	60,372,956.42
Value of loans		0.00	0.00
<i>Loans at cost</i>		0.00	0.00
Financial liabilities and provisions		0.00	0.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		0.00	0.00
<i>in euro</i>		0.00	0.00
<i>in non-euro currencies</i>		0.00	0.00
Other financial assets (including short term deposits >3months)		0.00	0.00

Notes to the financial information

- (1) Most of the reflows were returned to be reused by deducting them from the Commission disbursement in response of new capital calls. Repayments allowed to reduce the management fees. In line with Article 35(1) of the InvestEU Regulation, 2021 reflows in the amount of EUR 35,141.26 were assigned to InvestEU.

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

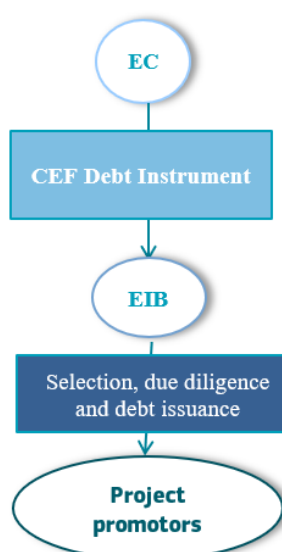
1.2 Connecting Europe Facility (CEF) – Debt Instrument

Description

Identification / Reference to the basic act			
Connecting Europe Facility Debt Instrument (CEF DI): Regulation (EU) No 1316/2013 of the European Parliament and of the Council of 11 December 2013 establishing the Connecting Europe Facility, amending Regulation (EU) No 913/2010 and repealing Regulations (EC) No 680/2007 and (EC) No 67/2010 (OJ L 348, 20.12.2013, p. 129)			
Budget lines			
02 02 99 05 and 02 02 99 06			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	0.00	0.00
Budgetary payment appropriations	0.00	0.00	0.00

Initial financial envelope ⁴⁷ :	EUR 2,557,000.00
Current financial envelope:	EUR 755,000,000.00
Overall financial envelope ⁴⁸ :	EUR 2,536,000,000.00

General description



Financing provided: **EUR 2.176 bn**
 Investment realised: **EUR 18.095 bn**

The CEF Debt Instrument was established through Regulation (EU) No 1316/2013 of the European Parliament and of the Council of 11 December 2013 establishing the Connecting Europe Facility, amending Regulation (EU) No 913/2010 and repealing Regulations (EC) No 680/2007 and (EC) No 67/210. The CEF Debt instrument aims to facilitate greater private sector involvement in the long-term financing of transport, energy and telecommunication projects.

Duration

The implementation of the CEF Debt started in July 2015, when the Delegation Agreement with the EIB was signed. The commitment and approval periods ended respectively in 2020 and 2022. The subsequent signature period ended on 31 December 2023. The latest maturity date of underlying loans is 28 December 2048.

Added value, final recipients and projects

The goal of the CEF Debt Instrument is to contribute to Trans-European Network (TEN) goals by addressing market failures.

All operations under the Debt Instrument are supported by a risk sharing mechanism with the EIB where the EU budget takes 95% to 100% of the first loss piece of the portfolio of such operations (100% only in the case of non-securitisable financing). The first loss provisioning provided by the EU budget is shared among all projects in the three sectors covered by the CEF Debt Instrument. This allows for higher diversification and hence maximises the number of projects that can be supported by the CEF Debt Instrument.

⁴⁷ Initial envelope available for CEF DI, as per art. 9 of CEF DI Delegation Agreement of 2015.

⁴⁸ This amount includes EUR 1 billion budget used to support the 2017 CEF Transport Blending Call. The CEF Regulation allows for implementing projects with FIs, using up to 8.4% of the total CEF budget envelope

Financial institutions involved in implementation

The European Investment Bank (EIB) is the entity entrusted with the implementation of the CEF Debt Instrument.

Operational Performance

Contribution to the achievement of the objectives of the programme

The CEF DI has been used effectively to deliver projects of EU added value. By the end of 2025, the CEF DI portfolio (including the legacy LGTT and PBI instruments⁴⁹) has grown to 35⁵⁰ projects in 14⁵¹ Member States with:

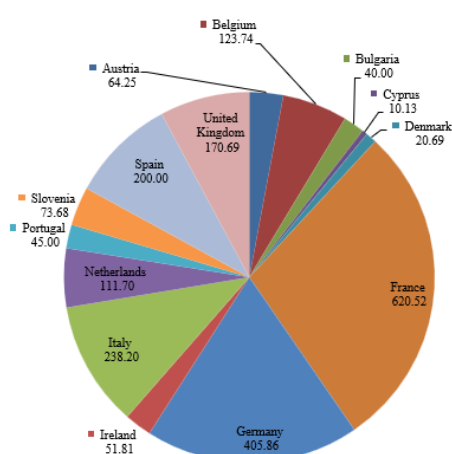
- Total investment realised EUR 18,094.67 million
- Achieved leverage and multiplier effects: 3 and 24

The CEF Debt Instrument (CEF DI) Delegation Agreement was amended in June 2019 to focus on green innovative investments, to ensure complementarity with the European Fund for Strategic Investments (EFSI) and to allow the absorption of unused NER300⁵² funds (managed by DG CLIMA) to be implemented through the CEF Debt Instrument in the transport sector. The amended CEF DI Delegation Agreement introduced the 'Future Mobility' financial product to support high-risk deployment of alternative fuels infrastructure, the roll out of innovative technologies and smart mobility services.

The amendment of the Delegation Agreement resulted in an increase of the portfolio with operations covering the deployment of electric buses and electric-vehicle fleets; the installation of electric and hydrogen charging points; the development of innovative technologies and smart mobility services for port and rail terminals. The instrument also paved the way for a strong pipeline of projects under the successor instrument InvestEU.

Geographical diversification

By the end 2025, the CEF DI portfolio (including the legacy LGTT and PBI instruments) comprised 35 projects in 14 Member States. The distribution of total financing provided to final recipients (EUR 2,176.26 million) is as follows:



⁴⁹ Loan Guarantee for TEN Transport and Project Bond Initiative.

⁵⁰ This figure includes operations already fully reimbursed.

⁵¹ Two transactions in the United Kingdom were signed prior to the United Kingdom's withdrawal from the EU and are therefore listed.

⁵² EU ETS funding programme for innovative demonstration renewable energy and CCS projects.

Main issues for the implementation

Due to the overlap in eligibility of the CEF Debt Instrument and EFSI, and the more flexible eligibility criteria of EFSI compared to CEF, the CEF DI had initially performed below expectations.

The CEF DI Delegation Agreement was subsequently amended to increase the complementarity between the CEF DI and EFSI (amendment entered into force in 2019), and to implement contributions from unused NER300 funds.

In the telecom sector, the entire commitment amount of EUR 17.5 million has been successfully mobilised in a single transaction. In the transport sector, the CEF DI budget was exhausted and NER300 contribution were also used to support operations. As regards the energy sector, no operations were eventually pursued by the end of the approval period (31.12.2022) due to pipeline constraints.

Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed	755,000,000.00	N/A
Leverage effect	2.88	N/A
Multiplier effect	23.97	N/A
Operations	35	N/A
Financing provided to final recipients	2,176,260,000.00	N/A
Number of final recipients	35	N/A
Investments made by final recipients due to the received financing	18,094,670,000.00	N/A

Financial Information

Financial Information (EUR)	Connecting Europe Facility Debt Instrument (CEF DI)		
Type of instrument	Risk-sharing (guarantee)		
Year of inception	2015		
Implementing Partner	EIB		
	Notes	2025	All years
EU Contribution			
Budgetary commitments		0.00	755,023,980.11
<i>of which from third countries</i>		0.00	0.00
<i>of which from reflows</i>		0.00	6,881,250.95
Budgetary payments		0.00	755,023,980.11
Reflows	(1)		
Revenues		4,801,303.63	65,291,127.59
Repayments		0.00	0.00
Total reflows entered into the budget, of which:		4,801,303.63	65,291,127.59
<i>to the general budget</i>		0.00	2,028,733.22
<i>returned to be used</i>		4,801,303.63	63,262,394.37
Losses from operations			
Guarantees			
Guarantees called		5,178,229.46	5,178,229.46

Guarantee calls recovered		0.00	0.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		0.00	16,813,030.13
Incentive fees		0.00	13,419,375.00
Treasury management fees		388,558.00	5,459,633.27
Other charges		6,780.00	52,432,656.35
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		4,174,330.09	110,470,229.95
Net treasury result (including interest) (gains (+) / losses (-))		18,730,506.00	55,591,687.89
Net FX gains (+) / losses (-)		0.00	70,900.90
Other revenues		0.00	20,036.40
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		643,733,210.00	648,911,439.00
Value of equity investments		0.00	0.00
<i>Investment at cost</i>		0.00	0.00
Value of loans		0.00	0.00
<i>Loans at cost</i>		0.00	0.00
Financial liabilities and provisions		16,475,127.48	21,149,752.48
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		0.00	0.00
<i>in euro</i>		0.00	0.00
<i>in non-euro currencies</i>		0.00	0.00
Other financial assets (including short term deposits >3months)		682,399,058.21	714,921,047.21

Notes to the financial information

- (1) In line with Article 35(1) of the InvestEU Regulation, 2021 reflows in the amount of EUR 8,411,292.60, 2022 reflows in the amount of EUR 5,938,457.40, 2023 reflows in the amount of EUR 1,928.09, 2024 reflows in the amount of EUR 6,203,029.89 and 2025 reflows in the amount of EUR 4,801,303.63 were assigned to InvestEU (total reflows assigned to InvestEU EUR 25,356,011.61).

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

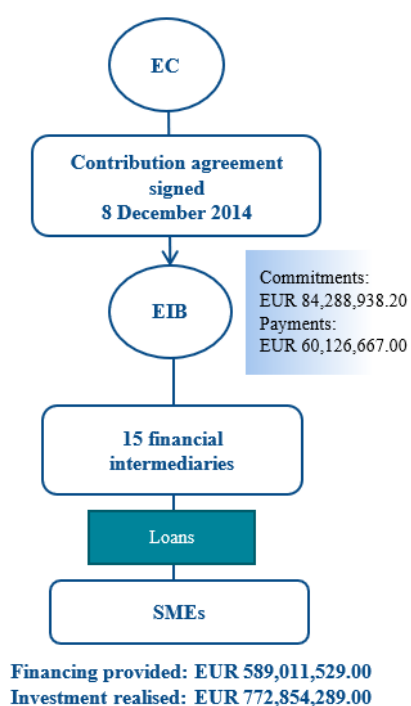
1.3 Private Finance for Energy Efficiency Instrument (PF4EE)

Description

Identification / Reference to the basic act			
Regulation (EU) No 1293/2013 of the European Parliament and of the Council of 11 December 2013 on the establishment of a Programme for the Environment and Climate Action (LIFE) and repealing Regulation (EC) No 614/2007 (OJ L 347, 20.12.2013, p. 185)			
Budget lines			
2.029909			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	0.00	0.00
Budgetary payment appropriations	0.00	p.m.	p.m.

Initial financial envelope ⁵³ :	EUR 80,000,000.00
Current financial envelope ⁵⁴ :	EUR 84,288,938.20
Overall financial envelope:	EUR 84,288,938.20

General description



The LIFE programme is the EU (European Union) funding instrument for the environment and climate action, with a main objective to contribute to the implementation, updating and development of EU environmental and climate policy and legislation by co-financing projects with European added value. Aside from providing action grants to projects and operating grants to non-governmental organisations, LIFE programme also developed financial instruments, such as Private Finance for Energy Efficiency Instrument (PF4EE).

The Implementing Partner of the PF4EE is the European Investment Bank (EIB). The PF4EE provides risk coverage in the form of a first loss portfolio capped guarantee to selected financial intermediaries who undertake to develop a portfolio of new loans targeting eligible final recipients investing in energy efficiency. The risk coverage is provided on a loan-by-loan basis with a guarantee rate of up to 80 % and at portfolio level with a guarantee cap.

PF4EE aims to help address market barriers by investing in projects that would not attract affordable financing because they are considered as too high risk. Therefore, its core objective is

the deployment of energy efficient loans across Europe, increasing the availability of debt financing to support priorities set in the National Energy Efficiency Action Plans (NEEAPs) or the National Energy and Climate Plans (NECPs) of Member States.

⁵³ Phase I – initial amount.

⁵⁴ Additional EUR 25 million added (Phase II). Total committed amount for Phase I and II accounted for EUR 105 million. In February 2023, EU 20,711,061.80 was decommitted and the current financial envelope is EUR 84,288,938.20.

Duration

The Commitment Period for Phase I of the PF4EE Instrument ended on 31 December 2017, except for repayments, which were re-used until 31 December 2022. The Commitment Period for Phase II ended on 31 December 2020, except for repayments, which were re-used until 31 December 2022.

The Implementation Period, during which the EIB could commit the EU Contribution Committed, started on the day of signing the Delegation Agreement (8 December 2014) and ended on 31 December 2019 for Phase I. For Phase II, the Implemented Period ended on 31 December 2022.

The maturity date of the last debt exposure (final loan repayment) under PF4EE can extend up to 20 years after the end of the Phase II implementation period, with a latest possible maturity date of 20 January 2043.

Added value, final recipients and projects

Thanks to the guarantee provided by the LIFE programme, the EIB can provide access to adequate and affordable commercial debt financing to the promoters of energy efficiency (“EE”) investments. The final recipients include private individuals, home-owner associations, small and medium enterprises (SMEs), corporates and/or public institutions/bodies.

PF4EE has two components:

- a risk mitigation mechanism (the PF4EE Instrument Risk Sharing Facility or RSF) for Financial Intermediaries to partially recover losses they may incur in their energy efficiency loan portfolio;
- an advisory component (the PF4EE Instrument Expert Support Facility or ESF), aimed at providing expert support to the Financial Intermediaries.

PF4EE can be combined with a dedicated financing line from EIB (the “EIB Energy Efficiency Loan”) to improve the funding terms of the financing to Energy Efficiency promoters.

The design of the Risk Sharing Facility enables the Commission to provide credit risk protection to the financial intermediaries in respect of their loans to final recipients. The EIB loans complement the RSF and are provided by the EIB at competitive rates and with long maturities.

Financial institutions involved in implementation

The EIB is the entrusted entity and risk-sharing partner for implementing the PF4EE Instrument under indirect management. The selected Financial Intermediaries (FIs), commercial banks contracted by the EIB through three requests for proposals, facilitate energy efficiency investments with support from the EIB’s Expert Support Facility. Under the first two proposals, the EIB selected 11 FIs, and under the third, signed operations with four additional FIs

Operational Performance

Contribution to the achievement of the objectives of the programme

The PF4EE Instrument was designed to contribute to the general objectives of the LIFE Regulation (Regulation (EU) No 1293/2013). In particular, the PF4EE Instrument:

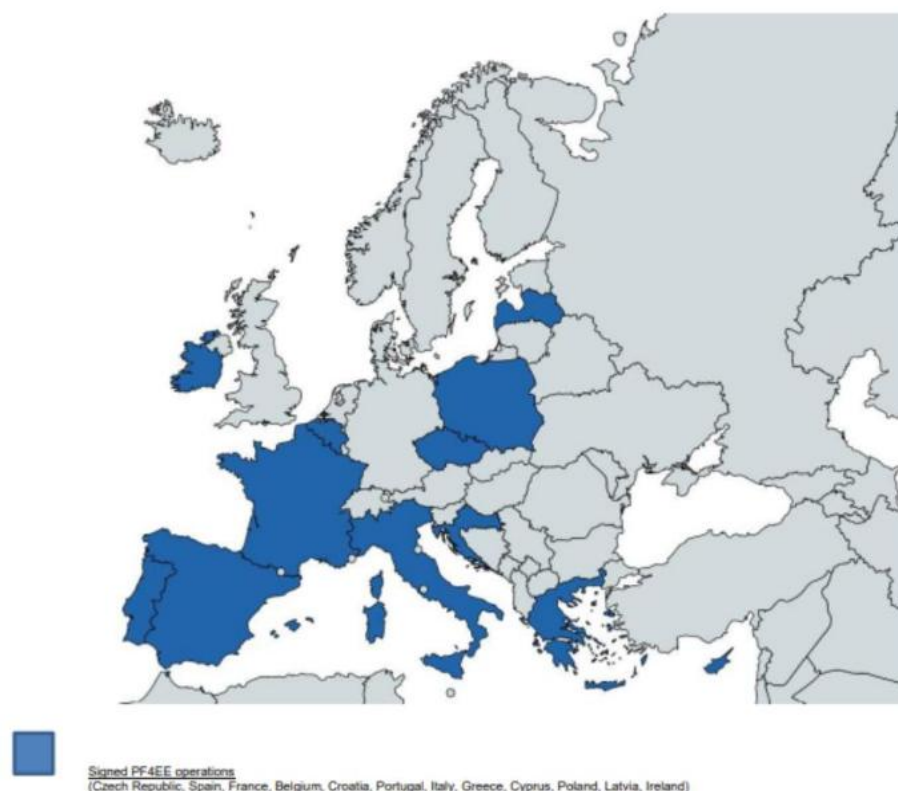
- (i) Addresses a major climate policy issue, contributing to the achievement of the Europe 2020 and 2030 objectives to secure energy savings and the associated reduction in emissions;
- (ii) Provides the necessary level of piloting and demonstration of a new policy instrument, with major potential to deliver EU added value;

- (iii) Complements and supports Member States' responsibilities under their National Energy Efficiency Action Plans (NEEAPs) or their National Energy and Climate Plans (NECPs), as the case may be;
- (iv) Offers the potential to improve the cost-effectiveness of the LIFE Programme through leverage and complementarity;
- (v) Builds longer term capacity in a sustainable commercial finance activity thereby ensuring continuing and long-term support for sustainable development;
- (vi) Supports solidarity and burden sharing; and
- (vii) Offers the potential to mainstream the initiative into Member State programmes (through NEAAPs or NECPs and potentially other programmes and initiatives in line with EU Directives relating to Energy Efficiency).

The entire budget available for the Risk Sharing Facility has been committed in line with the target. 15 operations have been signed. These operations directly support EU energy efficiency targets under NEEAPs and NECPs.

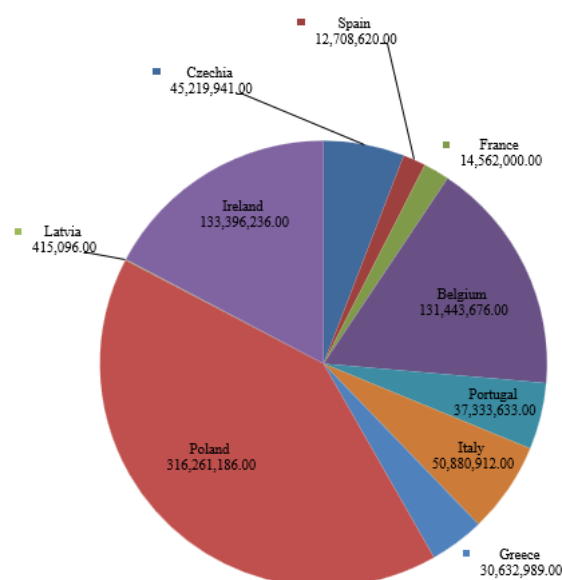
Geographical diversification

Geographical diversification of PF4EE is focused on the EU Member States. As reflected in the map below, PF4EE has been able to cover a big part of the EU territories and was able to gather interest in many more countries eager to initiate and develop financial products catered to Energy Efficiency projects⁵⁵.



The geographical distribution of investments made by final recipients (EUR 772,854,289) is outlined below.

⁵⁵ Projects cancelled in Croatia and Cyprus.



Main issues for the implementation

During the first years of implementation, the realised EE investments under the PF4EE instrument have been somewhat slower than originally envisaged, driven by – among others – the lack of existing infrastructure dedicated to energy efficiency lending products across European FIs. In more detail, the participating FIs needed to build their internal capacity that would allow them to address the EE-lending as a distinct market segment, a process that required both time and commitment. In that respect, the EIB in cooperation with the European Commission (the “PF4EE team”) have been instrumental in supporting FIs in their learning curve and in driving the initiative.

In 2025, EE mobilised investments slightly increased, reflecting the fact that most Financial Intermediaries had completed their signing periods and some entered the amortisation phase. As a result, EE investments mobilised volumes rose by only EUR 18.2 million, reaching EUR 772.9 million.

During earlier years, standardisation of training and support materials enabled more effective onboarding of new FIs. However, portfolio development remained challenging due to external factors such as competing financial instruments (grants and other green finance mechanisms), insufficient FI resources, regulatory complexities, mergers (CCB-Hellenic), and the COVID-19 pandemic’s negative impact on market demand and operational processes. As a result, some of the Financial Intermediaries were unable to develop a strong portfolio of EE loans.

The final phase (2023-2024) saw mixed results: strong successes (BNP Paribas, Solas), moderate improvements (BPER), and continued difficulties or delays (Caixa, Franfinance). The closure of ESF in June 2024 concluded the dedicated external support (implemented in two consecutive phases (ESF 1 from October 2015 to October 2021 and ESF 2 from October 2020 to June 2024), highlighting both the benefits of sustained expert assistance and the persistent market and institutional challenges in EE financing implementation.

Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed	84,288,938.20	105,000,000.00
Leverage effect	6.99	5.33
Multiplier effect	9.17	6.67
Operations	15	9-14
Financing provided to final recipients	589,011,529.00	560,000,000.00
Number of final recipients	36,128	1,167
Investments made by final recipients due to the received financing	772,854,289.00	700,000,000.00

Financial Information

Financial Information (EUR)	Private Finance for Energy Efficiency (PF4EE)		
Type of instrument	Guarantee		
Year of inception	2014		
Implementing Partner	EIB		
	Notes	2025	All years
EU Contribution	(1)		
Budgetary commitments		0.00	84,288,938.20
<i>of which from third countries</i>		0.00	0.00
<i>of which from reflows</i>		0.00	0.00
Budgetary payments		0.00	60,126,667.00
Reflows			
Revenues		0.00	0.00
Repayments		0.00	0.00
Total reflows entered into the budget, of which:		0.00	0.00
<i>to the general budget</i>		0.00	0.00
<i>returned to be used</i>		0.00	0.00
Losses from operations			
Guarantees			
Guarantees called		601,355.00	739,842.00
Guarantee calls recovered		1,462.00	61,799.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		0.00	4,200,001.00
Incentive fees		0.00	2,100,000.00
Treasury management fees		0.00	0.00
Other charges		3,700.00	3,085,629.00
Revenues			

Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		364,396.00	2,086,895.00
Net treasury result (including interest) (gains (+) / losses (-))		789,399.00	3,323,363.00
Net FX gains (+) / losses (-)		212,422.00	871,049.00
Other revenues		0.00	0.00
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		60,471,431.00	61,614,282.32
Value of equity investments		0.00	0.00
<i>Investment at cost</i>		0.00	0.00
Value of loans		0.00	0.00
<i>Loans at cost</i>		0.00	0.00
Financial liabilities and provisions		11,212,997.00	16,251,943.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		58,048,270.00	57,264,883.00
<i>in euro</i>		41,282,873.00	40,615,560.00
<i>in non-euro currencies</i>		16,765,397.00	16,649,323.00
Other financial assets (including short term deposits >3months)		0.00	0.00

Notes to the financial information

- (1) The EIB notified the Commission that an amount of EUR 20,711,061.80 of the EU contribution originally committed was no longer required for the PF4EE Instrument. This amount corresponds to contributions utilised but not requested for payment under less successful collateral agreements. The agreements between the EIB and Zagrebačka Banka (Croatia), Cyprus Cooperative Bank Ltd as well as Avantcard were cancelled after signature. In the case of Piraeus Bank SA (Greece), EUR 4 million was cancelled after signature. The collateral agreement with BNP Paribas Bank Polska SA was topped up by EUR 11 million.

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

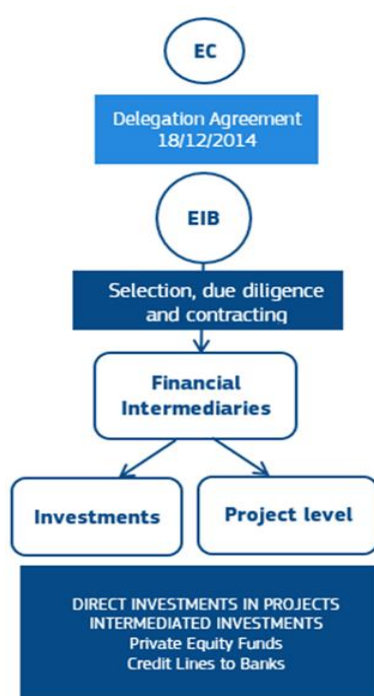
1.4 Natural Capital Financing Facility (NCFF)

Description

Identification / Reference to the basic act			
Regulation (EU) No 1293/2013 of the European Parliament and of the Council of 11 December 2013 on the establishment of a Programme for the Environment and Climate Action (LIFE) and repealing Regulation (EC) No 614/2007 (OJ L 347, 20.12.2013, p. 185)			
Budget lines			
02.029909			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	p.m	p.m
Budgetary payment appropriations	2,000,000.00	p.m	p.m

Initial financial envelope:	EUR 60,000,000.00
Current financial envelope:	EUR 60,000,000.00
Overall financial envelope:	EUR 60,000,000.00

General description



The NCFF provides direct and indirect financing for natural capital investment projects. The financing may consist in loans or equity. It finances upfront investments and operating costs for revenue-generating or cost-saving projects which promote the conservation, restoration, management and enhancement of natural capital and contribute to the Union's objectives for biodiversity and climate change adaptation, e.g. through ecosystem-based solutions to challenges related to land, soil, forestry, agriculture, water and waste.

Duration

The Delegation Agreement with the European Investment Bank (EIB) was signed in December 2014. The second amendment signed in December 2021 extended the implementation phase of NCFF until and including 2022. No new signatures of operations will take place, but NCFF continues its disbursement period with the financial intermediaries and final recipients. For the loan agreements the end dates range from 2026 to 2045. The expected termination date of this financial instrument is 31/12/2046.

Added value, final recipients and projects

The added value of the NCFF is that it addresses current market gaps and barriers for the private financing of projects in the field of biodiversity and climate change adaptation. The aim is to establish a pipeline of replicable, bankable investments that will serve as a "proof of concept" and that demonstrate to private investors the attractiveness of such investments for the longer term. A further aim is to leverage funding from private investors for this pipeline of investments. The NCFF supports projects that the EIB normally does not invest in, because they are too small, the time to ensure an investment return is too long, or the perceived credit risk of biodiversity and climate change adaptation investments is too high.

Financial institutions involved in implementation

The EIB is the entrusted entity for the NCFF Instrument.

Operational Performance

Contribution to the achievement of the objectives of the programme

The NCFF Instrument contributes to meeting the general objectives of the LIFE regulation. In particular, the NCFF Instrument's objective was to provide a proof of concept to demonstrate that biodiversity and climate adaptation projects can be financed through innovative and sustainable market-based mechanisms in addition to existing grant-based financing. The NCFF comprises two components, the main investment facility and a small technical assistance facility which provides small grants for preparation and support activities.

By the end of 2025, the NCFF Investment facility portfolio comprised 11 signed operations, out of which seven direct loans, three indirect loan operations and one equity agreement for the Irish Sustainable Forest Fund. The prevailing project categories were forestry and urban green infrastructures. No new operations have been signed in the reporting year, as 2022 marked the end of the signing period for the NCFF.

To date, the NCFF technical support facility supported:

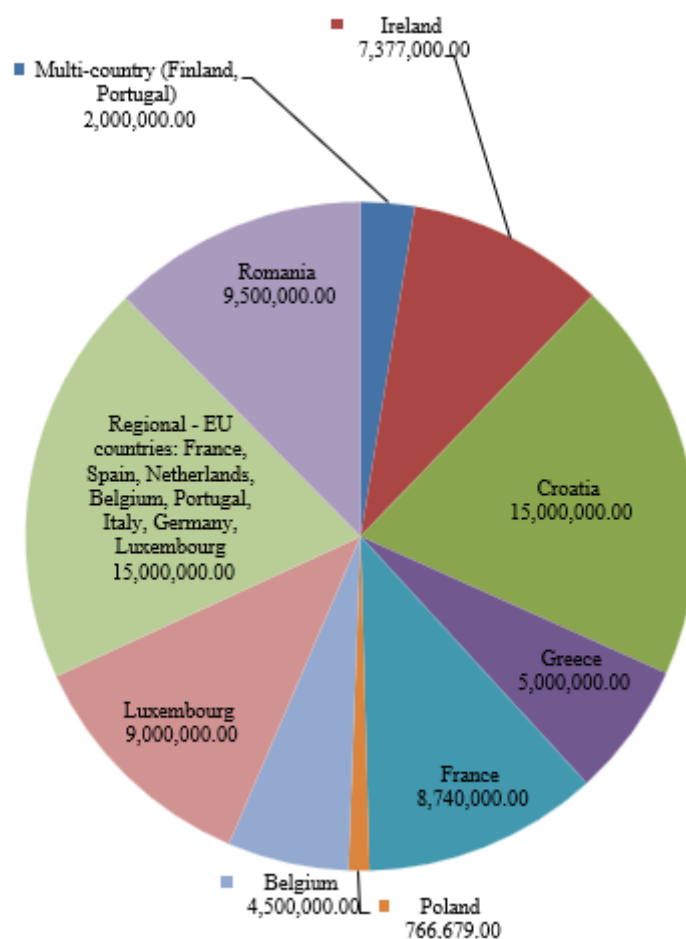
- Twelve small Technical Assistance packages. These packages have served to i) support the development and the preparation of specific operations and ii) for more general guidance. In terms of costs, none of these exceeded EUR 50,000.
- Eight larger Technical Assistance packages (between EUR 339,955 – EUR 990,000) to support the development, the implementation and the monitoring of operations which are receiving financing from the NCFF.

Geographical diversification

The aim was to invest in 9 to 12 operations and as broadly as possible in different Member States to reach a geographical balance within the EU in accordance with criteria set in the Delegation Agreement governing the NCFF instrument. The broad geographical coverage was to enhance the effectiveness of the pilot phase.

The eleven concluded operations from the NCFF Investment facility amount to EUR 76,883,679 (the initial amount was EUR 82,006,679.54 but the amount of the equity investment was adjusted downwards). They were signed with financial intermediaries from Netherlands, Ireland, Croatia, Greece, France, Belgium, Luxembourg, Romania and Poland. The signed operations enabled projects to be financed across the EU, including in Finland and Portugal.

Within the geographical coverage in ten Member states, the desired geographical spread was achieved. In addition, the support from the NCFF technical support facility amounting to EUR 4,833,080 concerns operations in the projects explored and for some of them materialised in Romania, Spain, Ireland, Netherlands, Portugal, Greece, Italy, Finland and Austria, but also to other explored projects all over Europe.



Main issues for the implementation

In the reporting year 2025 there have been no new projects concluded, as 2022 was the final year of the implementation phase. Whereas the pilot initiative fulfilled its objective regarding the number of financed operations, the target volume of a EUR 100-125 million of financing covering both debt and equity operations has not been reached. There were possibly several reasons for this shortfall in relation to volume, one being the small size of the submitted and approved operations. The NCFE as a market priced instrument was sensitive to the macroeconomic developments like historically low interest rates affecting the uptake of financial instruments. In addition, the consequences of the pandemic and the related economic shock affected the timing of projects pipeline building. The main reason though is that nature-based solutions' projects are historically a public domain and it is rather difficult to attract investors seeking return-on-investment proofs. The lengthy project preparations requiring staff involvement without a revenue stream during the preparation phase played a major obstacle for applicants. The rather modest results of the pilot initiative confirm a main role of the public sector in financing nature and biodiversity for the time being, but also a scope for further development of the innovative and more ambitious business models.

Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed	60,000,000.00	60,000,000.00
Leverage effect	1.28	1.67 to 2.08
Multiplier effect	2.22	2.80
Operations	11	Up to 12
Financing provided to final recipients	76,883,679.00	100 m to 125 m
Number of final recipients	90	30
Investments made by final recipients due to the received financing	133,411,546.00	168,000,000.00

Financial Information

Financial Information (EUR)	Natural Capital Financing Facility		
Type of instrument	Risk-sharing (loan, equity)		
Year of inception	2014		
Implementing Partner	EIB		
	Notes	2025	All years
EU Contribution			
Budgetary commitments		0.00	60,000,000.00
<i>of which from third countries</i>		0.00	0.00
<i>of which from reflows</i>		0.00	1,578.00
Budgetary payments		2,000,000.00	16,645,000.00
Reflows	(1)		
Revenues		0.00	93,707.00
Repayments		0.00	0.00
Total reflows entered into the budget, of which:		0.00	0.00
<i>to the general budget</i>		0.00	0.00
<i>returned to be used</i>		0.00	0.00
Losses from operations			
Guarantees			
Guarantees called	(2)	39,052.00	2,672,085.00
Guarantee calls recovered		467,523.00	467,523.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		0.00	1,799,781.00
Incentive fees		0.00	287,965.00
Treasury management fees		0.00	0.00
Other charges		923,472.00	4,859,243.00
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		110,072.00	397,204.00

Net treasury result (including interest) (gains (+) / losses (-))		147,351.00	762,059.00
Net FX gains (+) / losses (-)		0.00	0.00
Other revenues		0.00	0.00
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		27,051,949.00	26,623,479.00
Value of equity investments		0.00	0.00
<i>Investment at cost</i>		0.00	0.00
Value of loans		0.00	0.00
<i>Loans at cost</i>		0.00	0.00
Financial liabilities and provisions		1,280,952.00	1,524,226.92
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		8,098,550.00	10,124,620.00
<i>in euro</i>		8,098,550.00	10,124,620.00
<i>in non-euro currencies</i>		0.00	0.00
Other financial assets (including short term deposits >3months)		0.00	0.00

Notes to the financial information

- (1) The reflows in the form of revenues were used to cover management costs and fees of the instrument.
- (2) Due to an impairment amount under the Natural Capital Finance Facility (“NCFF”) for operation Romania Forest Regeneration-SLB (NCFF), EIB decreased the Portfolio First Loss Piece (EU Contribution), pursuant to Article 6 of Annex 3a of the NCFF Agreement, by EUR 39,051.83 with a value date of 30 June 2025.

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

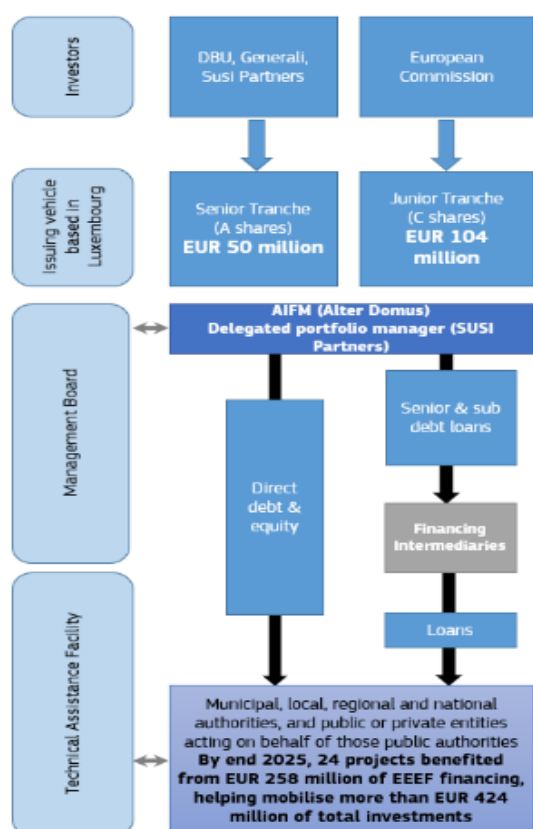
1.5 European Energy Efficiency Fund (EEEF)

Description

Identification / Reference to the basic act			
Regulation (EU) No 1233/2010 of the European Parliament and of the Council of 15 December 2010 amending Regulation (EC) No 663/2009 establishing a programme to aid economic recovery by granting Community financial assistance to projects in the field of energy (OJ L 346, 30.12.2010, p. 5)			
Budget lines			
Article 02.039904 - Completion of previous "Energy projects to aid economic recovery"			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	0.00	0.00
Budgetary payment appropriations	0.00	0.00	0.00

Initial financial envelope:	EUR 146,334,644.00
Current financial envelope:	EUR 116,203,765.34
Overall financial envelope:	EUR 116,203,765.34

General description



The European Energy Efficiency Fund (EEEF) is an alternative investment company with variable capital governed by the laws of the Grand-Duchy of Luxembourg and incorporated in the form of a public limited liability company.

It was established through Regulation (EU) No 1233/2010 of the European Parliament and of the Council of 15 December 2010 amending Regulation No 663/2009 establishing a programme to aid economic recovery by granting Community financial assistance to projects in the field of energy.

The EEEF instrument is a public-private, long-term investment vehicle, with the objective to enhance energy savings, energy efficiency and foster renewable energy sources within the European Union, primarily through the provision of dedicated financing to municipal, local, regional or national authorities and public or private entities acting on behalf of those public authorities.

Duration

The investment manager agreement between EEEF and DWS signed on 1 July 2011, was terminated with effect from 31 March 2025. As of April 2025, SUSI Partners AG is the new delegated portfolio manager.

Given the structure of the investment, the average duration between the EU budgetary commitment to the financial instrument and the legal commitments for individual projects in the form of equity or debt, is difficult to report on in a meaningful way. Insofar as the fund is open-ended, over time investments are made

increasingly from income, redemption proceeds and new capital injections, rather than from funds in the initial budgetary commitment.

The Commission's shares in EEEF have a redemption date in March 2034. This means that legal commitments to projects have to consider this redemption date in view of a possible termination of the financial instrument shortly after.

Added value, final recipients and projects

Through its contribution to EEEF the European Union aims to support its climate and clean energy transition goals by promoting and enabling sustainable energy projects in European regions, cities and communities. This directly contributes to the objectives of the European Green Deal, the 2050 decarbonisation target and the 2030 energy efficiency and renewable energy targets.

This is achieved primarily through the provision of dedicated financing to municipal, local, regional or national authorities and public or private entities acting on behalf of those public authorities. Since its inception, EEEF has supported 24 projects in 11 European countries (10 EU Member States and United Kingdom), for a total of approximately EUR 258.2 million.

Financial institutions involved in implementation

The fund is governed by a Board of Directors comprising representatives of the European Commission, Generali, and one independent director, and is managed by the AIFM and the delegated portfolio manager appointed by the fund. For more information, please see www.eef.lu.

Early in 2024, the previous alternative investment fund manager (AIFM), DWS, informed the fund that it wanted to divest from impact funds, including EEEF. The Board of Directors engaged in a process to identify a new fund manager, which resulted in March 2025 in the appointment of Alter Domus as the new AIFM and SUSI Partners AG as the delegated portfolio manager for the EEEF.

Upon the change of AIFM, and effective on 1 July 2025, two investors exercised their withdrawal rights from the fund.

Operational Performance

Contribution to the achievement of the objectives of the programme

The EEEF has successfully disbursed the EU contribution of EUR 99.8 million to specific projects, providing innovative financing solutions to energy efficiency and renewable energy projects. As of 31 December 2025, EUR 258.2 million have been allocated to 24 projects that have generated an estimated EUR 423.6 million of total investments (achieved average leverage effect: 2.59 and achieved average multiplier effect: 4.24). As of today, the active projects reach more than 1.5 million people annually.

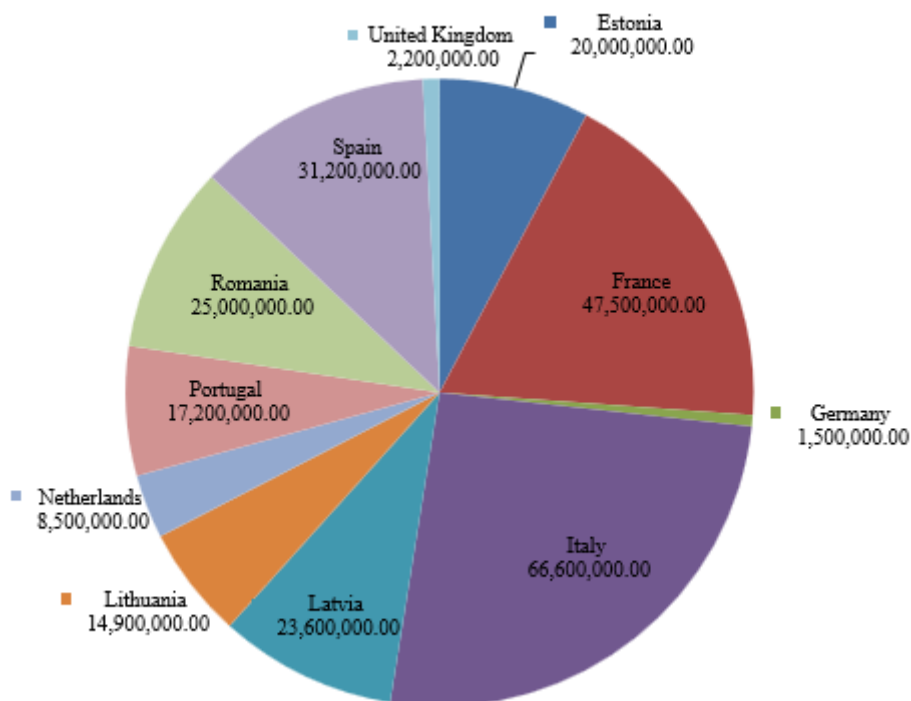
The second half of 2024 saw the write-off of one investment for around EUR 10 million, later reduced to EUR 5 million, due to the insolvency of the major contractor. A portion of the amount may be recovered through an exit or through realisation of the security package by the insolvency administrator.

The EEEF Technical Assistance facility, the fund's own project development support platform, signed a new grant agreement with the ELENA facility in 2023 for a total of EUR 1.9 million (utilisation timeframe 2024 – 2026), covering a maximum of 90% of the eligible costs for the implementation of Project Development Services estimated at EUR 2.14 million. At the end of 2025, seven technical assistance contracts were in place to support projects for a total investment volume of EUR 92 million with a leverage factor of 43.5.

The fund has paid dividends every year since 2013, including complementary dividends since 2015. Some of these dividends have been used to finance the EEEF Technical Assistance facility.

Geographical diversification

As of 31 December 2025, EEEF had financed 24 projects in total. The fund aims to further diversify investments geographically and to increase its role in the newer EU Member States. The geographical distribution of the projects is described in the chart below:



Main issues for the implementation

From an operational point of view, the fund remains financially healthy despite the write-off of one project investment. At the end of 2025, the Net Asset Value of the total shares in the fund stood at EUR 103.7 million.

As a result of the change of the AIFM, further deployment of EEEF has lagged behind, both in terms of attracting additional investors, as well as regards identifying new investment projects.

In addition, the redemption date of the European Commission's shares in EEEF (March 2034) triggers a series of structural and strategic challenges that are already impacting the fund today. Most critically, the alignment between public and private capital - underpinned by the fund's first-loss protection mechanism - means that all investment terms are constrained by this deadline. This temporal constraint for capital deployment makes the fund markedly less attractive in a competitive market and consequently hampers further fundraising efforts.

Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed	99,829,868.00	125,000,000.00
Leverage effect	2.59	N/A
Multiplier effect	4.24	N/A
Operations	24	N/A
Financing provided to final recipients	258,200,000.00	N/A
Number of final recipients	24	N/A
Investments made by final recipients due to the received financing	423,600,000.00	N/A

Financial Information

Financial Information (EUR)	European Energy Efficiency Fund (EEEF)		
Type of instrument	Dedicated investment vehicle (debt, equity)		
Year of inception	2011		
Implementing Partner	Alter Domus / SUSI Partners		
	Notes	2025	All years
EU Contribution			
Budgetary commitments		0.00	116,203,765.34
<i>of which from third countries</i>		0.00	0.00
<i>of which from reflows</i>		0.00	0.00
Budgetary payments		0.00	116,203,765.34
Reflows	(1)		
Revenues		0.00	0.00
Repayments		0.00	4,498,415.32
Total reflows entered into the budget, of which:		0.00	4,498,415.32
<i>to the general budget</i>		0.00	0.00
<i>returned to be used</i>		0.00	4,498,415.32
Losses from operations			
Guarantees			
Guarantees called		0.00	0.00
Guarantee calls recovered		0.00	0.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		0.00	0.00
Incentive fees		0.00	0.00
Treasury management fees		0.00	0.00
Other charges		0.00	168,397.95
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		0.00	0.00

Net treasury result (including interest) (gains (+) / losses (-))		0.00	0.00
Net FX gains (+) / losses (-)		0.00	0.00
Other revenues		0.00	571.00
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		103,711,618.08	102,769,641.60
Value of equity investments		103,711,618.08	102,769,641.60
<i>Investment at cost</i>		97,044,383.00	97,044,383.00
Value of loans		0.00	0.00
<i>Loans at cost</i>		0.00	0.00
Financial liabilities and provisions		0.00	0.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		0.00	0.00
<i>in euro</i>		0.00	0.00
<i>in non-euro currencies</i>		0.00	0.00
Other financial assets (including short term deposits >3months)		0.00	0.00

Notes to the financial information

- (1) Reflows amounting to almost EUR 4.5 million have been used to finance projects under CEF Energy 2021-2027 first call for proposals, as per Article 32(1) FR. In that respect, it contributed to supporting energy infrastructure PCIs that have significant socio-economic benefits and ensure greater solidarity among Member States, but which do not receive adequate financing from the market. The projects supported pursued the goals and objectives of the Green Deal, as well as the Paris Agreement and the 2030 climate and energy targets and long-term decarbonisation objectives.

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

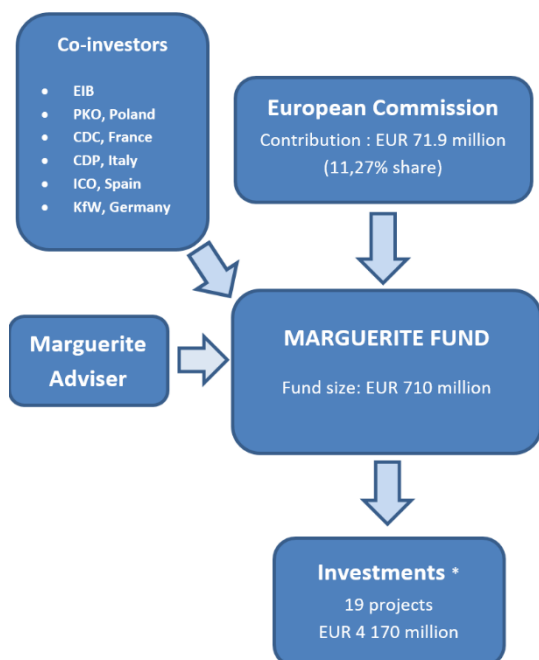
1.6 2020 European Fund for Energy, Climate Change and Infrastructure (Marguerite)

Description

Identification / Reference to the basic act			
Regulation (EC) No 680/2007 of the European Parliament and of the Council of 20 June 2007 laying down general rules for the granting of Community financial aid in the field of the trans-European transport and energy networks (OJ L 162, 22.6.2007, p. 1). Commission Decision C(2010) 941 of 25 February 2010 on European Union participation in the 2020 European Fund for Energy, Climate Change and Infrastructure (the Marguerite Fund).			
Budget lines			
Article 02.029906 — Completion of previous "Connecting Europe Facility (CEF) — Transport" programmes (prior to 2021).			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	0.00	0.00
Budgetary payment appropriations	0.00	0.00	0.00

Initial financial envelope:	EUR 80,000,000.00
Current financial envelope:	EUR 71,909,749.00
Overall financial envelope:	EUR 71,909,749.00

General description



The Marguerite Fund is an equity fund based in Luxembourg, focused on investing in infrastructure projects and companies in transport, energy, and mature renewable energy.

The overall objective of the Marguerite Fund is generating a long-term rate of return on the investments made and attracting private investors as well as public investors. However, the final shareholding in the fund itself, was limited to public sector investors whereas private investment was mobilised at the level of the projects financed by the fund.

The Commission directly manages its investment in the Marguerite Fund; there is no delegation or sub-delegation agreement to any entrusted entity.

The investment in the Fund is managed by DG GROW, after the Commission's reorganisation in February 2025 (previously DG ECFIN) through a cross-delegation from DG MOVE.

The contributions are paid directly hence no trust account is established. The Commission is a pari-passu investor with a 11.27% stake, together with the European Investment Bank (EIB) and five national promotional banks ("core sponsors" each of them having a 14% stake).

The Investment Adviser "Marguerite Adviser S.A." employs the Advisory Team and provides investment advisory services to the Fund under an Advisory agreement. Marguerite Investment Management S.A. is a

wholly owned entity of the Marguerite Adviser S.A. and is responsible for the Fund valuation, portfolio management and risk management.

Duration

The Marguerite Fund was set up in 2010 with an initial fundraising objective of EUR 1,500,000,000. The final size of the Marguerite Fund was EUR 710,000,000 (final closing occurred on 31 December 2012). The end of the investment period term was 31 December 2017.

The maximum maturity of the Fund has been set at a term of 20 years from the start of the initial closing (3 December 2009) but may be extended for up to two additional one-year periods (up to December 2031).

Added value, final recipients and projects

By investing in Marguerite, the Commission has been able to achieve a high multiplier effect on the investment made. Moreover, the Fund was managed on market terms and ensured an adequate return to the investment deployed, thereby increasing the effectiveness and efficiency of the budget as a whole.

Marguerite Fund demonstrated that public financial institutions, along with the Commission, can co-invest in an equity fund that operates on market terms and is considered as a credible investor by other players in the market. The experience of the Commission contribution to the Marguerite Fund also increased its understanding of investment in equity funds.

The Fund's focus on investing in greenfield projects was an important differentiating factor from other infrastructure funds which had a greater interest for investing in brownfield projects. In addition, Marguerite has been able to close deals in, at the time, undeveloped infrastructure markets such as Croatia for TEN-T and Poland and Romania for waste-to-energy and onshore wind.

Financial institutions involved in implementation

N/A

Operational Performance

Contribution to the achievement of the objectives of the programme

By the end of the investment period term as of 31 December 2017, the Marguerite Fund has:

- been fully invested,
- respected the objectives of diversification of the portfolio,
- made more than 85% of the investments in the Core Sectors,
- invested more than 65% of commitments in Greenfield projects.

In total, the Fund invested in 19 projects in 13 Member States. It represented a total equity commitment by the Fund of EUR 751 million.

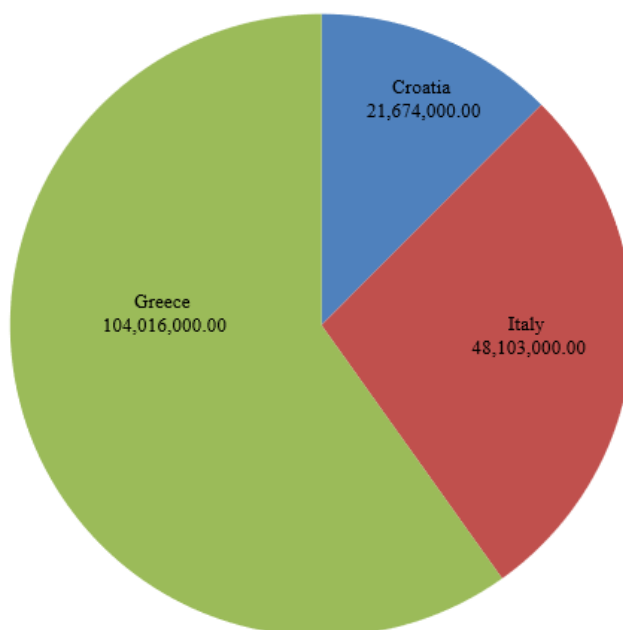
In total EUR 4.17 billion was mobilised at the end of the investment period.

As of end December 2025, the Marguerite portfolio comprises 3 projects based in 3 Member States. It represents a total equity commitment EUR 174 million.

Geographical diversification

The Fund invested in a geographically diversified portfolio of investments accounting for EUR 751 million throughout the EU (in a total of 13 Member States) with regards to the needs of, and opportunities in, new

EU member states (5 in EU-13 member states). The remaining equity commitments that are currently in the Fund's portfolio account for EUR 174 million and are distributed as shown in the chart.



Main issues for the implementation

N/A

Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed	71,909,749.00	80,000,000.00
Leverage effect	10.44	18.75
Multiplier effect	57.99	49.32
Operations	19	20-30
Financing provided to final recipients ⁵⁶	751,000,000.00	1,500,000,000.00
Number of final recipients ⁵⁷	19	20-30
Investments made by final recipients due to the received financing	4,170,000,000.00	3,945,436,872.00

Financial Information

Financial Information (EUR)	The 2020 European Fund for Energy, Climate Change and Infrastructure (Marguerite)
Type of instrument	Dedicated investment vehicle (equity)
Year of inception	2010
Implementing Partner	N/A (direct management)

⁵⁶ The closing of the Fund in 2012 was concluded at EUR 710 million compared to the initial target of EUR 1.5 billion which was a market potential based on the 2009 ex-ante market analysis. The evolving market situation and the specificity of the Fund's governance structure, notably the weight of public investors, limited its capacity to attract private sector investment in the Fund.

⁵⁷ The current number of final recipients is three as shown in the graph above.

	Notes	2025	All years
EU Contribution	(1)		
Budgetary commitments		0.00	71,909,748.92
<i>of which from third countries</i>		0.00	0.00
<i>of which from reflows</i>		0.00	0.00
Budgetary payments		0.00	71,909,748.92
Reflows	(2)		
Revenues		1,577,464.78	26,572,629.74
Repayments		0.00	54,510,312.29
Total reflows entered into the budget, of which:		1,577,464.78	81,082,942.03
<i>to the general budget</i>		0.00	738,000.60
<i>returned to be used</i>		1,577,464.78	80,344,941.43
Losses from operations			
Guarantees			
Guarantees called		0.00	0.00
Guarantee calls recovered		0.00	0.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		0.00	0.00
Incentive fees		0.00	0.00
Treasury management fees		0.00	0.00
Other charges		0.00	0.00
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		1,577,464.78	26,572,629.74
Net treasury result (including interest) (gains (+) / losses (-))		0.00	0.00
Net FX gains (+) / losses (-)		0.00	0.00
Other revenues		0.00	0.00
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		42,768,662.25	43,590,353.25
Value of equity investments		24,791,225.00	25,612,916.00
<i>Investment at cost</i>		160,000.00	160,000.00
Value of loans		0.00	0.00
<i>Loans at cost</i>		0.00	0.00
Financial liabilities and provisions		0.00	0.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		0.00	0.00
<i>in euro</i>		0.00	0.00
<i>in non-euro currencies</i>		0.00	0.00

Other financial assets (including short term deposits >3months)		0.00	0.00
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Notes to the financial information

- (1) As of 31 December 2025, the Commission committed and paid EUR 71.9 million (reduced from initial EUR 80 million commitment).
- (2) In 2025, the Commission recovered a total of EUR 1,577,464.78 from the Marguerite Fund. In line with Article 35(1) of the InvestEU Regulation, 2023 reflows in the amount of EUR 6,468,349.10, 2024 reflows in the amount of EUR 903,537.18 and 2025 reflows in the amount of EUR 1,577,464.78 were assigned to InvestEU (total reflows assigned to the InvestEU EUR 8,949,351.06). 2021 reflows in the amount of EUR 14,561,815.28, 2022 reflows in the amount of EUR 19,994,393.77, 2023 reflows in the amount of EUR 9,475,312.86 and 2024 reflows in the amount of EUR 2,364,068.46, were assigned to the Public Sector Loan Facility (total reflows assigned to the Public Sector Loan Facility EUR 46,395,590.37).

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

B. Research & Innovation

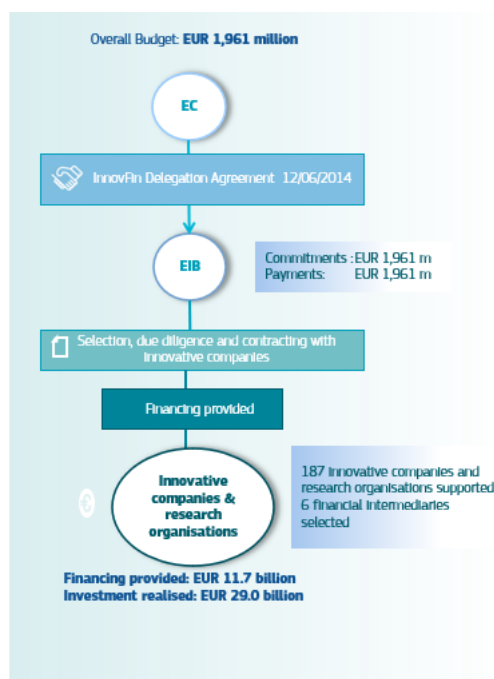
2.1 Horizon 2020 Loan Services for R&I Facility (InnovFin Debt)

Description

Identification / Reference to the basic act			
Regulation (EU) No 1290/2013 of the European Parliament and of the Council of 11 December 2013 laying down the rules for participation and dissemination in “Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020)” and repealing Regulation (EC) No 1906/2006 (OJ L 347, 20.12.2013, p. 81) Regulation (EU) No 1291/2013 of the European Parliament and of the Council of 11 December 2013 establishing Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020) and repealing Decision No 1982/2006/EC (OJ L 347, 20.12.2013, p. 104) Council Decision 2013/743/EU of 3 December 2013 establishing the specific programme implementing Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020) and repealing Decisions 2006/971/EC, 2006/972/EC, 2006/973/EC, 2006/974/EC and 2006/975/EC (OJ L 347, 20.12.2013, p. 965)			
Budget lines			
2.029903			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	0.00	0.00
Budgetary payment appropriations	0.00	0.00	0.00

Initial financial envelope:	EUR 1,060,000,000.00
Current financial envelope:	EUR 1,961,100,000.00
Overall financial envelope:	EUR 1,961,100,000.00

General description



The Horizon 2020 Loan Services for R&I Facility (branded InnovFin) aims to increase the supply of loans, financial leases, mezzanine finance, guarantees and counter-guarantees, securitisation, equity and other forms of risk finance to R&I-driven enterprises, universities, public research organisations, R&I Infrastructures and Innovation-enabling Infrastructures and other entities located in Member States or Horizon 2020 Associated Countries.

This instrument helps addressing riskier projects or sub-investment grade promoters carrying out RDI investments across all Horizon 2020 Societal Challenges. It contains a particular approach to address the financing needs of midcap companies (with employees between 500 and 3,000).

Duration

The Delegation Agreement was signed in June 2014. The facility is planned to last until 31 December 2033 (until the last operations are wound down). The deadline for the implementation was set at 31/12/2020 whereas the last date for signing operations was set at 31/12/2022.

Added value, final recipients and projects

The InnovFin facility offers better access to risk finance in an open, demand-driven way through direct loans or hybrid/mezzanine investments made available by the European Investment Bank (EIB) as well as through risk-sharing (guarantees) involving other banks and financial intermediaries.

The InnovFin facility covers a broad spectrum of final recipients with a flexible loan financing approach. The set of thematic products are complemented by a dedicated guarantee facility for loans and leases for innovative SMEs and small midcaps.

The funding of the Loan and Guarantee Service for Research and Innovation has two main components:

- demand-driven, providing loans and guarantees on a first-come, first-served basis, with specific support for final recipients such as SMEs and midcaps. This component responds to the steady and continuing growth seen in the volume of Risk Sharing Finance Facility lending, which is demand-led. This demand-driven component is supported by the budget of the Horizon 2020 Access to Risk Finance programme.
- targeted, focusing on policies and key sectors crucial for tackling societal challenges, enhancing competitiveness, supporting sustainable, low-carbon, inclusive growth, and providing environmental and other public goods. Specific examples include the thematic products such as InnovFin Energy Demonstration Projects and InnovFin Infectious Diseases Finance facility, as well as the Thematic Investment Platforms, such as the European Circular Bioeconomy Fund. This component helps the Union to address research and innovation aspects of sectorial policy objectives. Additional funding can be provided from other programmes (such as other parts of Horizon 2020, other frameworks, programmes and budget lines in the Union budget) and from particular regions and Member States that wish to contribute with their own resources (including through Structural Funds) and/or specific entities (such as Joint Technology Initiatives).

Financial institutions involved in implementation

The EIB is the entrusted entity for the InnovFin facility.

Operational Performance

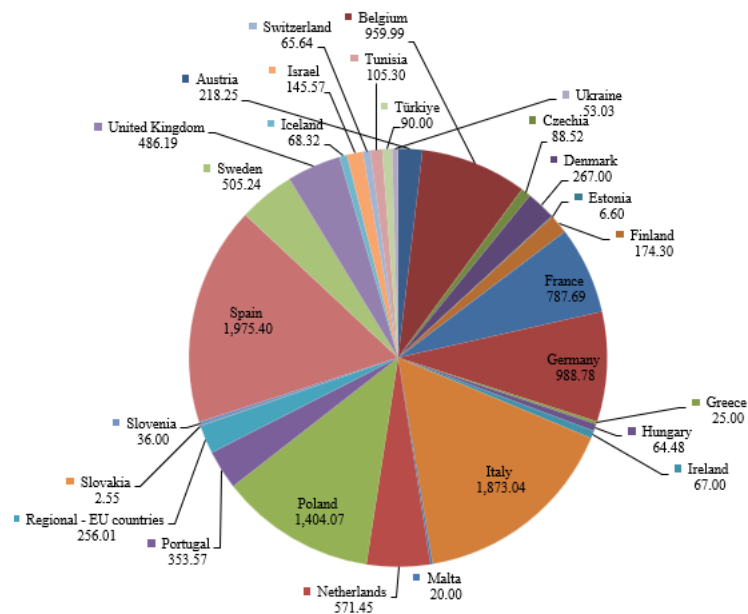
Contribution to the achievement of the objectives of the programme

As of 31/12/2025, 167 InnovFin operations in Member States and 20 in Associated Countries to Horizon 2020 or the United Kingdom have been signed for a total financing amount of EUR 11,659 million which have triggered investment by final recipients amounting to EUR 29,029 million. For 2014-2020, the EU contribution of EUR 1,961 million was targeted to mobilise an amount of financing of EUR 17,830 million for the target final recipients.

Due to the COVID-19 crisis, EUR 400.1 million of repayments from the FP7 Risk Sharing Finance Facility have been recommitted to the Infectious Diseases Finance facility in 2020. In total the Infectious Diseases Finance facility has financed 28 operations for EUR 647 million.

Geographical diversification

As of 31/12/2025, the InnovFin facility has been implemented in 20 Member States and 7 Associated Countries to Horizon 2020 or the United Kingdom. The chart below shows how the financing provided to the final recipients (EUR 11,659 million) is distributed by country in EUR million.



Main issues for the implementation

No issues affecting the implementation of the financial instrument have been identified.

Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed	1,961,100,000.00	1,961,100,000.00
Leverage effect	5.95	9.09
Multiplier effect	14.80	18.18
Operations	187	175
Financing provided to final recipients	11,658,990,000.00	17,828,900,000.00
Number of final recipients	187	175
Investments made by final recipients due to the received financing	29,028,579,217.00	35,659,800,000.00

Financial Information

Financial Information (EUR)	Horizon 2020 Loan Services for R&I Facility (InnovFin Debt)		
Type of instrument	Guarantee		
Year of inception	2014		
Implementing Partner	EIB		
	Notes	2025	All years
EU Contribution			
Budgetary commitments		0.00	1,961,100,000.00
<i>of which from third countries</i>		0.00	9,405,382.00
<i>of which from reflows</i>		0.00	1,132,969,862.65
Budgetary payments		0.00	1,961,100,000.00
Reflows	(1)		
Revenues		0.00	26,905,978.00
Repayments		0.00	9,528,709.86

Total reflows entered into the budget, of which:		0.00	36,434,687.86
<i>to the general budget</i>		0.00	0.00
<i>returned to be used</i>		0.00	36,434,687.86
Losses from operations			
Guarantees			
Guarantees called		49,907,263.00	464,575,713.00
Guarantee calls recovered		0.00	50,136,358.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		0.00	47,803,182.00
Incentive fees		1,216,179.00	47,294,684.00
Treasury management fees		615,040.00	5,741,762.00
Other charges		6,780.00	61,634.00
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		18,012,490.86	274,602,509.86
Net treasury result (including interest) (gains (+) / losses (-))		48,016,397.00	96,026,895.00
Net FX gains (+) / losses (-)		0.00	0.00
Other revenues		0.00	12,071.00
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		1,666,019,832.00	1,695,399,916.00
Value of equity investments		0.00	0.00
<i>Investment at cost</i>		0.00	0.00
Value of loans		0.00	0.00
<i>Loans at cost</i>		0.00	0.00
Financial liabilities and provisions		24,164,810.99	38,830,137.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		2,232.00	2,232.00
<i>in euro</i>		2,232.00	2,232.00
<i>in non-euro currencies</i>		0.00	0.00
Other financial assets (including short term deposits >3months)		1,804,505,307.00	1,802,550,356.00

Notes to the financial information

- (1) In line with Article 35(1) of the InvestEU Regulation, 2021 reflows in the amount of EUR 11,188,767.48 and 2022 reflows in the amount of EUR 4,925,640.68 were assigned to InvestEU (total reflows assigned to InvestEU EUR 16,114,408.16). 2022 reflows in the amount of EUR 4,603,069.18 were assigned to the Public Sector Loan Facility.

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

2.2 Risk-Sharing Finance Facility (RSFF) under the FP7

Description

Identification / Reference to the basic act

Decision No 1982/2006/EC of the European Parliament and of the Council of 18 December 2006 concerning the Seventh Framework Programme of the European Community for research, technological development and demonstration activities (2007-2013) (OJ L 412, 30.12.2006, p. 1).

Council Decision 2006/971/EC of 19 December 2006 concerning the specific programme 'Cooperation' implementing the Seventh Framework Programme of the European Community for research, technological development and demonstration activities (2007 to 2013) (OJ L 400, 30.12.2006, p. 86).

Council Decision 2006/974/EC of 19 December 2006 on the Specific Programme: 'Capacities' implementing the Seventh Framework Programme of the European Community for research, technological development and demonstration activities (2007 to 2013) (OJ L 400, 30.12.2006, p. 299).

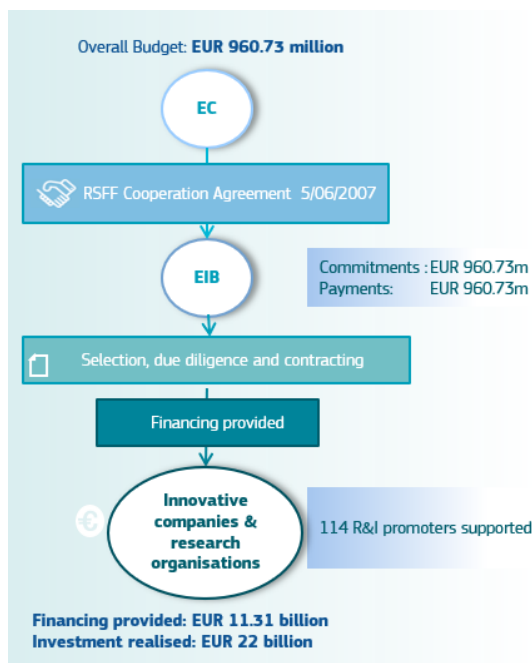
Budget lines

N/A: Former MFF 2007-2013

(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	0.00	0.00
Budgetary payment appropriations	0.00	0.00	0.00

Initial financial envelope:	EUR 1,230,730,000.00
Current financial envelope:	EUR 1,230,730,000.00
Overall financial envelope:	EUR 1,230,730,000.00

General description



The Risk-Sharing Finance Facility (RSFF), co-developed by the European Commission and the European Investment Banks (EIB), was established in June 2007. The RSFF facilitates access to finance by providing loans and guarantees to a wide range of beneficiaries -including SMEs, mid-sized enterprises, larger companies, research institutions, universities and research infrastructures- investing in RDI.

In early 2012, within this programme a new pilot guarantee facility, RSI (Risk-Sharing Instrument for SMEs and small midcaps, with maximum 499 employees) was launched to improve access to finance for RDI investments.

The RSI guarantee facility is part of the RSFF implementation and is carried out by the European Investment Fund (EIF).

Duration

The RSFF was planned to last until 30 June 2024 until the last operations are wound down and was terminated in 2025. The RSI facility was formally terminated at the end of 2024 and is no longer reported.

Added value, final recipients and projects

The EU and the EIB are risk-sharing partners for loans provided by the EIB directly or indirectly to final recipients. The European Union, through FP7 budget resources, and the EIB have set aside a total amount of up to EUR 2 billion (up to EUR 1 billion each) for the period 2007-2013 to cover losses if RSFF loans are not repaid. Through those EU/EIB contributions for risk-sharing and loss coverage, the EIB is able to extend a loan volume of EUR 11 billion to companies and the research community for their investments in R&D and Innovation. The overall budget of the facility has been committed and paid at 100% by end 2013.

Financial institutions involved in implementation

The EIB is the entrusted entity for the RSFF facility.

Operational Performance

Contribution to the achievement of the objectives of the programme

Loan agreements have been signed with 114 R&I promoters, with a total loan volume of EUR 11.31 billion and the instrument has been implemented in 25 countries. The RSFF has reached and easily exceeded almost all its operational and intermediate objectives. Three evaluations clearly demonstrate that RSFF is well on its way to realising longer-term objectives and wider achievements.

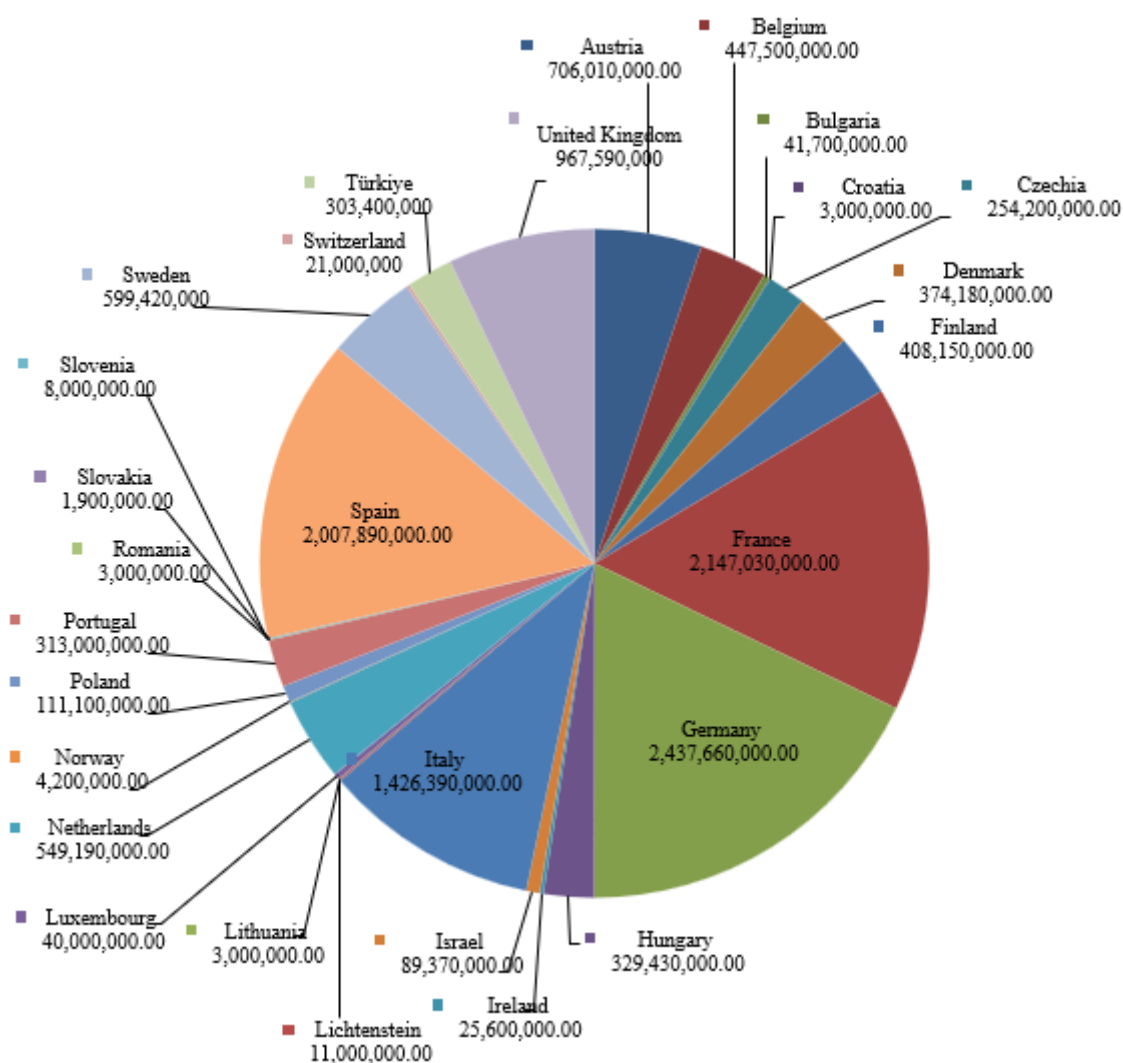
Demand for RSFF loan finance has been high since the launch of the facility in mid-2007: in its first phase (2007-2010), its take-up exceeded initial expectations by more than 50 % in terms of active loan approvals (EUR 11.3 billion versus an initial forecast of EUR 6 billion).

The first interim evaluation concluded that the RSFF was successfully introduced into the EU's research funding scheme within FP7, was a model example of an EU financial instrument, and should be further developed and strengthened. Recommendations included the need to better target SMEs and research infrastructures. The second interim evaluation concluded that the RSFF had proved to be attractive to RDI companies and had met or exceeded its loan volume targets and enabled EIB to increase the bank's capacity to make riskier loans. The ex-post evaluation of RSFF concluded that the Facility addressed deep-seated market failures related to innovation financing in Europe and the reluctance of commercial banks to support projects perceived as being high risk. The evaluation suggested that RSFF provided the type of financing not available from other sources at the time, thereby demonstrating a high degree of financial additionality.

Geographical diversification⁵⁸

For RSFF, loan agreements have been implemented in 25 countries (the geographic breakdown below is based on the latest information available - source: RSFF ex-post operational report 2013) since no new agreements have been signed since 2014. The RSI facility covers 17 countries in the EU and Associated Countries. The graph below shows the distribution of the EUR 13.6 billion of financing provided to final recipients (EUR 11.3 billion by RSFF and EUR 2.3 billion by RSI).

⁵⁸ To ensure comparability across years, the data encompasses RSFF and RSI.



Main issues for the implementation

RSFF facility ended (no new operations since 2014) and was formally terminated in December 2025, no issue to report.

Performance, financing and investments⁵⁹

Key figures (EUR)	Actual	Target
EU Contribution committed	1,230,730,000.00	1,230,730,000.00
Leverage effect	11.08	7.56
Multiplier effect	21.65	14.63
Operations	149	60
Financing provided to final recipients	13,633,910,000.00	9,301,000,000.00
Number of final recipients	4,247	3,060
Investments made by final recipients due to the received financing	26,642,400,000.00	18,000,000,000.00

⁵⁹ To ensure comparability across years, the data encompasses RSFF and RSI.

Financial Information⁶⁰

Financial Information (EUR)	Risk-Sharing Finance Facility (RSFF) & Pilot guarantee facility for R&I-driven SMEs and Small Midcaps (RSI) under the FP7		
Type of instrument	Risk-sharing (RSFF); Guarantee (RSI)		
Year of inception	2007 (RSFF); 2011 (RSI)		
Implementing Partner	EIB and EIF		
	Notes	2025	All years
EU Contribution	(1)		
Budgetary commitments		0.00	1,230,730,000.00
<i>of which from third countries</i>		0.00	0.00
<i>of which from reflows</i>		0.00	0.00
Budgetary payments		0.00	1,230,730,000.00
Reflows	(2)		
Revenues		1,762,338.94	299,594,945.94
Repayments		12,424,670.48	1,136,517,717.29
Total reflows entered into the budget, of which:		14,187,009.42	1,436,112,663.23
<i>to the general budget</i>		0.00	0.00
<i>returned to be used</i>		14,187,009.42	1,436,112,663.23
Losses from operations			
Guarantees			
Guarantees called		0.00	87,400,002.00
Guarantee calls recovered		1,538,095.63	17,160,369.63
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		0.00	35,836,265.25
Incentive fees		0.00	22,831,000.00
Treasury management fees		0.00	6,571,653.80
Other charges		3,700.00	51,942,726.00
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		0.00	346,686,063.15
Net treasury result (including interest) (gains (+) / losses (-))		53,701.47	186,194,843.02
Net FX gains (+) / losses (-)		0.00	-110,683.90
Other revenues		0.00	15,852.43
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		0.00	0.00

⁶⁰ To ensure comparability across years, the data encompasses RSFF and RSI.

Value of equity investments		0.00	0.00
<i>Investment at cost</i>		0.00	0.00
Value of loans		0.00	0.00
<i>Loans at cost</i>		0.00	0.00
Financial liabilities and provisions		0.00	0.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		0.00	9,482,042.00
<i>in euro</i>		0.00	9,482,042.00
<i>in non-euro currencies</i>		0.00	0.00
Other financial assets (including short term deposits >3months)		0.00	4,512,877.29

Notes to the financial information

- (1) The RSFF and RSI facilities have been fully executed in payment credits.
- (2) In line with Article 212(3) of the Financial Regulation, reflows were assigned to the Horizon 2020 financial instruments for research and innovation branded as InnovFin. In line with Article 35(1) of the InvestEU Regulation, 2024 reflows in the amount of EUR 85,401,716.81 and 2025 reflows in the amount of EUR 14,187,009.42 were assigned to InvestEU (total reflows assigned to InvestEU EUR 99,588,726.23).

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

C. Social & Education

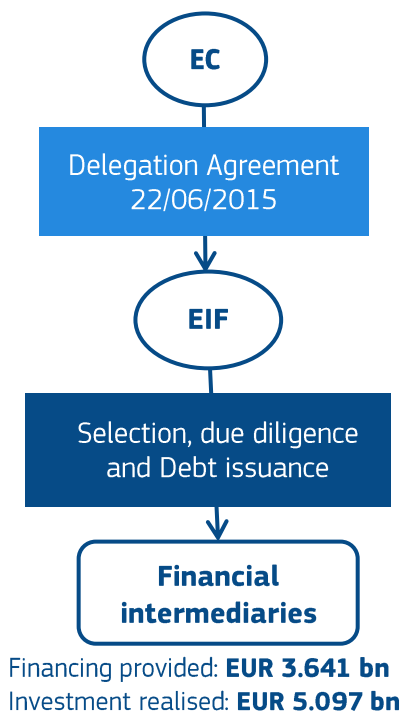
3.1.a Employment and Social Innovation Microfinance and Social Entrepreneurship Guarantee (EaSI-G)

Description

Identification / Reference to the basic act			
Regulation (EU) No 1296/2013 of the European Parliament and of the Council of 11 December 2013 on a European Union Programme for Employment and Social Innovation ("EaSI") and amending Decision No 283/2010/EU establishing a European Progress Microfinance Facility for employment and social inclusion (OJ L 347/238, 20.12.2013).			
Budget lines			
02.029902 under the current nomenclature			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	0.00	0.00
Budgetary payment appropriations	0.00	0.00	0.00

Initial financial envelope:	EUR 96,000,000.00
Current financial envelope ⁶¹ :	EUR 131,000,000.00
Overall financial envelope ⁶² :	EUR 131,000,000.00

General description



The EaSI Microfinance and Social Entrepreneurship Guarantee was established through Regulation (EU) No 1296/2013 of the European Parliament and of the Council of 11 December 2013 on a European Union Programme for Employment and Social Innovation ("EaSI") and amending Decision No 283/2010/EU establishing a European Progress Microfinance facility for Employment and Social Inclusion (OJ L 347/238, 20.12.2013).

The EaSI Microfinance and Social Entrepreneurship Guarantee (EaSI-G) aims:

- to increase access to, and availability of, microfinance for vulnerable groups who want to set up or develop their business as well as for existing micro-enterprises;
- to build up the institutional capacity of microcredit providers;
- to support the development of social enterprises, in particular by facilitating access to finance.

The EaSI Microfinance and Social Entrepreneurship Guarantee (EaSI-G) is implemented via direct guarantees and counter-

⁶¹ Including EUR 1,000,000 committed for the Business Development Services (BDS) Support pilot and excluding EUR 300,000,000 from EFSI.

⁶² Including EUR 1,000,000 committed for the Business Development Services (BDS) Support pilot and excluding EUR 300,000,000 from EFSI.

guarantees. It provides risk coverage in the form of capped guarantees to selected financial intermediaries who undertake to develop a portfolio of loans targeting eligible final recipients (vulnerable persons, micro and social enterprises).

The European Investment Fund (EIF) is instructed to provide guarantees backed by the EU budget to financial intermediaries in order to cover a portion of expected losses of a portfolio of newly generated loans to vulnerable persons, micro and social enterprises with a higher risk profile.

As an entrusted entity, the EIF is responsible for identifying, investigating, evaluating and selecting the financial intermediaries by applying selection criteria and processes set out in the Delegation Agreement.

The Delegation Agreement between the Commission and the EIF was signed in 2015 with technical amendments in 2016 and further amendments in 2017 and 2018 allowing for an additional top-up of EUR 300,000,000 from EFSI. It was further amended in 2020 to introduce Covid-19 support measures allowing for higher risk sharing. The initial overall budget of EUR 96,000,000 was increased by EUR 34,000,000 using reflows from the European Progress Microfinance Fund and the European Progress Microfinance Guarantee Facility, leading to an overall financial envelope, excluding EFSI top up, of EUR 131,000,000 (total amount available for the facility EFSI included is EUR 431,000,000).

From the above overall financial envelope of EUR 131,000,000, EUR 1,000,000 is earmarked for the implementation of the Business Development Services (BDS) Support pilot which is an additional component embedded in the EaSI Guarantee instrument. The purpose of BDS Support is to partially offset the costs incurred by financial intermediaries benefitting from an EaSI Microfinance Guarantee in view of offering Business Development Services to final recipients who qualify as refugees and/or migrants.

Duration

The Microfinance and Social Entrepreneurship Guarantee has been running since June 2015. The implementation period (signatures of new operations with financial intermediaries) ended on 30/06/2024. The overall termination date is set on 31/12/2032 and the end of the EU guarantee date is as well set on 31/12/2032.

Added value, final recipients and projects

The instrument provides support not directly to final recipients, but rather to relevant financial intermediaries, i.e. microfinance providers and social enterprise finance providers. The EaSI-G guarantees are widely accessible to financial intermediaries (microcredit providers, both banks and non-banks, and social enterprise finance providers) to improve outreach to the hard-to-reach target groups, namely micro-enterprises (including vulnerable persons) and social enterprises.

The Microfinance Guarantee financial instrument targets:

- Vulnerable people, i.e. persons who are in a disadvantaged position with regard to access to the conventional credit market and who want to start or further develop their own micro-enterprise, including self-employment (special focus to young people as a vulnerable group).
- Micro-enterprises, meaning enterprises, including a self-employed person, that employ fewer than 10 people and whose annual turnover or annual balance sheet does not exceed EUR 2,000,000, in accordance with Commission Recommendation 2003/361/EC.

The Social Entrepreneurship Guarantee financial instrument targets:

- Social enterprises, regardless of their legal form.

The guarantee instrument provides capped guarantees up to 30% of portfolios, which include micro-credit loans granted by financial intermediaries to micro enterprises, including self-employed persons and loans to social enterprises. The guarantees cover up to 80% of the individual micro-credit and loans to social enterprises included in the respective portfolios.

Financial institutions involved in implementation

The European Investment Fund (EIF) is the entrusted entity for the implementation of the EaSI Microfinance and Social Entrepreneurship Guarantee. Information on financial intermediaries is available in the following link <https://www.eif.org/files/calls/easi-signatures.pdf>.

Operational Performance

Contribution to the achievement of the objectives of the programme

As of 31/12/2025, out of the 168 Guarantee Agreements signed, 159 remain active (115 for Microfinance and 44 for Social Entrepreneurship). The 159 active Guarantee Agreement with 109 financial intermediaries have been signed in 31 countries (25 Member States and 6 Participating Countries) for a total guarantee cap amount of EUR 384,776,783 out of which EUR 290,955,380 from EaSI/EFSI resources.

Based on the latest data available⁶³, at the end of 2025 the main results of the instrument are the following:

- Amount of financing already provided by the instrument to eligible final recipients: EUR 3,640,811,642 (EUR 2,473,825,144 for microfinance and EUR 1,166,986,499 for social entrepreneurship).
- Number of final recipients: 174,906 (167,839 microfinance and 6,958 for social entrepreneurship)⁶⁴
- Number of loans to micro and social enterprises: 207,797 (198,662 for microfinance and 9,135 for social entrepreneurship).
- Total estimated amount of investment realised: EUR 5,097,136,299 (EUR 3,463,355,201 for microfinance and EUR 1,633,781,098 for social entrepreneurship)⁶⁵. Regarding the amount of private capital mobilised, it is included in the total estimated amount of investment realised (EUR 5.097 bn) since it represents the sum of the amount that the financial intermediaries provide as loans to the final recipients plus the final recipients' private funding resources.
- Total number of employees (in the supported micro and social enterprises): 628,748 (333,240 for microfinance and 295,508 for social entrepreneurship)⁶⁶.
- For the EaSI-G microfinance window⁶⁷, the gender breakdown shows that considerable outreach to women is already achieved (35% of the micro-borrowers guaranteed were women). In addition, 10% of individual micro-borrowers who received support under the instrument so far were either unemployed or inactive at the time they received their loan. Individuals who were final recipients of micro-loans were, by and large, educated at secondary school level (39.2%). Regarding the age group, with respect to final recipients who are natural persons, the outreach to individuals in disadvantaged age groups (younger and older people combined) is 12.45%.
- For the EaSI-G social entrepreneurship window⁶⁸, reporting data collected shows that 19.1% of the social enterprises benefitting from EaSI-G have as a main activity the integration of migrants, asylum seekers and refugees. The vast majority (87.1%) of the social enterprises supported have an annual turnover of less than EUR 2,000,000.

⁶³ EaSI - Annual Operational Report 2025, cumulative data as at 31/12/2025.

⁶⁴ Total number of final recipients for both windows – excluding duplicates – equals 174,797. Some final recipients have benefitted from both windows as the sum of microfinance and social entrepreneurship number of final recipients suggest (174,906 compared to 174,797).

⁶⁵ The respective figures were calculated by applying an external multiplier factor of 1.4 which reflects the multiplier used under EFSI.

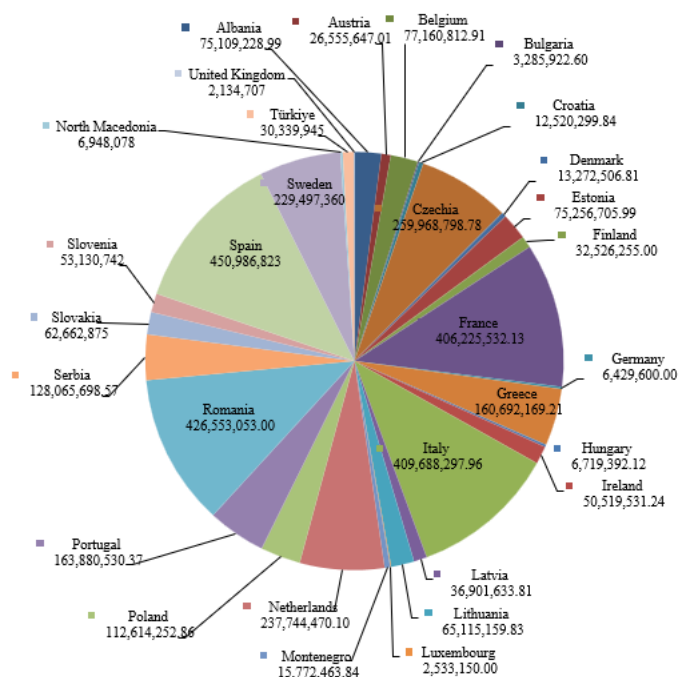
⁶⁶ Total number of employees for both windows – excluding duplicates.

⁶⁷ EaSI – Annual Impact Report as reported on 30/09/2025. The data used in this paragraph is based on a survey of a sample of micro-borrowers.

⁶⁸ EaSI – Annual Impact Report as reported on 30/09/2025. The data used in this paragraph is based on a survey of a sample of social enterprises.

Geographical diversification

As at 30/09/2025, the EaSI-G is supporting the provision of financing in 31 countries (25 Member States and 6 Participating Countries) with the relevant breakdown presented here below (distribution by country of EUR 3,640,811,642.34 of financing provided⁶⁹)



Main issues for the implementation

At present, EaSI-G has been successfully deployed, showing continuous strong market demand. The EU budgetary commitments under the EaSI programme, along with the additional top up from EFSI of EUR 100,000,000 and EUR 200,000,000 in 2017 and 2018 respectively, have been fully utilised and have enabled the EIF to sign operations and keep pace with market demand. In the area of social entrepreneurship, despite the initial slower take up due in part to the novelty of the instrument, the initially allocated EU budget of EUR 40,000,000 has been fully deployed.

Performance, financing and investments

As at 31/12/2025, based on the 168 signed Guarantee agreements (out of which 159 currently active) for a total guarantee cap of EUR 384,776,783 out of which EUR 290,955,380 from EaSI/EFSI resources, the expected volumes of loans to final recipients are estimated to have reached EUR 5,097,136,299, surpassing the overall minimum target loan volume (EUR 3,311,000,000).

As for the actual leverage, the total guarantee cap of EUR 384,776,783 has so far supported EUR 3,640,811,642 (data as at 30/09/2025) of new micro-loans and loans to social enterprises, suggesting an achieved leverage of 9.46.

The performance of the financial instrument is expected to outperform the minimum target leverage factor and the minimum target loan volume. Performance results have been achieved also thanks to the top-up contribution from EFSI.

⁶⁹ EaSI- Semi-annual Operational Report at 30/09/2025.

Key figures (EUR)	Actual	Target
EU Contribution committed	384,776,782.85	430,000,000.00
Leverage effect	9.46	5.50
Multiplier effect	13.25	7.70
Operations	168	226
Financing provided to final recipients	3,640,811,642.34	2,365,000,000.00
Number of final recipients	174,906	150,780
Investments made by final recipients due to the received financing	5,097,136,299.27	3,311,000,000.00

Financial Information

Financial Information (EUR)	Employment and Social Innovation Microfinance and Social Entrepreneurship Guarantees (EaSI-G)		
Type of instrument	Guarantee		
Year of inception	2015		
Implementing Partner	EIF		
	Notes	2025	All years
EU Contribution			
Budgetary commitments		0.00	131,000,000.00
<i>of which from third countries</i>		0.00	94,682.00
<i>of which from reflows</i>		0.00	40,883,451.13
Budgetary payments		0.00	136,837,381.00
Reflows	(1)		
Revenues		3,520,228.65	11,973,475.80
Repayments		0.00	0.00
Total reflows entered into the budget, of which:		3,520,228.65	11,973,475.80
<i>to the general budget</i>		0.00	364,922.36
<i>returned to be used</i>		3,520,228.65	11,608,553.44
Losses from operations			
Guarantees			
Guarantees called		1,956,806.00	114,895,981.42
Guarantee calls recovered		0.00	1,299,710.46
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		0.00	9,038,651.89
Incentive fees		0.00	3,142,434.00
Treasury management fees		1,613.00	367,631.00
Other charges		894.00	301,996.17
Revenues			

Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		46,457.88	321,527.88
Net treasury result (including interest) (gains (+) / losses (-))		1,026,697.11	13,948,456.55
Net FX gains (+) / losses (-)		155,814.00	-1,126,995.64
Other revenues		0.00	75,170.00
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		0.00	1,304,667.00
Value of equity investments		0.00	0.00
<i>Investment at cost</i>		0.00	0.00
Value of loans		0.00	0.00
<i>Loans at cost</i>		0.00	0.00
Financial liabilities and provisions		0.00	1,304,667.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		64,873,959.00	68,491,025.00
<i>in euro</i>		8,421,958.00	3,300,705.00
<i>in non-euro currencies</i>		56,452,001.00	65,190,320.00
Other financial assets (including short term deposits >3months)		0.00	1,608,034.00

Notes to the financial information

- (1) In line with Article 35(1) of the InvestEU Regulation, 2023 reflows in the amount of EUR 3,332,613.68, 2024 reflows in the amount of 4,755,711.11 EUR and 2025 reflows in the amount of EUR 3,520,228.65 were assigned to InvestEU (total reflows assigned to InvestEU EUR 11,608,553.44).

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

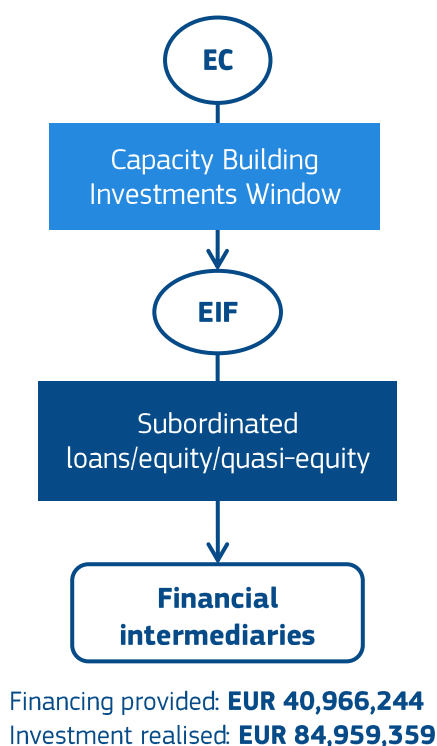
3.1.b EaSI Capacity Building Investments (EaSI CBI)

Description

Identification / Reference to the basic act			
Regulation (EU) No 1296/2013 of the European Parliament and of the Council of 11 December 2013 on a European Union Programme for Employment and Social Innovation ("EaSI") and amending Decision No 283/2010/EU establishing a European Progress Microfinance Facility for employment and social inclusion (OJ L 347/238, 20.12.2013).			
Budget lines			
02.029902			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	0.00	0.00
Budgetary payment appropriations	0.00	0.00	0.00

Initial financial envelope:	EUR 16,000,000.00
Current financial envelope:	EUR 45,000,000.00
Overall financial envelope:	EUR 45,000,000.00

General description



The EaSI Capacity Building Investments Window ("EaSI Capacity Building") is one of the financial instruments under the Employment and Social Innovation ('EaSI') programme. The general objectives of the programme described in Article 4 of Regulation (EU) No 1296/2013 are to promote employment and social inclusion by increasing the availability and accessibility of microfinance for vulnerable people who wish to start up a micro-enterprise as well as for existing micro-enterprises, and by increasing access to finance for social enterprises.

According to Article 26 of Regulation (EU) No 1296/2013, "In addition to the general objectives set out in Article 4, the specific objectives of the Microfinance and Social Entrepreneurship axis shall be to: (b) build up the institutional capacity of microcredit providers".

The Commission has mandated the European Investment Fund (EIF) to implement EaSI Capacity Building Investments Window through direct and indirect equity investments in financial intermediaries and subordinated loans or quasi-equity i.e. loans with an "equity-like" risk profile in term of subordination or maturity profile to financial intermediaries.

The initial budget of this instrument was EUR 16,000,000. Due to the strong demand from the market, the overall financial enveloped was increased to EUR 45,000,000.

Duration

The EaSI Capacity Building Investments Window was introduced in the EaSI Delegation Agreement between the Commission and the EIF on 19/12/2016. The implementation period (signatures of new operations with financial intermediaries) ended on 30/06/2024. The termination date is set on 31/12/2032.

Added value, final recipients and projects

The EaSI Capacity Building instrument aims at building up the institutional capacity of financial intermediaries that have not yet reached sustainability (i.e. break-even, operational capacity, etc.), including greenfield financial intermediaries, or financial intermediaries that need risk capital, inter alia, to expand further their operations, both in the microfinance and in the social entrepreneurship space.

Information on financial intermediaries is available in the following link <https://www.eif.org/files/calls/easi-cb-intermediaries.pdf>.

Financial institutions involved in implementation

The EaSI Capacity Building instrument is implemented by the European Investment Fund (EIF) on behalf of the European Commission.

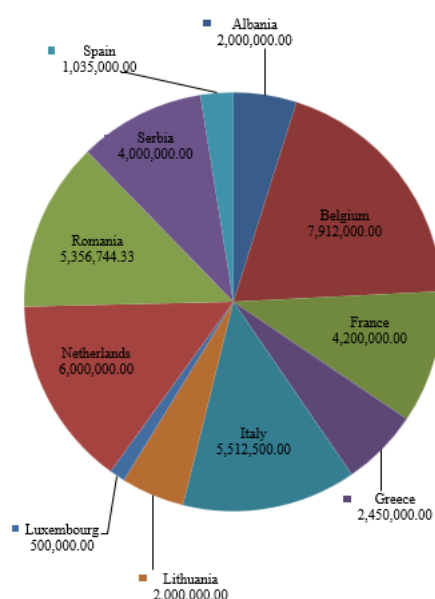
Operational Performance

Contribution to the achievement of the objectives of the programme

Until 31/12/2025, there were 19 signed operations of EU equity or subordinated loans participations, worth EUR 40,966,244 with 19 financial intermediaries, covering 11 participating countries. The above-mentioned signed transactions involve investments i) in organisational development and expansion, including branch expansion, scaling up/building up of IT infrastructure and human resources such as recruitment and training of staff and ii) in strengthening the operational and institutional capabilities contributing to the sustainability of a financial intermediary (including Greenfield Financial Intermediary) and the increase of their indebtedness capacity.

Geographical diversification

By the end of 2025, there were 19 signed operations, providing financing to financial intermediaries in 11 countries:



Main issues for the implementation

Nothing to report until now, implementation runs smoothly.

Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed	40,966,244.33	41,364,666.00
Leverage effect	1.00	2.00
Multiplier effect	2.07	3.80
Operations	19	10 to 12
Financing provided to final recipients	40,966,244.33	82,729,332.00
Number of final recipients	19	10 to 12
Investments made by final recipients due to the received financing	84,959,359.00	157,185,731.00

Financial Information

Financial Information (EUR)	EaSI Capacity Building Investments (EaSI CBI)		
Type of instrument	Equity		
Year of inception	2015		
Implementing Partner	EIF		
	Notes	2025	All years
EU Contribution			
Budgetary commitments		0.00	45,000,000.00
<i>of which from third countries</i>		0.00	0.00
<i>of which from reflows</i>		0.00	0.00
Budgetary payments		0.00	36,170,237.00
Reflows	(1)		
Revenues		2,005,917.41	3,340,059.94
Repayments		0.00	0.00
Total reflows entered into the budget, of which:		2,005,917.41	3,340,059.94
<i>to the general budget</i>		0.00	0.00
<i>returned to be used</i>		2,005,917.41	3,340,059.94
Losses from operations			
Guarantees			
Guarantees called		0.00	3,819,335.70
Guarantee calls recovered		0.00	0.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		0.00	2,778,915.00
Incentive fees		0.00	0.00
Treasury management fees		1,534.00	61,275.00

Other charges		0.00	99,525.00
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		1,717,440.00	8,434,922.38
Net treasury result (including interest) (gains (+) / losses (-))		19,458.00	19,458.00
Net FX gains (+) / losses (-)		0.00	0.00
Other revenues		0.00	0.00
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		37,212,835.70	38,406,539.43
Value of equity investments		4,984,303.00	5,032,422.00
<i>Investment at cost</i>		5,137,567.00	5,137,567.00
Value of loans		32,228,532.70	33,374,117.43
<i>Loans at cost</i>		33,588,139.22	34,723,849.44
Financial liabilities and provisions		0.00	0.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		3,870,863.00	2,593,693.00
<i>in euro</i>		3,870,863.00	2,593,693.00
<i>in non-euro currencies</i>		0.00	0.00
Other financial assets (including short term deposits >3months)		0.00	0.00

Notes to the financial information

- (1) In line with Article 35(1) of the InvestEU regulation, 2021 reflows in the amount of EUR 38,693.98, 2023 reflows in the amount of EUR 250,308.65, 2024 reflows in the amount of EUR 1,045,139.90 and 2025 reflows in the amount of EUR 2,005,917.41 were assigned to InvestEU (total reflows assigned to InvestEU EU 3,340,059.94).

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

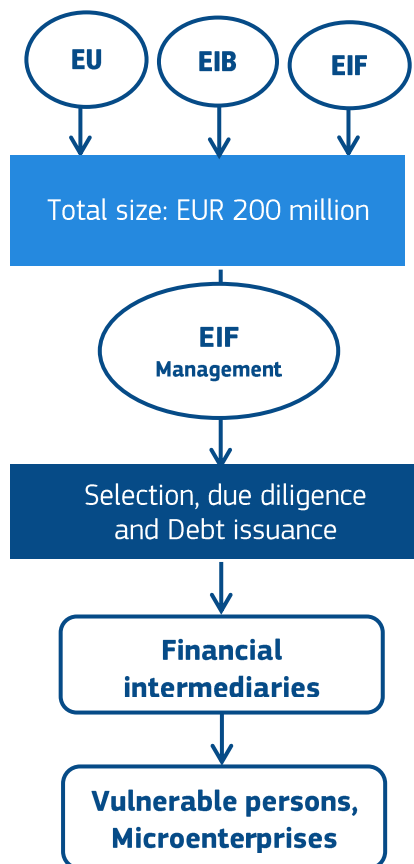
3.2 Employment and Social Innovation Sub-Fund (EaSI FIS)

Description

Identification / Reference to the basic act			
Decision No 283/2010/EU of the European Parliament and of the Council of 25 March 2010 establishing a European Progress Microfinance Facility for employment and social inclusion (OJ L 347/238, 20.12.2013).			
Budget lines			
02 02 99 02			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	0.00	0.00
Budgetary payment appropriations	0.00	0.00	0.00

Initial financial envelope:	EUR 67,000,000.00
Current financial envelope:	EUR 67,000,000.00
Overall financial envelope:	EUR 67,000,000.00

General description



Financing provided: **EUR 384,342,327**
Investment realised: **EUR 549,033,014**

The Employment and Social Innovation Sub-Fund is the second compartment of the EU Microfinance Platform FCP-FIS (the “Fund”), an umbrella fund with two sub-funds:

- The European Progress Microfinance Fund (‘EPMF FCP’); already liquidated;
- The Employment and Social Innovation Fund (the ‘EaSI Sub-Fund’).

The EaSI Sub-Fund has an overall size of EUR 200,000,000 and is a partnership between the European Union, the European Investment Bank (EIB) and the European Investment Fund (EIF). The EU budget resources available to the EaSI Sub-Fund are set at EUR 67,000,000 as a first-loss piece investment. The EU will be the only equity-holder in the sub-fund. The European Investment Bank and the European Investment Fund will provide funding respectively under a senior loan facility of EUR 110,000,000 and a mezzanine loan facility of EUR 23,000,000.

The EaSI Sub-Fund is intended to support lending to micro-enterprises and social enterprises and is another addition to the toolbox of EU instruments dedicated to microfinance and social finance. It shall provide debt instruments in the form of senior and subordinated loans to financial intermediaries to enhance access to finance for microenterprises and social enterprises. On their part, the selected financial intermediaries on-lend the received financing by developing loan portfolios

aiming at specific target groups (self-employed persons, microenterprises, social enterprises).

Duration

The EaSI Sub-Fund was established in 2019 for a limited duration ending on 31 December 2032. Its implementation period (signatures of new operations with financial intermediaries) was intended to run until 2023; an extension of the investment period was granted until 16 October 2024. The termination date is set on 31/12/2032, while the last maturity date is 21/12/2031.

Added value, final recipients and projects

The Sub-Fund operations are meant to address a market failure by providing an incentive to intermediaries to increase access to, and availability of, microfinance and to support the development of the social investment market and facilitate access to finance for social enterprises.

The EaSI Sub-Fund aims at replicating the success of its predecessor, the EPMF Sub-Fund, but has expanded its policy scope to also cover social enterprises.

Final recipients targeted by the EaSI Sub-Fund are in line with the EaSI policy objectives that aim to enhance access to finance for the following categories:

- vulnerable people who have lost or are at the risk of losing their job, or who have difficulties entering or re-entering the labour market, or who are at risk of social exclusion or are socially excluded and who are in a disadvantaged position with regard to access to the conventional credit market and who wish to start up or develop their own microenterprise, or
- microenterprises in both the start-up and development phase, especially microenterprises which employ persons as referred to in the previous bullet point, or
- social enterprises within the meaning of the EaSI Regulation.

Financial institutions involved in implementation

The EaSI Sub-Fund is managed by the EIF as Management Company.

Operational Performance

Contribution to the achievement of the objectives of the programme

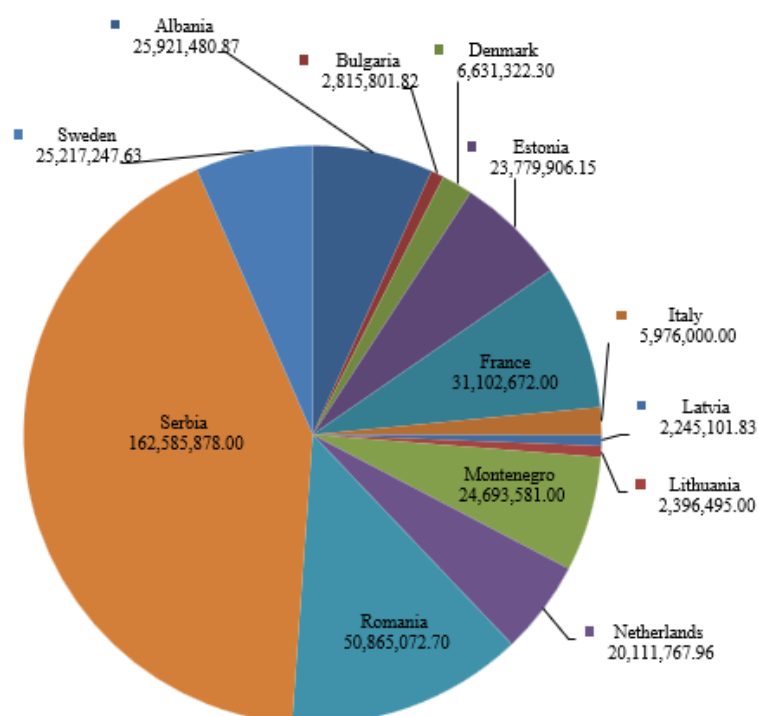
In total 37 agreements were signed in 10 Member States and 3 Participating Countries.

The main results as of 31/12/2025 (latest available operational data) are the following:

- Amount of financing already provided by the instrument to eligible final recipients: EUR 384,342,327.
- Number of final recipients: 36,039 (35,786 for microfinance and 253 for social entrepreneurship).
- Number of loans to micro- and social enterprises: 44,229 (43,966 for microfinance and 263 for social entrepreneurship).
- Total amount of investment realised: EUR 549,033,014.
- Total number of employees: 84,745 (78,263 for microfinance and 6,482 for social entrepreneurship).

Geographical diversification

At 31/12/2025, the distribution of financing to eligible final recipients was as follows:



Main issues for the implementation

The initial pace of implementation was quite slow, mainly due to the preparatory legal work and to the delays caused by the COVID-19 pandemic, which shifted the focus on the development of immediate and urgent measures to address the adverse effects on final recipients.

However, at the end of 2025, a loan volume of over EUR 384 million was signed with financial intermediaries. The instrument is believed to provide indeed an incentive for financial intermediaries to increase access to, and availability of, microfinance and to support the development of the social investment market and facilitate access to finance for social enterprises.

Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed	67,000,000.00	67,000,000.00
Leverage effect	5.74	4.48
Multiplier effect	8.19	6.40
Operations	37	N/A
Financing provided to final recipients	384,342,327.25	300,000,000.00
Number of final recipients	36,039	N/A
Investments made by final recipients due to the received financing	549,033,014.48	428,550,000.00

Financial Information

Financial Information (EUR)	Employment and Social Innovation Sub-Fund (EaSI FIS)		
Type of instrument	Dedicated investment vehicle (equity)		
Year of inception	2019		
Implementing Partner	EIF		
	Notes	2025	All years
EU Contribution	(1)		
Budgetary commitments		0.00	67,000,000.00
<i>of which from third countries</i>		0.00	29,136.00
<i>of which from reflows</i>		0.00	27,969,379.57
Budgetary payments		0.00	67,000,000.00
Reflows			
Revenues		0.00	0.00
Repayments		0.00	0.00
Total reflows entered into the budget, of which:		0.00	0.00
<i>to the general budget</i>		0.00	0.00
<i>returned to be used</i>		0.00	0.00
Losses from operations			
Guarantees			
Guarantees called		0.00	0.00
Guarantee calls recovered		0.00	0.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		0.00	0.00
Incentive fees		0.00	0.00
Treasury management fees		0.00	0.00
Other charges		0.00	0.00
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		0.00	0.00
Net treasury result (including interest) (gains (+) / losses (-))		0.00	0.00
Net FX gains (+) / losses (-)		0.00	0.00
Other revenues		0.00	0.00
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		63,877,368.00	64,632,571.00
Value of equity investments		63,877,368.00	64,632,571.00
<i>Investment at cost</i>		67,000,000.00	67,000,000.00
Value of loans		0.00	0.00

<i>Loans at cost</i>		0.00	0.00
Financial liabilities and provisions		0.00	0.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		0.00	0.00
<i>in euro</i>		0.00	0.00
<i>in non-euro currencies</i>		0.00	0.00
Other financial assets (including short term deposits >3months)		0.00	0.00

Notes to the financial information

- (1) The EU contribution in commitments was finalised in 2020, reaching 100% of the Fund's capital amount. The commitments have been paid in full.

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

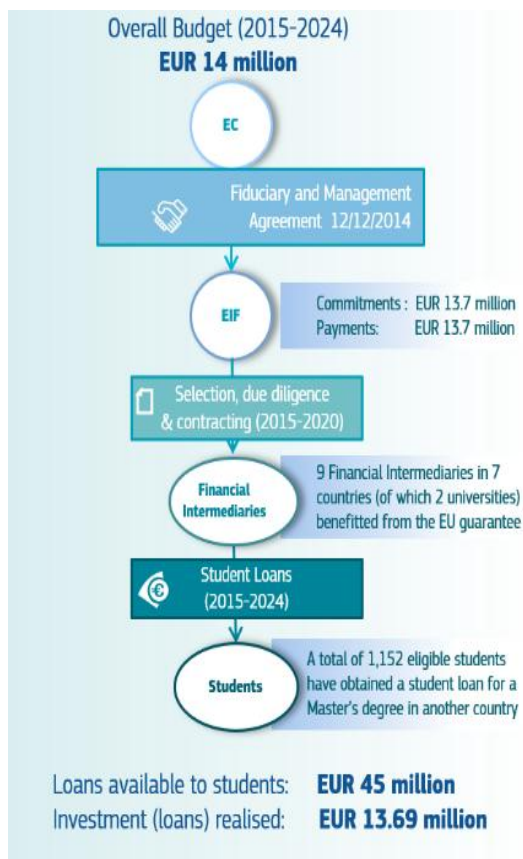
3.3 Erasmus+ Student Loan Guarantee Facility (SLGF)

Description

Identification / Reference to the basic act			
Regulation (EU) No 1288/2013 of the European Parliament and of the Council of 11 December 2013 establishing 'Erasmus+': the Union programme for education, training, youth and sport and repealing Decisions No 1719/2006/EC, No 1720/2006/EC and No 1298/2008/EC (Text with EEA relevance)			
Budget lines			
02.029910 (new nomenclature - previously: 15.020101 (EAC))			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	0.00	0.00
Budgetary payment appropriations	0.00	0.00	0.00

Initial financial envelope ⁷⁰ :	EUR 517,000,000.00
Current financial envelope ⁷¹ :	EUR 13,711,503.00
Overall financial envelope ⁷² :	EUR 13,711,503.00

General description



The Student Loan Guarantee Facility (SLGF) was piloted under the Erasmus+ programme (2014-2020), aiming to support transnational student mobility, equity and study excellence via guarantees to financial intermediaries that agree to providing student loans to students moving for their Master's studies to another Erasmus+ Programme country, regardless of the student's social background and with favourable lending conditions. The EU capped guarantee (90% at individual level, 18% at portfolio level) thus mitigates the risk of lending to a group that financial intermediaries would else not consider or find too risky.

Duration

The Fiduciary and Management Agreement was signed in December 2014. The SLGF started in June 2015, with 2020 as the final year of implementation. The scheme has not been renewed under Erasmus+, as the focus on student mobility was perceived too narrow, but EU-guaranteed student lending support is still provided under the InvestEU programme, building on the SLGF experience and following a successful testing phase through a Skills & Education Guarantee Pilot launched in 2020. The agreed termination date of the SLGF is 31 December 2039.

⁷⁰ Max. 2.5% of the total 'Erasmus+' budget Regulation (EU) No 1288/2013.

⁷¹ An outstanding commitment (provision) of EUR 200,000 was decommitted in 2024 as no further payments to SLGF's Fiduciary Account are expected, as confirmed by the EIF.

⁷² Final EU Commitments to the Erasmus+ Student Loan Guarantee Facility at end of the implementation period.

Added value, final recipients and projects

Master graduates make an increasingly important contribution to innovation and entrepreneurship in Europe as the need for higher skills grows, for example in order to support the digital and green transition. Access to finance is all the more difficult for students who want to study abroad, although this is an economically rewarding and personally enriching experience, which also benefits society at large.

As a contribution to tackling skills gaps in Europe, the Erasmus+ Student Loan Guarantee Facility aimed to increase access to finance in order to enable students, regardless of their social background, to take a Master's Degree in another Erasmus+ programme country. This student loan scheme for degree mobility at a university abroad thus complemented the shorter-duration Erasmus+ grants scheme for credit mobility (based on the recognition by the home university of study credits obtained abroad).

The funding of student loans by private banks was unlocked through a public subsidy, in the form of a 90% guarantee on the repayment of individual loans, up to 18% of the portfolio volume of banks, and valid for 15 years. The Student Loan Guarantee Facility was integrated in the Erasmus+ programme (2014-2020) on a pilot basis; this concept is being further pursued under the InvestEU Social Investment and Skills window.

While during the implementation period (2015-2020) the SLGF scheme was implemented through financial intermediaries in only 8 Erasmus+ programme countries, it operated as a fully European scheme since nearly all countries were involved in one way or another: either as a country from which students were seeking funding to pursue a Master's degree abroad, or as a destination country for carrying out these Master studies (or for both cases).

Financial institutions involved in implementation

The management of the Student Loan Guarantee Facility was entrusted to the European Investment Fund (EIF).

Operational Performance

Contribution to the achievement of the objectives of the programme

- The scheme is no longer available to Master students since 2024. By end 2024⁷³ a total of 1,152 students had effectively benefited from EUR 13.69 million in EU-guaranteed Master Loans.
- Final recipients surveys have been carried out for the period 2016-2022, with consistently positive results⁷⁴: the concept was clearly valued by students, (with satisfaction rates well above 70%) and they communicated that it has a particular 'graduate premium' in the labour market.
- The Erasmus+ SLGF pilot has been pioneering a number of innovative implementation modes, e.g. offering deferred payment through education and training providers. Its learning was used in the design of the Skills & Education Guarantee Pilot (operational since 2021) and is being further pursued under the InvestEU Social Investment and Skills window.
- The broader scope of final recipients (targeting a wider range of individual students and learners, as well as of institutions requiring and providing education and skills) is positively considered, as demonstrated by a high level of interest from financial intermediaries in a very short timeframe.

⁷³ As the instrument entered into its legacy period, there are no new students since 2024.

⁷⁴ The final recipients surveys had an exceptionally high response rate around 50% annually, testifying to the commitment of the final recipients to this financial instrument.

- The EIF is further promoting and extending this type of financial instrument, under the InvestEU Social Investment and Skills window throughout 2021-2027, supporting more financial intermediaries and final recipients who can benefit from education and skills related financial support.

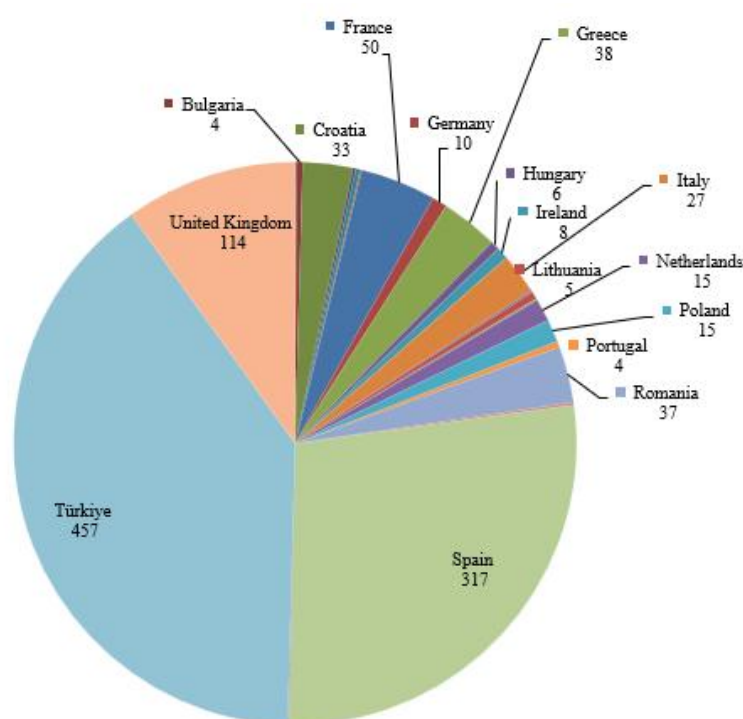
Geographical diversification

Despite being available only in 8 countries, the scheme had a substantial European and international dimension as it allowed 1,152 students from 41 countries to study in one of the Erasmus+ programme countries (including Iceland, Norway and Türkiye.)

Country	Country of residence when applying	Country where Bachelor's Degree was obtained	Country of destination for Master's Degree
Argentina		1	
Australia		1	
Austria	1	2	21
Belgium			59
Bosnia and Herzegovina		2	
Brazil		2	
Bulgaria	4	4	
Canada		1	
Croatia	33	27	
Cyprus	2	1	12
Czechia	3	3	9
Denmark		1	37
Estonia	1	1	2
Finland			16
France	50	46	65
Germany	10	8	194
Greece	38	35	4
Hungary	6	3	8
Iceland			3
India		1	
Ireland	8	10	25
Italy	27	24	100
Latvia	1		
Lithuania	5	4	2
Luxembourg	1		3
Malta			2
Nepal		1	
Netherlands	15	24	133
North Macedonia	1	1	3
Norway			16
Poland	15	8	38
Portugal	4	4	7

Romania	37	34	1
Slovakia			1
Slovenia	2	2	3
Spain	317	294	183
Sweden			55
Türkiye	457	457	
United Kingdom	114	143	150
United States		6	
Venezuela		1	

The graph below shows the geographical diversification of SLGF final recipients based on their residence of origin.



Main issues for the implementation

The pilot scheme had a much lower yield than initially envisaged (at supply side: financial intermediaries, as well as demand side: student recipients). In light of this low take-up, the EIF and the European Commission maintained their commitment to the policy objectives but downsized at an early stage (from 2017) the budgetary allocations and reallocated them to the Erasmus+ programme's higher education activities (mainly student mobility).

The learning from the SLGF experience (broadening the scope of the target population and of the financial intermediaries, including education and training institutions) has been carried forward into the design of the Skills & Education Guarantee Pilot, which was successfully tested in 2020 under the EFSI programme and currently continues under the InvestEU Social Investment and Skills window.

Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed	13,711,503.00	50,000,000.00
Leverage effect	1.00	6.20
Multiplier effect	1.00	6.20
Operations	8	27
Financing provided to final recipients	13,689,572.00	310,000,000.00
Number of final recipients	1,152	25,833
Investments made by final recipients due to the received financing	13,689,572.00	310,000,000.00

Financial Information

Financial Information (EUR)	Erasmus+ Student Loan Guarantee Facility		
Type of instrument	Guarantee		
Year of inception	2015		
Implementing Partner	EIF		
	Notes	2025	All years
EU Contribution	(1)		
Budgetary commitments		0.00	13,711,503.00
<i>of which from third countries</i>		0.00	0.00
<i>of which from reflows</i>		0.00	0.00
Budgetary payments		0.00	13,711,503.00
Reflows	(2)		
Revenues		140,736.06	1,713,922.97
Repayments		918,944.32	9,901,386.72
Total reflows entered into the budget, of which:		1,059,680.38	11,615,309.69
<i>to the general budget</i>		0.00	1,573,186.91
<i>returned to be used</i>	(3)	1,059,680.38	10,042,122.78
Losses from operations			
Guarantees			
Guarantees called		38,079.86	624,105.55
Guarantee calls recovered		400.19	55,709.35
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		0.00	4,783,083.00
Incentive fees		0.00	1,806,750.00
Treasury management fees		2,181.00	77,201.00
Other charges		0.00	7,921.00
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		0.00	0.00

Net treasury result (including interest) (gains (+) / losses (-))		84,709.00	2,507,448.38
Net FX gains (+) / losses (-)		-31,031.00	-3,904,382.22
Other revenues		0.00	70.00
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		1,446,631.00	1,530,700.00
Value of equity investments		0.00	0.00
<i>Investment at cost</i>		0.00	0.00
Value of loans		0.00	0.00
<i>Loans at cost</i>		0.00	0.00
Financial liabilities and provisions		235,310.00	287,421.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		597,466.00	1,657,298.10
<i>in euro</i>		504,463.00	1,520,930.00
<i>in non-euro currencies</i>		93,003.00	136,368.00
Other financial assets (including short term deposits >3months)		1,098,988.00	1,072,313.00

Notes to the financial information

- (1) As the SLGF's implementation period has run out, no further commitments nor payments are possibly anymore.
- (2) At the end of the SLGF facility's deployment period (end-2020) an amount of EUR 1,484,039.85 of interest revenues had been yielded by the asset management (mainly on non-euro currencies TRY and GBP) and were returned to the general budget in accordance to Article 212(3) FR. Similarly, interest revenues for 2021 and 2022 amounting to EUR 89,147.06 were returned to the EU budget.
- (3) Furthermore, as the Student Loan Guarantee Facility had not been fully deployed according to initial expectations, an amount of EUR 8,368,169 excess cash has been returned to the EU. In line with Article 35(1) of the InvestEU Regulation, 2024 reflows in the amount of EUR 614,273.40 and 2025 reflows in the amount of EUR 1,059,680.38 were assigned to InvestEU (total reflows assigned to InvestEU EUR 1,673,953.78).

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

D. SMEs

4.1 COSME⁷⁵ Loan Guarantee Facility (LGF)

Description

Identification / Reference to the basic act			
Regulation (EU) No 1287/2013 of the European Parliament and of the Council of 11 December 2013 establishing a Programme for the Competitiveness of Enterprises and small and medium-sized enterprises (COSME) (2014 - 2020) and repealing Decision No 1639/2006/EC (OJ L 347, 20.12.2013, p. 33)			
Budget lines			
02.029901 under the current nomenclature			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	0.00	0.00
Budgetary payment appropriations	11,814,134.39	289,470.00	400,000.00

Initial financial envelope ⁷⁶ :	EUR 717,000,000.00
Current financial envelope ⁷⁷ :	EUR 2,686,952,802.66
Overall financial envelope ⁷⁸ :	EUR 2,686,952,802.66

General description

The Regulation (EU) No 1287/2013 on the Programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME) (2014-2020) establishes two financial instruments to facilitate access to finance for Small and Medium-sized Enterprises (SMEs). One of the financial instruments is a guarantee instrument, i.e. the COSME Loan Guarantee Facility (LGF). The LGF aims to increase access to finance to SMEs through effective portfolio credit risk transfer via an EU guarantee.

The LGF consists of capped portfolio guarantees or counter-guarantees for higher risk debt financing, including subordinated and participating loans, bank guarantees, leasing transactions and working capital financing. The LGF also covers securitisation of SME debt finance portfolios by providing guarantee coverage⁷⁹ for part of the mezzanine tranche of a securitised SME lending portfolio coupled with an undertaking by the originating institutions to build up a new SME loan portfolio.

The LGF covers, except for loans in the securitised portfolio, loans up to EUR 150,000 and with a minimum maturity of 12 months. It may also cover loans exceeding EUR 150,000 in cases where SMEs do not meet the innovation criteria specified in the InnovFin SME Guarantee Facility (which is covered in Chapter 4.3

⁷⁵ Programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME)

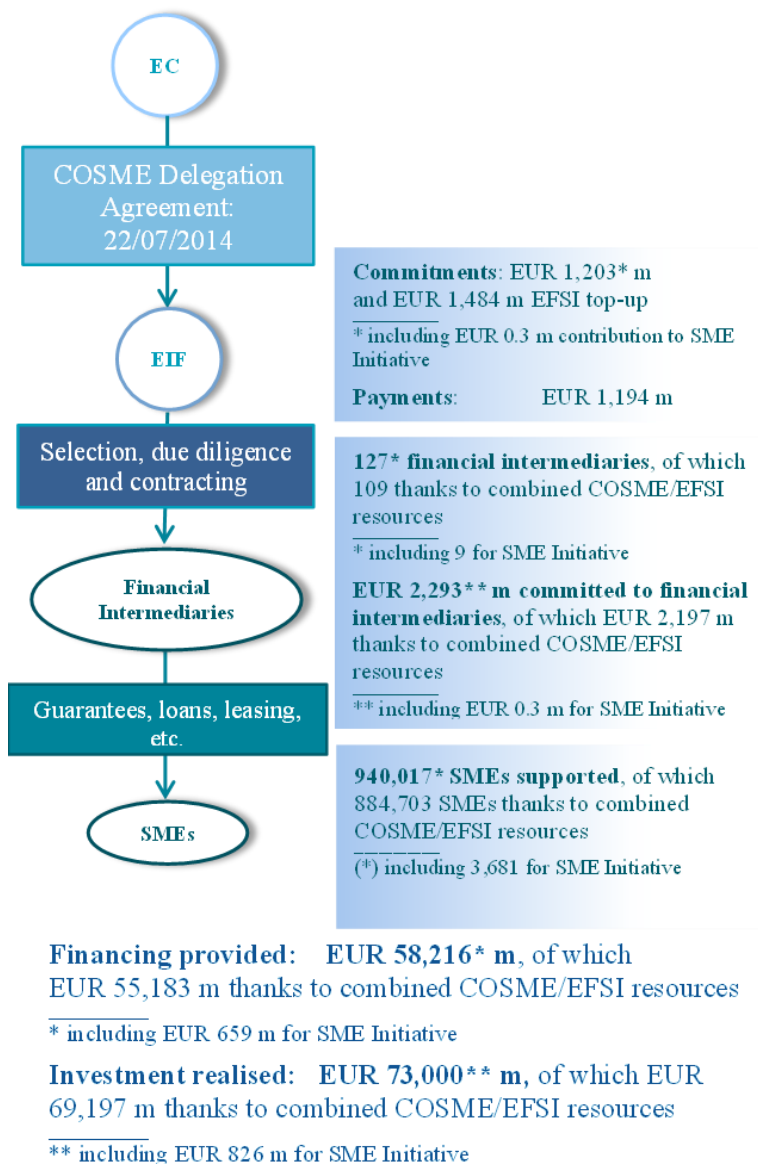
⁷⁶ The COSME basic act stipulates that no less than 60% of the total financial envelope for implementing the COSME programme shall be allocated to the financial instruments. Based on the estimated distribution between the loan guarantee and the equity facility in the legislative statement accompanying the COSME basic act, 52% of the overall budget was set out to be allocated to the LGF and 48% to the other COSME financial instrument (Equity Facility for Growth (EFG)). However, subsequently the largest part of the available budget was made available for the LGF based on market demand.

⁷⁷ It includes EUR 1,484,000,000 as European Fund for Strategic Investments (EFSI) top-up and EUR 1,202,952,802.66 as LGF own budgetary resources, including EUR 282,885.58, which are earmarked for the SME initiative.

⁷⁸ It includes EUR 1,484,000,000 as EFSI top-up and EUR 1,202,952,802.66 as LGF own budgetary resources, including EUR 282,885.58, which are earmarked for the SME initiative.

⁷⁹ EUR 282,885.58 are earmarked for the SME initiative (out of the LGF commitment appropriations being EUR 1,202,952,802.66).

Horizon 2020 SMEs & Small Midcaps R&I Loans Service (InnovFin SME Guarantee). Individual transactions can be guaranteed for up to 10 years.



The LGF is implemented by the European Investment Fund (EIF) on behalf of the European Commission, represented by Directorate-General Internal Market, Industry, Entrepreneurship and SMEs (DG GROW). The Delegation Agreement signed with the EIF in 2014 ensured that the LGF was accessible for a broad range of financial intermediaries (guarantee societies, national promotional institutes, commercial banks, cooperatives, etc.) with experience and capacity to engage in new financial transactions with SMEs.

The LGF also contributes to the financial instruments deployed under the SME Initiative, a joint instrument combining COSME and/or Horizon 2020 EU funds and European Structural and Investment Funds (ESIF) resources. The initiative is implemented in cooperation with the European Investment Bank (EIB) and the EIF and aims to generate additional lending to SMEs in specific Member States.⁸⁰

Target final recipients under the capped portfolio guarantees and the securitisation transactions are SMEs without a specific sector focus.

Duration

The agreement for the LGF was signed in 2014 with the EIF. The programme period of the LGF is from 2014 to 2020, during which budgetary commitments were made. The application period for financial intermediaries closed in 2020.

Selected financial intermediaries built up portfolios of new loans, bank guarantees, leasing transactions, etc. over a period of usually between 2 to 3 years. In the process of creating these portfolios, the financial intermediaries signed agreements with SMEs by providing them loans, bank guarantees, leases, etc. The LGF provides an EU guarantee for up to ten years after the date of signature of the relevant agreements with SMEs, but not beyond 31 December 2034. Until that date, the LGF is expected to operate, i.e. until last operations are wound down.

⁸⁰ The LGF contribution to the SME Initiative Italy (securitisation option) is also detailed in Chapter 4.9 SME Initiative.

Added value, final recipients and projects

Under the LGF, the EIF provides (counter-)guarantees for portfolios of newly generated SME transactions. The newly generated transactions shall have a higher risk profile than those transactions typically offered by financial intermediaries in their standard business practice. This mechanism enables SMEs to access financing they otherwise (i) would not be able to obtain at all or (ii) would be able to obtain under less favourable terms.

Financial institutions involved in implementation

The EIF managed the evaluation and selection of financial intermediaries through an open call for expressions of interest, which was published. As the programming period concluded in 2020, applications are no longer accepted.

The list of the selected LGF financial intermediaries is available on the EIF website⁸¹.

Operational Performance

Contribution to the achievement of the objectives of the programme

Due to continuous high market demand, the LGF budget envelope was reinforced with several top-ups from the European Fund for Strategic Investments (EFSI) SME Window⁸² for a total of nearly EUR 1.5 billion. This enabled the continuation of the accelerated deployment of EU-guaranteed financing of higher-risk SME transactions. The EFSI top-up supported transactions related to (i) the digitalisation pilot launched in 2019 and (ii) the response to the COVID-19 virus outbreak and its economic consequences from 2020 onwards.

In response to the 2020 COVID-19 crisis, EUR 714 million from the EFSI were redirected to the LGF, enabling the EIF to incentivise banks to provide liquidity to SMEs affected by the COVID-19 crisis. This measure offered greater flexibility to the LGF users and increased the guarantee rate from 50% to 80%. As of 31/12/2025, this support helped over 130,000 European SMEs to access more than EUR 10 billion in liquidity financing under the COSME COVID-19 measure.

In terms of total investment realised, a maximum amount of financial support up to EUR 68 billion will be made available to SMEs that would not otherwise be able to secure the financing they need. This financing triggered significant additional investments of 21%-29% by the SMEs, with medium or large SMEs investing more than small ones⁸³. The total realised investments are estimated⁸⁴ to have reached EUR 73 billion by end of 2025.

Geographical diversification

By the end of 2025, the LGF provided guarantees and counter-guarantees to financial intermediaries located in 33 countries (25 Member States and 8 countries participating to COSME), facilitating EUR 58 billion in financing⁸⁵ to over 900,000 SMEs⁸⁶:

⁸¹ <https://www.eif.org/files/calls/cosme-lgf-signatures.pdf>

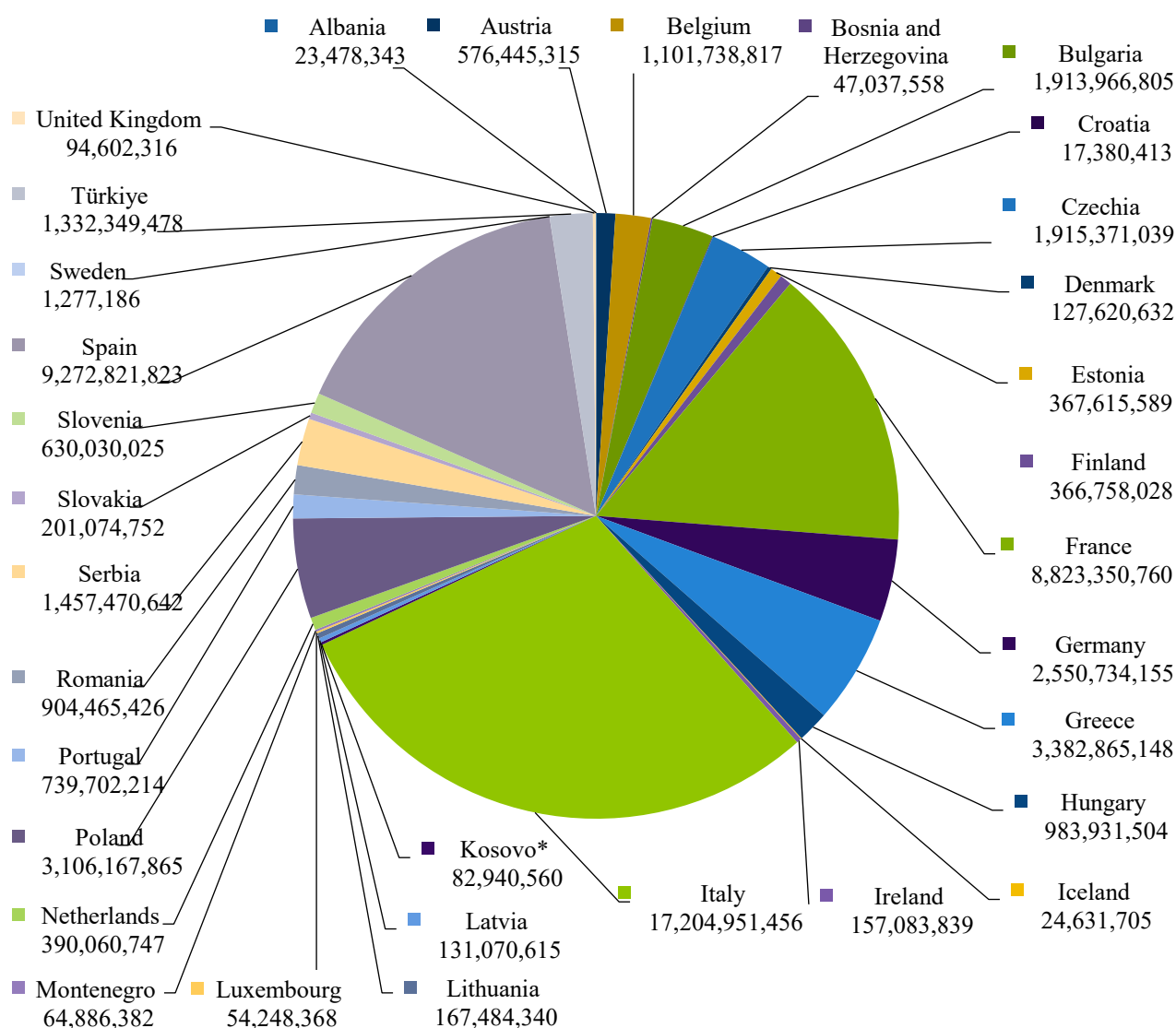
⁸² For further details, please refer to the Draft Budget 2027 Working Document XI, which presents the implementation of EFSI.

⁸³ For further details, see the results of a survey conducted as part of the COSME interim evaluation: Final report available at <https://ec.europa.eu/docsroom/documents/28084>.

⁸⁴ Using a proxy ratio of 1.25 between financing and investment amount.

⁸⁵ The total financing of EUR 58 billion includes EUR 659 million provided through the SME Initiative. Of this amount (EUR 58 billion), EUR 55 billion was made possible through combined COSME/EFSI resources.

⁸⁶ The total of SMEs supported (over 900,000 SMEs) includes 3,681 SMEs supported through the SME Initiative. Of the more than 900,000 SMEs supported, over 800,000 SMEs benefited from combined COSME/EFSI resources.



* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

Main issues for the implementation

Overall, there were no particular critical risks identified during the period up to the end of 2025.

No critical risks have been identified with regard to eligibility of financial intermediaries and final recipients, contractual compliance processes and contract performance.

Performance, financing and investments

During the 2014-2020 programme period, overall EUR 2.4 billion⁸⁷ was committed to supporting SMEs that would not otherwise be able to secure the financing they need. This enabled 163 EU guarantees to be provided to 127⁸⁸ financial intermediaries. These guarantees have enabled over 900,000⁸⁹ SMEs to receive

⁸⁷ The EUR 2.4 billion includes EUR 0.3 million allocated to the SME Initiative. Of this total (EUR 2.4 billion), EUR 2.3 billion is achieved through combined COSME/EFSI resources.

⁸⁸ Of the 127 financial intermediaries, 109 are supported through combined COSME/EFSI resources. Of all (127) financial intermediaries, 9 are participating in the SME Initiative.

⁸⁹ Of the 940,017 supported SMEs, 884,703 SMEs benefited from combined COSME/EFSI resources. In the 940,017 supported SMEs are also included 3,681 SMEs supported within the SME Initiative.

the financial support they require. The overall support amounts to EUR 58 billion⁹⁰. This triggers the mobilisation of additional private capital investments.

This way, the LGF achieved its leverage target range between 20 and 30 as defined in the basic act.

No additional operations are planned to be signed after the reporting period (i.e., beyond 2025) as the application window for financial intermediaries closed in 2020.

Key figures (EUR)	Actual	Target
EU Contribution committed	2,367,502,264.00 ⁹¹	717,000,000.00 ⁹²
Leverage effect	24.59	from 20 to 30
Multiplier effect	30.83	Not available*
Operations	163	Not available*
Financing provided to final recipients	58,215,613,845.00	from 14,300,000,000 to 21,500,000,000
Number of final recipients	940,017	from 220,000 to 330,000
Investments made by final recipients due to the received financing	73,000,000,000.00	Not available*

* No targets were set out in the basic act.

During its implementation period, the LGF was initially assessed twice: first by the European Court of Auditors⁹³ and secondly as part of COSME's interim evaluation⁹⁴. Both assessments confirmed the LGF's successful performance. The LGF is properly designed to help SMEs – that would otherwise struggle to obtain financing – to increase total assets, sales and employees when compared to the general SME population. The impact of the facility could be, however, further enhanced through better coordination with Member States' activities. The LGF demonstrated 63% additionality, close to the 64% target set in the basic act. The interim evaluation concluded that for every EUR 1 million invested in the LGF (effects fully attributable to the LGF), SMEs benefitted from 491 additional jobs created and EUR 22 million in additional turnover.

Based on lessons learned from audits and other assessments, the Commission proposed to set up one single programme (InvestEU Programme 2021-2027) establishing one single fund (the InvestEU Fund)⁹⁵. It builds on the successful model of the EFSI. The InvestEU Fund ensures a streamlined approach towards the management and reporting on financial instruments and budgetary guarantees. Under the InvestEU Fund,

⁹⁰ Of the EUR 58 billion financial support provided, EUR 55 billion was achieved through combined COSME/EFIS resources. The EUR 58 billion financial support also includes EUR 659 million provided via the SME Initiative.

⁹¹ The EU Contribution committed (EUR 2,367,502,264) is the sum of EUR 1,202,952,802.66 as LGF commitment appropriations and EUR 1,164,549,461.74 as latest EFSI top-up covered amount. The LGF commitment appropriations (EUR 1,202,952,802.66) include EUR 282,885.58 earmarked for the SME initiative.

⁹² The COSME basic act provides that no less than 60% of the total financial envelope for the implementation of the COSME programme shall be allocated to the financial instruments. Based on the estimated distribution between the loan guarantee and equity facility in the legislative statement accompanying the COSME basic act, 52% of the overall budget was set out to be allocated to the LGF and 48% to the other COSME financial instrument (Equity Facility for Growth (EFG), however subsequently the largest part of the available budget was made available for the LGF based on market demand.

⁹³ For further details, please refer to Special report No 20/2017: EU-funded loan guarantee instruments: positive results but better targeting of recipients and coordination with national schemes needed, available at: <https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=44174>.

⁹⁴ For further details, please refer to the Interim evaluation of the COSME Programme: Final report available at <https://ec.europa.eu/docsroom/documents/28084>.

⁹⁵ For further details, please refer to the Draft Budget 2027 Working Document XI, which presents the implementation of InvestEU.

financial products catering towards the Commission's policy priorities, including the financing of SMEs, are established⁹⁶ and SMEs can apply for financing⁹⁷.

Furthermore in 2024, the COSME's final evaluation was completed⁹⁸. As a result, the LGF was assessed for a third time. The evaluation confirmed the contribution of the instrument to the SMEs' competitiveness by: (i) filling the gap in financing for SMEs; (ii) ensuring availability of financial support for riskier businesses, such as those lacking collateral; and (iii) expanding access to finance for specific segments of the SME market, particularly those experiencing higher loan rejection rates, such as sole proprietorships, microenterprises, and start-ups.

The final evaluation analysis demonstrates a positive and significant impact on the number of employees and the survival rates of SMEs. However, it potentially underestimates the impacts on turnover and total assets as previously noted in the COSME's interim evaluation. At the same time, the additionality reached 85%, surpassing the 64% target set out in the basic act.

In 2025, the EIF's Market Assessment & Research and Impact Assessment divisions published two economic impact assessments of the LGF⁹⁹. The econometric analysis showed that SMEs - that received LGF guaranteed loans - outperformed other SMEs (that did not receive LGF loans) in terms of assets, sales, employment, intangible and tangible assets. This LGF benefit was particularly pronounced for smaller and younger companies, though it may be underestimated as some firms were excluded from the assessments due to missing data. Additionally, the SMEs that received LGF guaranteed loans demonstrated higher survival rates, i.e. they were less likely than other SMEs (that did not receive LGF loans) to go bankrupt.

These findings confirm that the LGF guaranteed loans are associated with substantial growth of the SMEs. This is in line with the COSME objective of improving access to finance for SMEs that would otherwise be credit constrained. From a policy standpoint, it is also important to point out that the LGF guaranteed loans do not cause undesired effects, such as an increase in SMEs' failure rate or a drastic and persistent drop in SMEs' long-term labour productivity. The LGF guaranteed loans lead to a substantial increase in SMEs' leverage and these loans have more positive effects on asset growth than other non-guaranteed loans. This latter result from the assessments points to the additionality of the LGF.

Financial Information

Financial Information (EUR)	COSME Loan Guarantee Facility (LGF)		
Type of instrument	Guarantee		
Year of inception	2014		
Implementing Partner	EIF		
	Notes	2025	All years
EU Contribution	(1)		
Budgetary commitments		0.00	1,202,952,802.66
<i>of which from third countries</i>		0.00	47,706,615.00
<i>of which from reflows</i>		0.00	1,949,541.44
Budgetary payments		11,814,134.39	1,193,657,422.39
Reflows	(2)		
Revenues		22,177,240.65	50,510,321.07

⁹⁶ <https://www.eif.org/flagship-initiatives/investeu/overview>

⁹⁷ <https://youreurope.europa.eu/business/finance-funding/getting-funding/access-finance/en>

⁹⁸ Final evaluation of the COSME Programme, Staff working document available at:

https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13399-COSME-programme-evaluation_en.

⁹⁹ <https://www.eif.org/files/publications/eif-working-paper-2025-103.pdf> and <https://www.eif.org/files/publications/eif-working-paper-2025-107.pdf>

Repayments		0.00	14,656,477.84
Total reflows entered into the budget, of which:		22,177,240.65	65,166,798.91
<i>to the general budget</i>		0.00	0.00
<i>returned to be used</i>		22,177,240.65	65,166,798.91
Losses from operations			
Guarantees			
Guarantees called		160,875,610.00	961,379,398.00
Guarantee calls recovered		20,950,458.00	90,040,292.19
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges	(3)		
Administrative fees		0.00	33,682,677.47
Incentive fees		0.00	38,494,489.69
Treasury management fees		288,156.00	3,010,259.00
Other charges		0.00	12,412.00
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		0.00	179,625.68
Net treasury result (including interest) (gains (+) / losses (-))		13,175,966.00	99,490,552.44
Net FX gains (+) / losses (-)	(4)	376,339.00	-34,198,604.28
Other revenues		0.00	16,376.00
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		235,601,937.00	377,528,218.00
Value of equity investments		0.00	0.00
<i>Investment at cost</i>		0.00	0.00
Value of loans		0.00	0.00
<i>Loans at cost</i>		0.00	0.00
Financial liabilities and provisions		218,753,037.00	304,429,308.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		239,132,666.00	381,172,058.00
<i>in euro</i>		67,170,701.00	92,569,457.00
<i>in non-euro currencies</i>		171,961,965.00	288,602,601.00
Other financial assets (including short term deposits >3months)		15,063,863.00	14,698,125.00

Notes to the financial information

- (1) The financial envelope consists of the amounts committed towards the LGF for the years 2014-2020 in line with the amounts allocated towards the LGF in 2014-2020 as set out in the adopted COSME work programmes. By the end of 2020, all commitment appropriations authorised by the European Parliament and the Council of the EU for the period 2014-2020 had been used as planned. As of 31 December 2025, the LGF achieved an almost full budgetary implementation ratio, with a 99% payment execution rate compared to commitments. The remaining payments relate mainly to treasury management fees.

- (2) In line with Article 35(1) of the InvestEU Regulation, 2022 reflows in the amount of EUR 1,389,493.65, 2023 reflows in the amount of EUR 13,266,984.19, 2024 reflows in the amount of EUR 28,333,080.42 and 2025 reflows in the amount of EUR 22,177,240.65 were assigned to InvestEU (total amount of reflows assigned to InvestEU of EUR 65,166,798.91).
- (3) All management fee payments to the EIF were executed correctly within the contractual limits. In 2020, the overall agreed management fee limits were reached, resulting in no charges for administrative costs and incentive fees for the subsequent years. As of end of 2025, only treasury management fees continue to be paid.
- (4) Payment appropriations are required to enable the implementation partner, the European Investment Fund, to honour guarantee calls from financial intermediaries for defaulting loans and to hedge currency exposures. This is particularly necessary as a significant portion of financial support is provided to SMEs in non-eurozone countries.

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

Given the LGF's structure and design, there is no direct correlation between (i) the validation time of the budgetary commitments by the Authorising Officer in the Commission's accounting system, and (ii) the signing of agreements between financial intermediaries and final recipients in a given reporting year.

Budgetary commitments were authorised based on (i) the pipeline of ongoing applications from financial intermediaries and (ii) annual budget resources required for signatures between the EIF and financial intermediaries. Once applications were approved, the EIF signed agreements with financial intermediaries, who then had a contractual obligation to build portfolios of new loans, bank guarantees, leasing transactions, etc. typically over a two- to three-year period. During this process, financial intermediaries entered into agreements with final recipients, providing them with loans, bank guarantees, leases, etc.

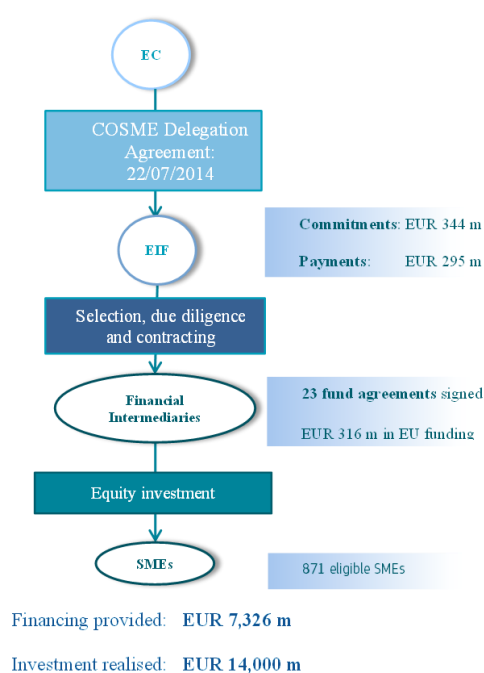
4.2 COSME¹⁰⁰ Equity Facility for Growth (EFG)

Description

Identification / Reference to the basic act			
Regulation (EU) No 1287/2013 of the European Parliament and of the Council of 11 December 2013 establishing a Programme for the Competitiveness of Enterprises and small and medium-sized enterprises (COSME) (2014 - 2020) and repealing Decision No 1639/2006/EC (OJ L 347, 20.12.2013, p. 33)			
Budget lines			
02.029901 under the current nomenclature			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	0.00	0.00
Budgetary payment appropriations	41,387,456.00	39,710,530.00	5,600,000.00

Initial financial envelope ¹⁰¹ :	EUR 662,000,000.00
Current financial envelope:	EUR 343,939,785.77
Overall financial envelope:	EUR 343,939,785.77

General description



The Regulation (EU) No 1287/2013 on the Programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME) (2014-2020) establishes two financial instruments to facilitate access to finance for Small and Medium-sized Enterprises (SMEs). One of the financial instruments is an equity instrument, i.e. the COSME Equity Facility for Growth (EFG).

The EFG improves access to risk capital – where significant market gaps persist in Europe – and supports the development of a pan-European risk capital market. It so by prioritising investments in risk capital funds that operate cross-border.

The EFG succeeds the High Growth and Innovative SME Facility (GIF2), which operated under the Competitiveness and Innovation Framework Programme (CIP) from 2007 to 2013.

The European Investment Fund (EIF) implements the EFG on behalf of the Commission, as a window of a single

European Union equity financial instrument. The single instrument supports EU enterprises' growth and research and innovation from the early stage, including seed, up to the growth stage. The EFG focuses on funds that provide venture capital and mezzanine finance, such as subordinated and participating loans, to

¹⁰⁰ Programme for the Competitiveness of Enterprises and Small and Medium-sized Enterprises (COSME)

¹⁰¹ The COSME basic act stipulates that at least 60% of the total financial envelope for the implementation of the COSME programme shall be allocated to the financial instruments. Based on the estimated distribution between the loan guarantee and the equity facility in the legislative statement accompanying the COSME basic act, 52% of the overall budget was set out to be allocated to the other COSME financial instrument (Loan Guarantee Facility (LGF)) and 48% to the EFG. However, in response to market demand, much of the available budget was ultimately directed towards the LGF.

expansion and growth-stage enterprises, particularly those operating across borders. It may also invest in early-stage enterprises alongside the equity facility for Research, Development and Innovation (RDI) under the Horizon 2020 (covered in Chapter 4.4 Horizon 2020 Equity Facility for R&I (InnovFin Equity)). The financial support takes two forms: (i) direct investments by the EIF in financial intermediaries providing equity or quasi-equity financing to SMEs or (ii) indirect investments through funds-of-funds under the Pan-European Venture Capital Funds-of-Funds initiative.

The 2014 Delegation Agreement with the EIF ensured that the EFG was open to a wide range of financial intermediaries, provided they were professionally and independently managed, and based in a COSME participating country.

Technically, the EIF was instructed to invest on a *pari-passu* basis alongside other private and public investors. Final target recipients were growth and expansion stage SMEs, with no sector-specific focus.

Duration

The EFG agreement with the EIF was signed in 2014. The programme period of the EFG was from 2014 to 2020, when budgetary commitments were made. The application period for financial intermediaries closed in 2020.

Selected financial intermediaries typically identified investments in companies within five years. Within such period, financial intermediaries signed agreements with SMEs so to invest into them gradually over a period of usually 10 years, but not beyond 31 December 2034. Until that date, the EFG is expected to operate, i.e. until last operations are wound down.

Added value, final recipients and projects

The EFG delivers added value by: (i) strengthening the EU's venture capital market and developing a pan-European SME finance market; (ii) transferring best practices and standardising documentation across participating countries; and (iii) tackling market failures that individual Member States cannot resolve alone.

Financial institutions involved in implementation

Under the Delegation Agreement, the EIF evaluated and selected financial intermediaries. The EIF published a continuous open call for expression of interest for financial intermediaries. However, applications are no longer accepted as the 2014-2020 programming period ended in 2020.

The list of selected EFG financial intermediaries is available on the EIF website¹⁰².

Operational Performance

Contribution to the achievement of the objectives of the programme

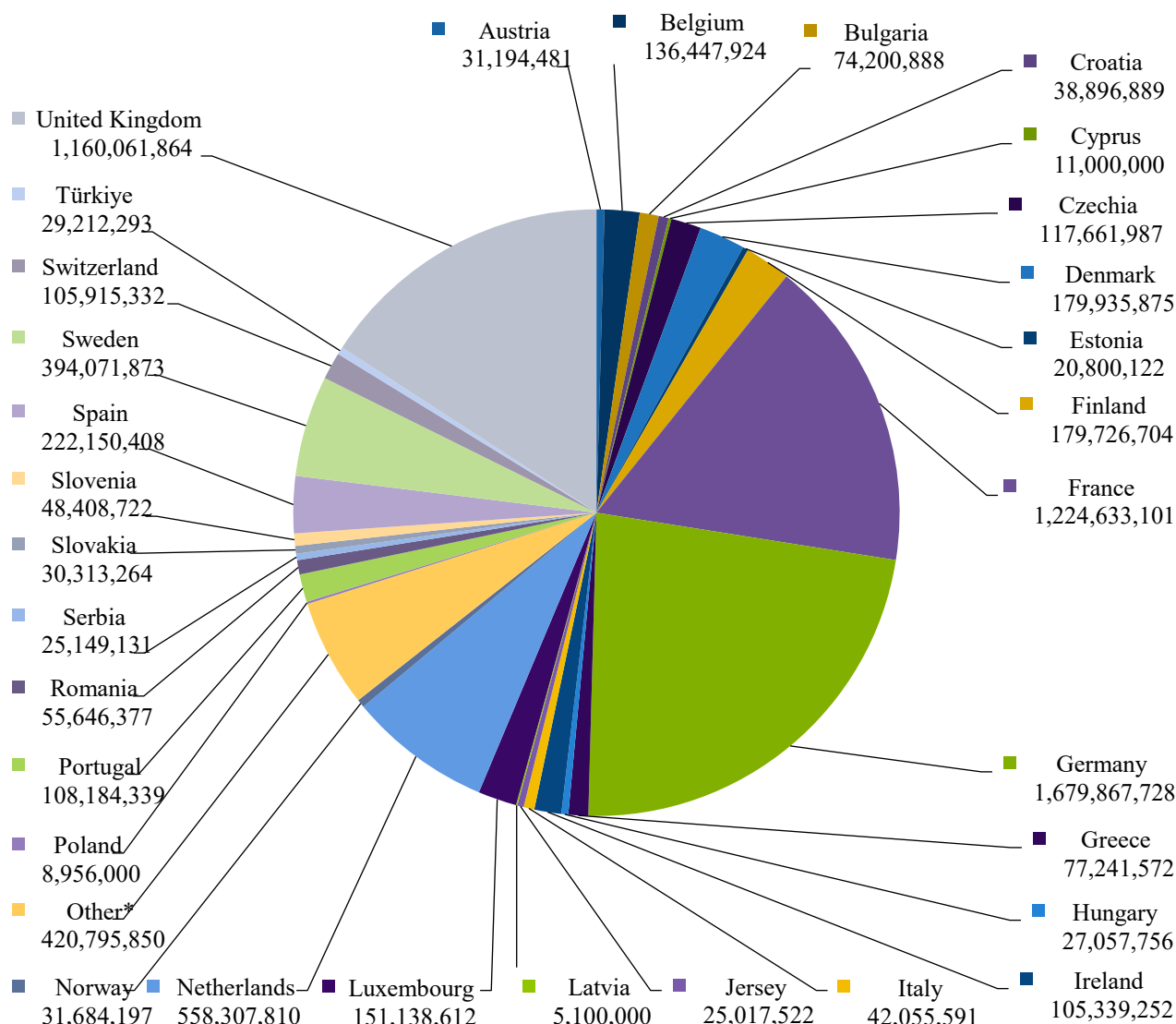
The EFG co-invests on a *pari-passu* basis with other investors in expansion and growth stage and multi-stage equity funds. The EFG invests up to 25% of the fund size, with the remaining sourced from other public and private investors. Typically, private investors provide 70% of funding, while public investors cover 30%. Private investors include banks (investing at their own risk and from their own resources), private endowments and foundations, family offices, business angels, private individuals, corporate investors, insurance companies, and pension funds.

An additional implementation mechanism in the form of a contribution to the Pan-European Venture Capital Funds-of-Funds initiative was put in place in February 2017 under the EFG. Agreements with two funds-of-funds managers were signed in 2018 and 2019 for a total contribution of EUR 45 million. Both funds-of-funds remain active, implementing their investment strategies.

¹⁰² <https://www.eif.org/files/calls/intermediaries.pdf>

Geographical diversification

The total investments realised thanks to the EFG are more than EUR 7 billion of financial support provided to 871 eligible SMEs in 37 countries (see graph below for geographical diversification), leading to an estimated EUR 14 billion of overall investments.



* Other countries are located outside Europe. The eligible SMEs, that are established in those other countries, operate in the European Union (EU) and therefore cannot be allocated to a particular EU Member State.

Main issues for the implementation

Compared to guarantee instruments, the due diligence process for equity investors is much more complex and time-consuming due to the fundraising process involving various investors, longer time for identifying investees, and gradual multiannual investments. This has resulted in a longer initial implementation of the EFG.

The EFG's implementation was further impacted by the launch of the Expansion and Growth Window under the European Fund for Strategic Investments (EFSI) Equity instrument¹⁰³, which had largely the same investment focus as the EFG. As a result, an order of priority was established whereby the EIF was requested to first absorb investment capacity available under the EFSI Expansion and Growth Window before using EFG resources for investments within Member States. However, the EFG also targeted investments in third countries participating in the COSME programme and those investments continued under the EFG only. As a consequence of the reduced market demand for the EFG in Member States, the 2018-2020 EFG budget allocation was adjusted accordingly compared to the initially planned financial envelope.

Performance, financing and investments

During the 2014-2020 programme period, over EUR 340 million EU budgetary resources were allocated to improving access to risk capital for growth and expansion stage SMEs. This funding allowed 23 fund agreements for EUR 316 million to be signed with fund managers. These managers invested more than EUR 7 billion in over 800 SMEs. These investments trigger the mobilisation of additional private capital.

Despite the (i) additional time needed for full deployment (in comparison to guarantee instruments) and (ii) less commitment appropriations allocated (in comparison to the initial estimates); the EFG has outperformed expectations. Its leverage now exceeds the 4-6 range set out in the COSME Regulation.

No additional operations are planned to be signed after the reporting period (i.e., beyond 2025) as the application window for financial intermediaries closed in 2020.

Key figures (EUR)	Actual	Target
EU Contribution committed	343,939,785.77	662,000,000.00
Leverage effect	21.30	from 4 to 6
Multiplier effect	40.70	Not available*
Operations	23	Not available*
Financing provided to final recipients	7,326,173,464.00	from 2,600,000,000 to 3,900,000,000
Number of final recipients	871	from 360 to 540
Investments made by final recipients due to the received financing	14,000,000,000.00	Not available*

* No targets were set out in the basic act.

During its implementation, the EFG was initially assessed twice: first as part of COSME's interim evaluation¹⁰⁴ and secondly by the European Court of Auditors¹⁰⁵. These assessments confirmed that the EFG added value by fostering a supportive investment environment for growth-focused SMEs. However, its uptake was limited due to: (i) the multiannual nature of equity investments and (ii) the prioritisation of the Expansion and Growth Window under the EFSI Equity instrument. The EFG's impact could be further strengthened through better alignment with other EU equity products. At the time of the COSME's interim evaluation, additionality remained unmeasured, given the small number of investments made by that time.

¹⁰³ For further details, please refer to Draft Budget 2027 Working Document XI, which presents the implementation of EFSI.

¹⁰⁴ For further details, please refer to the Interim evaluation of the COSME Programme: Final report available at <https://ec.europa.eu/docsroom/documents/28084>.

¹⁰⁵ For further details, please refer to Special report No 17/2019: Centrally managed EU interventions for venture capital: in need of more direction, available at <https://www.eca.europa.eu/en/Pages/DocItem.aspx?did=51616>.

Based on lessons learned from audits and other assessments, the Commission proposed to set up one single programme (InvestEU Programme 2021-2027) establishing one single fund (the InvestEU Fund¹⁰⁶). It builds on the successful model of the EFSI. The InvestEU Fund ensures a streamlined approach towards the management and reporting on financial instruments and budgetary guarantees. Under the InvestEU Fund, financial products catering towards the Commission's policy priorities, including the financing of SMEs, are established¹⁰⁷ and SMEs already apply¹⁰⁸ for financing.

Furthermore in 2024, the COSME's final evaluation¹⁰⁹ was completed. As a result, the EFG was assessed for a third time. The evaluation confirmed the contribution of the instrument to the SMEs' competitiveness by: (i) playing a key role in developing the European equity ecosystem, which also helps to overcome fragmentation of the European equity market; (ii) improving SMEs' access to finance and stimulating the creation of the EU venture capital market, which is underdeveloped in comparison to other developed countries; (iii) enhancing access to finance in the form of equity products in countries where supply is less developed, and (iv) allowing SMEs to develop and invest in innovation, including investments in energy and environment.

The final evaluation analysis revealed that SMEs receiving EFG support showed improvements in economic performance and also positive impact on survival rates, employment, turnover, and total assets. On average, supported SMEs nearly doubled the number of employees from the year before to the year after the intervention. The EFG successfully targeted the equity needs of young and fast-growing enterprises. The additionality target could not be measured.

Financial Information

Financial Information (EUR)	COSME Equity Facility for Growth (EFG)		
Type of instrument	Equity		
Year of inception	2014		
Implementing Partner	EIF		
	Notes	2025	All years
EU Contribution	(1)		
Budgetary commitments		0.00	343,939,785.77
<i>of which from third countries</i>		0.00	0.00
<i>of which from reflows</i>		0.00	86,980,418.58
Budgetary payments		41,387,456.00	294,848,274.00
Reflows	(2)		
Revenues		13,471,968.85	36,353,509.72
Repayments		3,544,669.66	59,484,144.60
Total reflows entered into the budget, of which:		17,016,638.51	95,837,654.32
<i>to the general budget</i>		0.00	0.00
<i>returned to be used</i>		17,016,638.51	95,837,654.32
Losses from operations			
Guarantees			
Guarantees called		0.00	0.00

¹⁰⁶ For further details, please refer to Draft Budget 2027 Working Document XI, which presents the implementation of InvestEU.

¹⁰⁷ <https://www.eif.org/flagship-initiatives/investeu/overview>

¹⁰⁸ <https://youreurope.europa.eu/business/finance-funding/getting-funding/access-finance/en>

¹⁰⁹ Final evaluation of the COSME Programme, Staff working document available at: https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/13399-COSME-programme-evaluation_en.

Guarantee calls recovered		0.00	0.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		0.00	10,586,799.00
Incentive fees		0.00	12,099,200.00
Treasury management fees		24,202.00	291,161.00
Other charges		5,497.00	38,219.00
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		485,262.00	34,452,543.00
Net treasury result (including interest) (gains (+) / losses (-))		607,261.00	3,170,029.93
Net FX gains (+) / losses (-)		258,042.00	-569,396.36
Other revenues		0.00	0.00
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		324,902,243.84	310,488,836.84
Value of equity investments		260,439,132.84	213,200,473.84
<i>Investment at cost</i>		182,951,286.33	163,205,775.33
Value of loans		0.00	0.00
<i>Loans at cost</i>		0.00	0.00
Financial liabilities and provisions		0.00	0.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		29,339,641.92	19,785,782.78
<i>in euro</i>		27,709,115.00	18,557,122.44
<i>in non-euro currencies</i>		1,630,527.00	1,228,661.00
Other financial assets (including short term deposits >3months)		0.00	3,774,616.56

Notes to the financial information

- (1) The EFG has achieved a budgetary implementation rate of 86%, which is the budgetary execution ratio of payments to commitments as of 31 December 2025. This reflects two key implementation factors that require longer disbursement timeframe for payment appropriations.

First, the EFG prioritises funds investing in third countries participating in COSME, whereas these third countries cannot be supported under the Expansion and Growth Window under the EFSI Equity instrument. Second, the payment appropriations allow the implementation partner (the European Investment Fund) to meet drawdown requests from fund managers, who then deploy investments into portfolio companies. Given the industry practice – where venture capital fund managers may take up to five years to make their first SME investments after a fund's launch – there is a significant delay between the EIF signing a fund agreement and the fund manager issuing drawdown requests. Moreover, after the fund manager's initial investment, funds may retain portfolio companies for up to 10 years, during which they can undertake follow-on investments to support growth in companies. This protracted investment cycle explains the significant delay between commitment and payment appropriations in venture capital investments.

- (2) In line with Article 5 of the Regulation (EU) 2021/1229 on the Public Sector Loan Facility under the Just Transition Mechanism, 2021 reflows in the amount of EUR 861,887.00, 2022 reflows in the amount of EUR 18,288,600.82 and 2023 reflows in the amount of EUR 28,951,867.89 were assigned to the Public Sector Loan Facility (total reflows assigned to the Public Sector Loan Facility EUR 48,102,355.71). In line with Article 35(1) of the InvestEU Regulation, 2023 reflows in the amount of EUR 14,960,234.80, 2024 reflows in the amount of EUR 12,451,304.30 and 2025 reflows in the amount 17,016,638.51 were assigned to InvestEU (total reflows assigned to InvestEU EUR 44,428,177.61).

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

Given the EFG's structure and design, there is no direct link between (i) the validation of budgetary commitments by the Authorising Officer in the Commission accounting system, and (ii) the signing of agreements between financial intermediaries and final recipients within a given reporting year.

Budgetary commitments were authorised based on (i) the pipeline of continuous applications from financial intermediaries and (ii) annual budget resources required for signatures between the EIF and financial intermediaries. Once the applications were approved, the EIF signed agreements with financial intermediaries. These financial intermediaries then had a contractual obligation – typically within five years – to identify investments in several companies. During this period, financial intermediaries signed agreements with final recipients at the first investment stage. Subsequent investments were then phased in gradually, usually over a 10-year period.

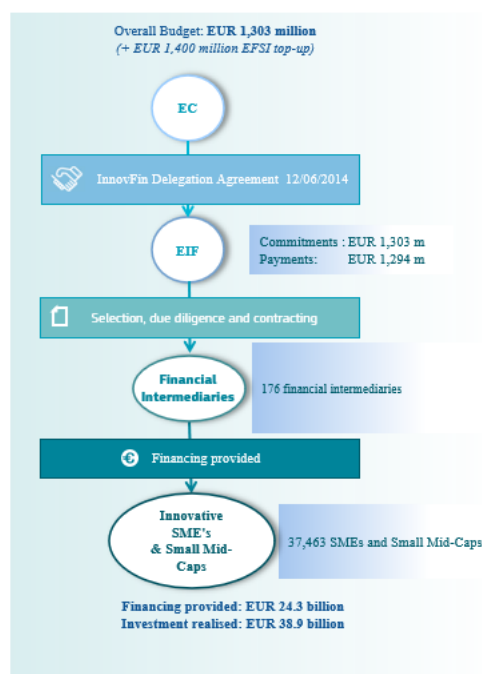
4.3 Horizon 2020 SMEs & Small Midcaps R&I Loans Service (InnovFin SME Guarantee)

Description

Identification / Reference to the basic act			
Regulation (EU) No 1291/2013 of the European Parliament and of the Council of 11 December 2013 establishing Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020) and repealing Decision No 1982/2006/EC (OJ L 347, 20.12.2013, p. 104)			
Regulation (EU) No 1290/2013 of the European Parliament and of the Council of 11 December 2013 laying down the rules for participation and dissemination in “Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020)” and repealing Regulation (EC) No 1906/2006 (OJ L 347, 20.12.2013, p. 81)			
Budget lines			
02.029903			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	0.00	0.00
Budgetary payment appropriations	0.00	0.00	0.00

Initial financial envelope:	EUR 1,000,000,000.00
Current financial envelope ¹¹⁰ :	EUR 2,702,771,217.00
Overall financial envelope ¹¹¹ :	EUR 2,702,771,217.00

General description



InnovFin SME Guarantee addresses the financing gap for innovative and digitalisation driven SMEs and Small Midcaps (with up to 499 employees) for their investments in innovative products and processes containing significant technology or application risks or for their investment in digitalisation. The InnovFin SME Guarantee also contributes to the financial instruments deployed under the SME Initiative, a joint instrument combining COSME and/or Horizon 2020 EU funds and ESIF resources in cooperation with EIB/EIF with a view to generate additional lending to SMEs in specific Member States.

Duration

The InnovFin SME Guarantee has been implemented since 12 June 2014, following the signature of the Delegation Agreement between the European Investment Bank (EIB) and the European Investment Fund (EIF) in respect of the financial instruments under Horizon 2020. The signing period ended 31 December 2022. The facility is planned to last until 31 December 2033 (until the last operations are wound down).

¹¹⁰ It includes EUR 1,400,000,000 EFSI top-up and EUR 1,302,771,217 H2020 own budgetary resources (including EUR 21,856,917 earmarked for the SME Initiative).

¹¹¹ It includes EUR 1,400,000,000 EFSI top-up and EUR 1,302,771,217 H2020 own budgetary resources (including EUR 21,856,917 earmarked for the SME Initiative).

Added value, final recipients and projects

By providing direct or indirect guarantees to financial intermediaries, such as commercial banks or alternative lenders, the EU and the EIF, as risk-sharing partners at EU level, support the provision of loan finance to innovative SMEs and midcaps. The guarantee covers up to 50% of intermediaries' potential losses. The EIF also offers counter-guarantees to financial intermediaries, such as guarantee institutions, providing risk protection to banks extending loans to R&I-driven SMEs and midcaps.

InnovFin SME Guarantee offers advantages in the form of risk-sharing and capital relief for the financial intermediaries, resulting in a significant loan and lease volume in support of innovative SMEs and midcaps and their investment, thereby successfully addressing the financing gap for these companies.

R&I-driven SMEs or small midcaps wishing to apply for a loan should contact one of the financial intermediaries, which signed an agreement with the EIF. This is a demand-driven facility, with no prior allocations between sectors, countries or regions. However, the Commission incentivises the EIF to make a particular effort to ensure that a significant proportion of final recipients are eco-innovative SMEs and small midcaps.

Financial institutions involved in implementation

The EIF is the entrusted entity for the InnovFin SME Guarantee.

Financial intermediaries selected by EIF for the implementation of the facility may include private financial institutions as well as governmental and semi-governmental financial institutions, national and regional public banks as well as national and regional investment banks.

Operational Performance

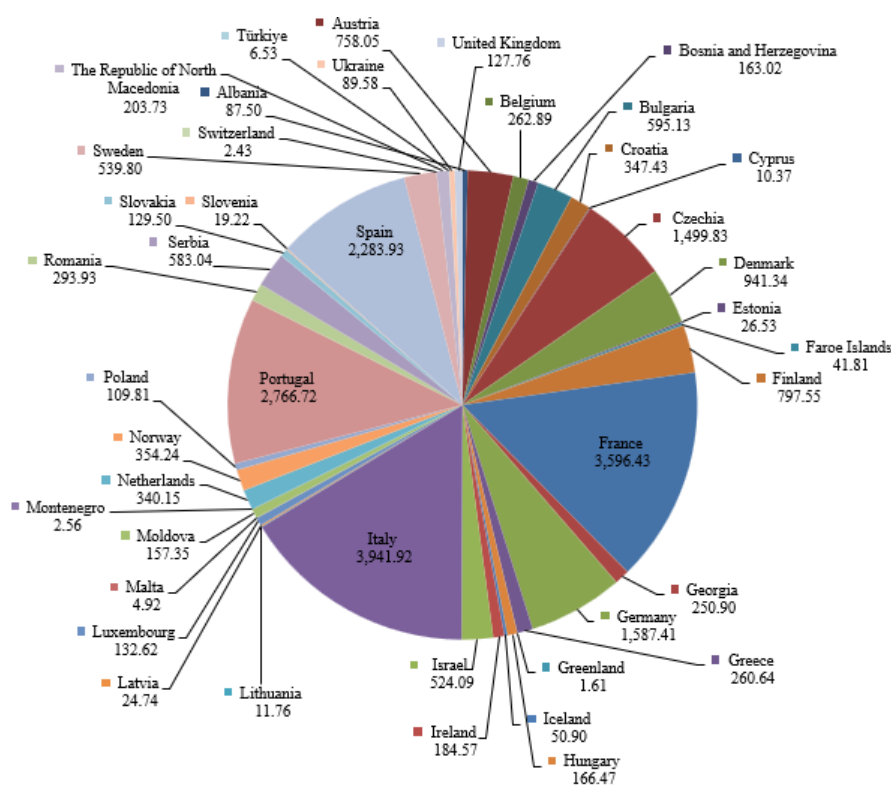
Contribution to the achievement of the objectives of the programme

As at 31/12/2025, the InnovFin SME Guarantee already contributed to provide EUR 24,281 million of financing to 37,463 final recipients, accounting for an estimated EUR 38,882 million investment amount. For the period 2014-2020, before EFSI additional support, the target was to mobilise a loan and lease volume of approximately EUR 9.5 billion in support of 30,000 innovative companies and their R&I investment.

The successful roll-out of InnovFin SMEG continued in 2025, also thanks to the additional risk bearing capacity available from the SME Window of EFSI.

Geographical diversification

InnovFin SME Guarantee is implemented in 27 Member States and 16 Associated Countries or United Kingdom to Horizon 2020. The chart below shows how the EUR 24,281 million in financing is distributed by country (figure in EUR million):



Main issues for the implementation

It was crucial for the implementation of the InnovFin SME Guarantee to attract enough financial intermediaries (banks and guarantee institutions) as risk-sharing partners of the EIF and loan providers to final recipients. In this context, the fees charged to financial intermediaries needed to reflect the risk taken at EU level while, at the same time, offering risk-sharing and capital relief for financial intermediaries. The contractual arrangements between the European Commission and the EIF allowed for flexibility as regards product development for the period 2014-2020.

Performance, financing and investments

Key figures (EUR) ¹¹²	Actual	Target
EU Contribution committed	2,680,914,300.00 ¹¹³	2,030,000,000.00
Leverage effect	9.06	9.00
Multiplier effect	14.50	12.60
Operations	176	220
Financing provided to final recipients	24,280,700,000.00	18,270,000,000.00
Number of final recipients	37,463	42,000
Investments made by final recipients due to the received financing	38,882,195,950.00	25,578,000,000.00

¹¹² Outstanding figures as of the reporting date.

¹¹³ Including EUR 1,400,000,000 from EFSI. Not including EUR 21,856,917 for the SME Initiative.

Financial Information

Financial Information (EUR)	SMEs & Small Midcaps R&I Loans Service under Horizon 2020 (InnovFin SME Guarantee)		
Type of instrument	Risk-sharing (guarantee)		
Year of inception	2014		
Implementing Partner	EIF		
	Notes	2025	All years
EU Contribution	(1)		
Budgetary commitments	(2)	0.00	1,302,771,217.04
<i>of which from third countries</i>		0.00	8,222,578.00
<i>of which from reflows</i>		0.00	113,609,627.00
Budgetary payments		0.00	1,294,304,843.04
Reflows	(3)		
Revenues		5,208,980.23	36,465,479.61
Repayments		0.00	0.00
Total reflows entered into the budget, of which:		5,208,980.23	36,465,479.61
<i>to the general budget</i>		0.00	0.00
<i>returned to be used</i>		5,208,980.23	36,465,479.61
Losses from operations			
Guarantees			
Guarantees called		120,095,110.00	757,601,849.61
Guarantee calls recovered		18,729,432.00	70,617,609.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		0.00	36,477,835.00
Incentive fees		7,723,029.00	205,389,305.00
Treasury management fees		350,122.00	4,424,483.00
Other charges		4.00	33,801.00
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		392.00	390,324.00
Net treasury result (including interest) (gains (+) / losses (-))		11,345,089.00	23,914,687.60
Net FX gains (+) / losses (-)		770,067.00	-5,271,278.85
Other revenues		3,023.00	59,574.00
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		360,992,414.00	449,920,196.00
Value of equity investments		0.00	0.00
<i>Investment at cost</i>		0.00	0.00
Value of loans		0.00	0.00

<i>Loans at cost</i>		0.00	0.00
Financial liabilities and provisions		114,731,283.00	180,585,456.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		53,671,654.00	66,619,012.00
<i>in euro</i>		4,983,297.00	10,539,628.00
<i>in non-euro currencies</i>		48,688,357.00	56,079,384.00
Other financial assets (including short term deposits >3months)		306,477,382.00	402,165,848.00

Notes to the financial information

- (1) The financial envelope available is composed of the amounts committed towards the InnovFin SMEG for the years 2014-2020 in line with the amounts allocated towards the InnovFin SMEG in 2014-2020 as foreseen in the Horizon 2020 work programmes (as adopted). At the end of 2020, all commitment appropriations authorised for the period 2014-2020 were used in line with the planned operational implementation.
- (2) Including EUR 21,856,917 for the SME Initiative.
- (3) In line with Article 35(1) of the InvestEU Regulation, 2021 reflows in the amount of EUR 5,877,138.90, 2022 reflows in the amount of EUR 3,650,161.90, 2024 reflows in the amount of EUR 1,714,129.50 and 2025 reflows in the amount of EUR 5,208,980.23 were assigned to InvestEU (total reflows assigned to InvestEU EUR 16,450,410.53).

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

4.4 Horizon 2020 Equity Facility for R&I (InnovFin Equity)

Description

Identification / Reference to the basic act

Regulation (EU) No 1291/2013 of the European Parliament and of the Council of 11 December 2013 establishing Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020) and repealing Decision No 1982/2006/EC (OJ L 347, 20.12.2013, p. 104);

Regulation (EU) No 1290/2013 of the European Parliament and of the Council of 11 December 2013 laying down the rules for participation and dissemination in “Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020)” and repealing Regulation (EC) No 1906/2006 (OJ L 347, 20.12.2013, p. 81);

Council Decision 2013/743/EU of 3 December 2013 establishing the specific programme implementing Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020) and repealing Decisions 2006/971/EC, 2006/972/EC, 2006/973/EC, 2006/974/EC and 2006/975/EC (OJ L 347, 20.12.2013, p. 965)

Budget lines

02.029903

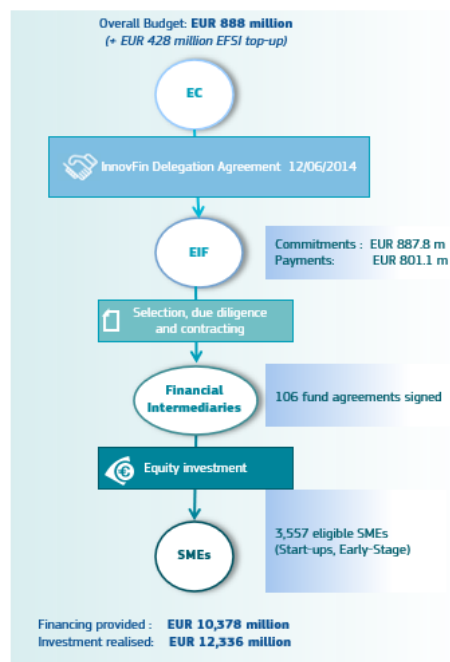
(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	0.00	0.00
Budgetary payment appropriations	0.00	0.00	0.00

Initial financial envelope: EUR 495,000,000.00

Current financial envelope¹¹⁴: EUR 1,315,805,268.00

Overall financial envelope¹¹⁵: EUR 1,315,805,268.00

General description



The InnovFin Equity facility is designed to improve access to risk finance by early-stage R&I-driven SMEs and small midcaps through supporting early-stage risk capital funds that invest, on a predominantly cross-border basis, in individual enterprises. It builds on and refines the GIF scheme under CIP and forms part of a single equity financial instrument supporting enterprise growth and R&I activities.

Duration

The Delegation Agreement with the European Investment Fund (EIF) was signed in June 2014. The signature period ended 31 December 2022. The instrument is planned to last until 31 December 2042 (until the last operations are wound down).

Added value, final recipients and projects

In terms of Union added value, the InnovFin Equity facility complements national and regional schemes that are unable to support cross-border investments in research and innovation (R&I).

Early-stage investments generate a demonstration effect that benefits both public and private investors across Europe. At the growth stage, the facility enables the scale and level of private investor participation required for a self-sustaining European venture capital market.

¹¹⁴ Including EUR 428 million EFSI top-up.

¹¹⁵ Including EUR 428 million EFSI top-up.

Financial intermediaries (FIs), selected by the entrusted entity (EIF) to implement the financial instruments, may include private, governmental, or semi-governmental financial institutions, as well as national and regional public or investment banks.

The EIF manages equity investments in risk-capital funds and invests in a broad range of financial intermediaries, including those cooperating with business angels. The funds concerned provide early-stage venture capital (VC) and quasi-equity financing (including mezzanine capital) to enterprises, which are expected to be mainly SMEs. In the case of multistage funds (i.e. covering both early- and growth-stage investments), funding may be provided on a pro rata basis from this facility and from the COSME programme's Equity Facility for Growth (EFG).

Eligible final recipients are SMEs and small midcaps located in Member States or associated countries to Horizon 2020. The COSME Equity Facility for Growth (EFG) complements this facility with a set of accompanying measures, which supports the policy objectives of Horizon 2020.

InnovFin Equity is a demand-driven facility, with no prior allocations across sectors, countries or regions. However, the Commission incentivises the EIF through a performance indicator to ensure that a proportion of final recipients are eco-innovative SMEs and small midcaps. R&I-driven SMEs or small midcaps seeking investment should contact one or more of the funds in the EIF portfolio.

Financial institutions involved in implementation

The EIF has been entrusted with the implementation of the InnovFin Equity facility.

Operational Performance

Contribution to the achievement of the objectives of the programme

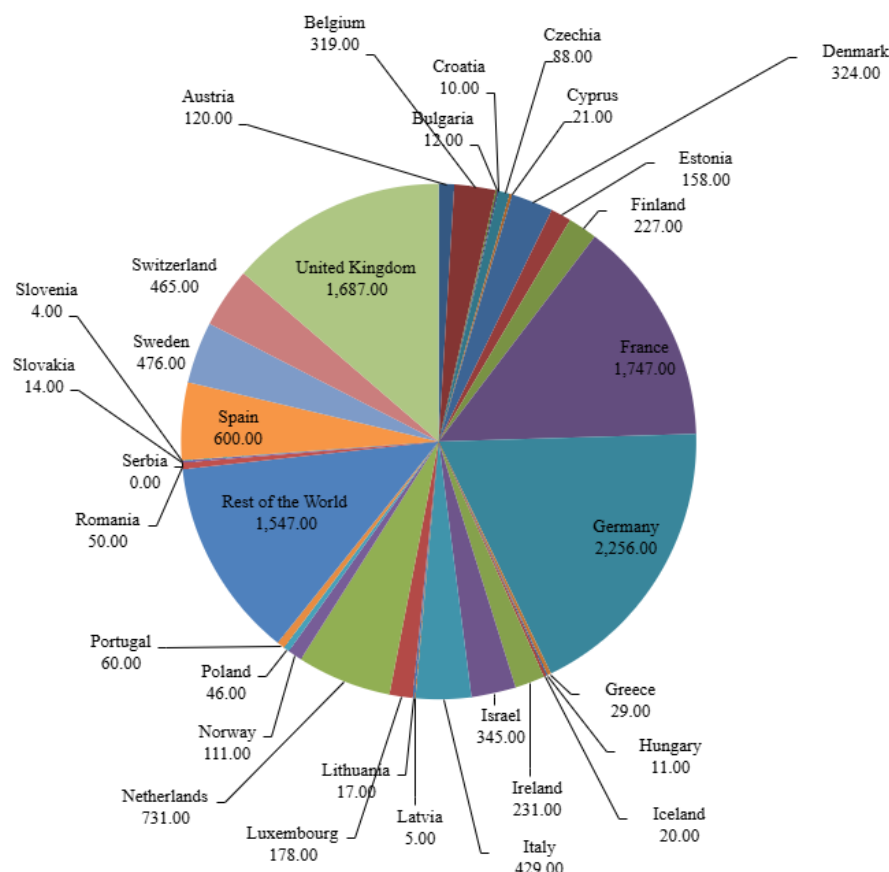
At the end of 2025, 106 commitments to funds have been signed with VC, BA, TT funds and funds of funds established in 19 Member States and 4 associated countries or United Kingdom to Horizon 2020 for an amount of EUR 1,582 million. Out of the 106 funds, 91 agreements relate to pure early-stage funds, 12 agreements relate to multi-stage funds, in combination with the COSME Equity Facility for Growth and 3 with funds of funds in the frame of VentureEU.

These funds have invested in 3,557 eligible final recipients operating in 31 Member States, associated countries to Horizon 2020 or the United Kingdom.

An additional implementation mechanism in the form of the Pan-European VC Funds-of-Funds project has been put in place in February 2017. This compartment is branded as VentureEU. Agreements have been signed with 3 funds of funds as of 31/12/2025.

An additional implementation mechanism branded the Recovery Equity Facility for Innovative Technology companies (RE-FIT) aims at mitigating the increased cash burn caused by the COVID-19 crisis by providing IFE financial intermediaries with a top up investment capacity necessary to support their portfolio companies that otherwise would be left in the short term without further support. As of 31/12/2025, the EIF signed 6 agreements with IFE financial intermediaries based in 5 Member States and 1 associated country, for an amount of EUR 84.3 million. 51 investments were made into RE-FIT final recipients for an amount of EUR 41.5 million.

Geographical diversification



Main issues for the implementation

The InnovFin Equity facility facilitates the availability of equity finance for early-stage investments and boosts the development of the EU venture capital market. During the technology transfer and start-up phases, new companies face a “valley of death”, when public research grants end and private finance is not yet available. Public support aimed at leveraging private seed and start-up funding to fill this gap remains too fragmented and intermittent, or its management lacks the necessary expertise. Moreover, most venture capital funds in Europe are too small to support the continued growth of innovative companies and lack the critical mass to specialise and operate transnationally.

Specific support actions such as information and coaching activities for SMEs should be provided. Regional authorities, associations, SMEs chambers of commerce and relevant FIs may be consulted on the programming and implementation of these activities.

Regarding conditional closings, despite EIF's firm commitment to invest into a fund it may be that fund managers fail to raise the required additional private and public funding to reach the first closing of a fund.

Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed ¹¹⁶	1,315,805,268.00	1,315,805,268.00
Leverage effect	7.89	4.05
Multiplier effect	9.38	7.69
Operations	106	120
Financing provided to final recipients	10,378,206,393.00	5,326,831,608.00
Number of final recipients	3,557	3,600
Investments made by final recipients due to the received financing	12,336,251,073.00	10,120,980,055.00

Financial Information

Financial Information (EUR)	Horizon 2020 Equity Facility for R&I (InnovFin Equity)		
Type of instrument	Equity		
Year of inception	2015		
Implementing Partner	EIF		
	Notes	2025	All years
EU Contribution			
Budgetary commitments		0.00	887,805,268.00
<i>of which from third countries</i>		0.00	16,002,413.05
<i>of which from reflows</i>		0.00	115,350,843.10
Budgetary payments		0.00	801,114,579.82
Reflows	(1)		
Revenues		3,604,504.50	23,163,988.72
Repayments		0.00	0.00
Total reflows entered into the budget, of which:		3,604,504.50	23,163,988.72
<i>to the general budget</i>		0.00	0.00
<i>returned to be used</i>		3,604,504.50	23,163,988.72
Losses from operations			
Guarantees			
Guarantees called		0.00	0.00
Guarantee calls recovered		0.00	0.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		0.00	24,177,460.00
Incentive fees		360,279.00	24,943,079.00
Treasury management fees		144,373.00	2,219,683.00

¹¹⁶ Including EUR 428 million EFSI top-up.

Other charges		0.00	20,765.60
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		0.00	10,850,696.00
Net treasury result (including interest) (gains (+) / losses (-))		4,273,050.00	5,944,126.60
Net FX gains (+) / losses (-)		-7,793,974.00	-5,835,494.00
Other revenues		655.00	21,786.00
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		887,322,521.46	852,542,008.46
Value of equity investments		734,162,105.46	657,333,162.46
<i>Investment at cost</i>		614,112,514.46	567,784,334.46
Value of loans		0.00	0.00
<i>Loans at cost</i>		0.00	0.00
Financial liabilities and provisions		0.00	0.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		38,801,269.27	45,142,462.51
<i>in euro</i>		16,411,481.00	13,015,720.00
<i>in non-euro currencies</i>		22,389,788.00	32,126,743.00
Other financial assets (including short term deposits >3months)		88,800,016.00	142,393,793.09

Notes to the financial information

- (1) In line with Article 35(1) of the InvestEU Regulation, 2021 reflows in the amount of EUR 2,564,956.67, 2022 reflows in the amount of EUR 1,280,394.63, 2024 reflows in the amount of EUR 12,449,553.05 and 2025 reflows in the amount of EUR 3,604,504.50 were assigned to InvestEU (total reflows assigned to InvestEU EUR 19,899,408.85). In addition, a total of EUR 10,204,881.07 was assigned to the provisioning of the InvestEU guarantee in 2025 but is being reclassified as unused amount, treated as a general revenue and returned to the general budget.

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

4.5 European Innovation Council Fund (EIC Fund)

Description

Identification / Reference to the basic act			
Council Decision 2013/743/EU of 3 December 2013 establishing the specific programme implementing Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020) (OJ L 347/965, 20.12.2013). Regulation (EU) No 1291/2013 of the European Parliament and of the Council of 11 December 2013 establishing Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020) (OJ L 347/104, 20.12.2013). Regulation (EU) 2021/695 of the European Parliament and of the Council of 28 April 2021 establishing Horizon Europe – the Framework Programme for Research and Innovation, laying down its rules for participation and dissemination, and repealing Regulations (EU) No 1290/2013 and (EU) No 1291/2013. Council Decision 2021/764/EU of 10 May 2021 establishing the Specific Programme implementing Horizon Europe – the Framework Programme for Research and Innovation, and repealing Decision 2013/743/EU, and in particular Article 11(3) and section 1.1.2 of Pillar III part of Annex I thereof. Regulation (EU) 2024/795 of the European Parliament and of the Council of 29 February 2024 establishing the Strategic Technologies for Europe Platform (STEP), and amending Directive 2003/87/EC and Regulations (EU) 2021/1058, (EU) 2021/1056, (EU) 2021/1057, (EU) No 1303/2013, (EU) No 223/2014, (EU) 2021/1060, (EU) 2021/523, (EU) 2021/695, (EU) 2021/697 and (EU) 2021/241.			
Budget lines			
E.01020301 E.01029901.21			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	729,000,000.00	762,051,650.00	730,077,941.25
Budgetary payment appropriations	693,285,162.00	774,831,043.43	1,026,175,746.76

Initial financial envelope:	EUR 4,300,000,000.00
Current financial envelope:	EUR 4,290,328,298.35
Overall financial envelope:	EUR 4,290,328,298.35

General description

The EIC Fund is the venture arm of the European Innovation Council (EIC). It was set up as a capital fund under private law with the European Commission as a shareholder to fund companies selected under the EIC Accelerator.

With a budget of over EUR 10 billion, the European Innovation Council (EIC) is strengthening Europe's leadership in deep tech innovation by generating a pipeline of start-ups with the potential to become unicorns.

The EIC Fund is a breakthrough initiative of the European Commission. It aims to fill a critical financing gap in the technology transfer (TT) market: the fact that despite the channelling of significant amounts of grant funding to research projects in Europe by the European Union and national schemes, very few projects subsequently manage to attract equity-type financing and reach the commercialisation stage. The EIC Fund is bridging the funding gap for deep tech European start-ups that have market-creating potential but carry a high risk for private and public investors. The EIC Fund supports these companies with patient capital to minimise this risk.

While initially the EIC Fund was under direct management by the Commission, on 4 December 2023, the Commission adopted the Decision on the completion of the restructuring of the European Innovation Council (EIC) Fund in the context of the implementation of the EIC Accelerator under Horizon Europe (C(2023)8183). This third restructuring Decision allows for the management of the investment components of the EIC Accelerator in indirect management mode, as set out in Article 11.3 of the Council Decision 2021/764 establishing the Specific Programme implementing Horizon Europe. The move to indirect

management as from 1 January 2024 released the Commission from the direct responsibility and liability for individual decisions. This move materialised by the transfer of the holding of the shares in the EIC Fund from the Commission to the European Investment Bank (EIB), including the supervision and control of the EIC Fund (the EIB is responsible for the operational and financial reporting towards the Commission). The EIB has also remained the investment adviser of the EIC Fund.

Duration

The EIC Fund was established in 2020, initially for the duration of Horizon 2020 and was later on extended to the duration of Horizon Europe. Based on an average duration of the investments of 7 years, its functioning should last at least until 2034, but for policy and strategic purposes its duration should be unlimited.

Added value, final recipients and projects

The investment component of the EIC blended finance aims to act as a catalyst to crowd in other investors both public and private; and further share risks by building a large network of capital providers and strategic partners suitable for co-investments and follow on funding.

- The EIC Fund's main objective is "impact investment" rather than maximising return on the investment.
- The EIC Fund usually targets minority ownership stakes (around 10% that can rise up to 25%) and up to a blocking minority in cases identified by the Commission as of strategic interest for the EU.
- The EIC Fund always monitors investments and, in certain cases, support investee companies in subsequent rounds of capital increase.

The EIC Fund also creates connections with specialised mentors, ecosystems and additional funding opportunities throughout the lifetime of the EIC investment. The EIC Fund provides patient capital in the form of equity or quasi-equity (which will be in most cases blended with a grant component) to EIC final recipient companies with potentially market-creating innovations (whether based on breakthrough disruptive technologies originating from research (deep-tech) or on social innovation), thereby contributing to bridge the gap between innovation and market take-up. The EIC Fund is the first EU intervention of its kind in direct equity-type investments (as mentioned above, in most cases, in combination with a grant component (blended finance)).

Financial institutions involved in implementation

European Innovation Council Fund itself (managed indirectly through the European Investment Bank acting both as manager and investment adviser).

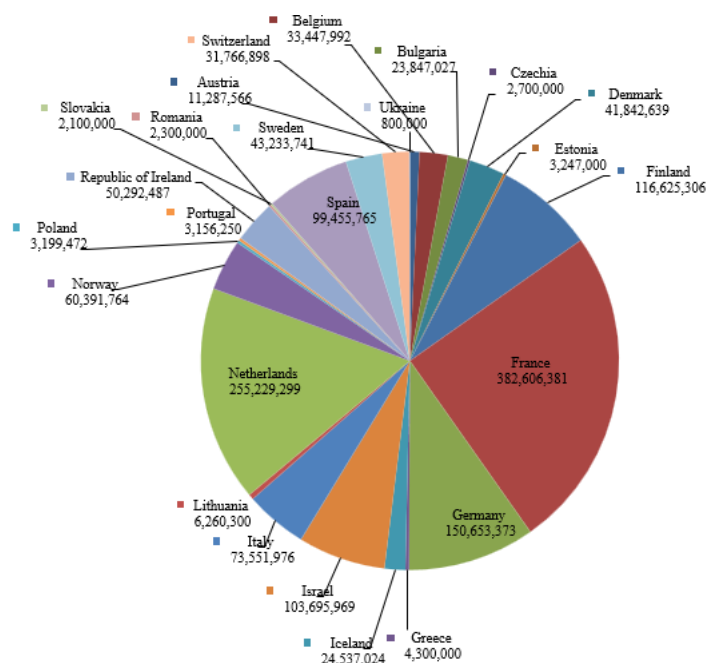
Operational Performance

Contribution to the achievement of the objectives of the programme

The target final recipients are deep tech innovators that disrupt the markets they are entering, with start-ups, SMEs and midcaps being funded under the EIC Accelerator as risk taker bridging the funding gap and scaling up breakthrough European innovations while crowding in other investors.

Geographical diversification

While the full amount is allocated to the EIC Fund SA a Luxembourgish company, final recipients spread across twenty-five countries (based on the EICF operating company location).



Main issues for the implementation

The normal ones of a high-risk venture capital investment firm, as the EIC Fund is directly executing the investments not through other funds as other financial instruments. However, the indirect management and the involvement of the different actors throughout the procedure have its related challenges:

- i. The Commission defines the framework for the selection of companies that can receive EIC Fund investment under the EIC Accelerator, i.e., through adopting the Decision on the annual EIC Work Programme, supervising the evaluation of proposals, taking Single Award Decisions and ensuring control over the EIC Fund's Investment Guidelines.
- ii. EISMEA conducts the evaluations for selecting potential final recipients in accordance with the EIC Work Programme and is responsible for managing the grant and coordinating grant and investment components.
- iii. The Investment Adviser, the EIB, bound by the Investment Guidelines, carries out the financial and commercial due diligence, complemented by technological due diligence done by external experts contracted by EISMEA. The Investment Adviser represents the EIC Fund in negotiations with the investee and co-investors on term sheets and investment agreements and is entrusted with the monitoring of the active investments, including advising on any exceptional follow-on investments or exits.
- iv. The EIC Fund's investment and divestment decisions are taken by the Investment Committee. The Investment Committee follows the perspective of expert venture capital investors, in compliance with the Investment Guidelines and the objectives of the EIC Fund, set by the Commission. The decision by the Investment Committee is based on the information provided by the Investment Adviser and the independent opinion of an Advisory Committee composed of AIFM representatives, independent external venture capitalists, two observers of the Commission and representatives of EISMEA accompanying the Commission observers.

- v. The EIC Fund's investment decisions are always taken following the verification of compliance with Anti Money Laundering legislation and checks on sanctioned entities.

Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed	4,290,328,298.35	4,300,000,000.00
Leverage effect	0.36	1.00
Multiplier effect	1.41	5.00
Operations	336	650
Financing provided to final recipients	1,530,528,277.00	4,300,000,000.00
Number of final recipients	336	650
Investments made by final recipients due to the received financing	6,042,041,251.00	21,500,000,000.00

Financial Information

Financial Information (EUR)	European Innovation Council Fund		
Type of instrument	Equity and convertible loans		
Year of inception	2020		
Implementing Partner	EIC Fund (through EISMEA or EIB)		
	Notes	2025	All years
EU Contribution			
Budgetary commitments		729,000,000.00	4,290,328,298.35
<i>of which from third countries</i>		104,092,672.00	387,156,968.07
<i>of which from reflows</i>		0.00	0.00
Budgetary payments		693,285,162.00	2,347,885,162.00
Reflows			
Revenues		0.00	0.00
Repayments		0.00	0.00
Total reflows entered into the budget, of which:		0.00	0.00
<i>to the general budget</i>		0.00	0.00
<i>returned to be used</i>		0.00	0.00
Losses from operations			
Guarantees			
Guarantees called		0.00	0.00
Guarantee calls recovered		0.00	0.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		26,762,331.00	102,214,859.00
Incentive fees		0.00	0.00
Treasury management fees		0.00	0.00
Other charges		10,271,571.00	37,786,623.32

Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		10,044,316.00	21,781,668.00
Net treasury result (including interest) (gains (+) / losses (-))		16,209,745.00	38,028,379.00
Net FX gains (+) / losses (-)		-793,189.00	-814,636.00
Other revenues		729,187.00	2,951,620.00
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		1,821,425,416.11	1,544,334,922.68
Value of equity investments		1,269,047,115.11	882,363,497.68
<i>Investment at cost</i>		1,422,449,749.00	961,317,063.68
Value of loans		0.00	0.00
<i>Loans at cost</i>		0.00	0.00
Financial liabilities and provisions		0.00	0.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		799,661,052.52	544,801,298.00
<i>in euro</i>		789,170,843.00	540,174,732.00
<i>in non-euro currencies</i>		10,490,210.00	4,626,566.00
Other financial assets (including short term deposits >3months)		82,607,394.00	80,747,188.00

Notes to the financial information

N/A

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

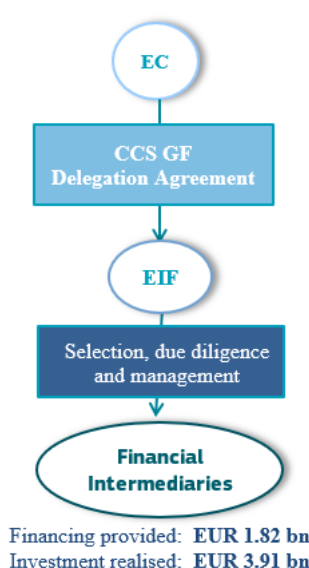
4.6 Cultural and Creative Sectors Guarantee Facility (CCS GF)

Description

Identification / Reference to the basic act			
Regulation (EU) No 1295/2013 of the European Parliament and of the Council of 11 December 2013 establishing the Creative Europe Programme (2014 to 2020) and repealing Decisions No 1718/2006/EC, No 1855/2006/EC and No 1041/2009/EC (OJ L 347, 20.12.2013, p. 221)			
Budget lines			
02.029908			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	0.00	0.00
Budgetary payment appropriations	472,890.00	50,371,352.00	0.00

Initial financial envelope:	EUR 122,892,282.00
Current financial envelope ¹¹⁷ :	EUR 252,892,282.00
Overall financial envelope ¹¹⁸ :	EUR 252,892,282.00

General description



Part of the Creative Europe Programme (2014-2020), the Cultural and Creative Sectors Guarantee Facility (CCS GF) is a financial instrument under which the European Commission through the European Investment Fund (EIF) provides guarantees and counter-guarantees on debt financing to financial intermediaries in order to improve access to finance to SMEs and organisations from cultural and creative sectors (CCS).

Duration

The CCS GF implementation has been running since July 2016, when the Delegation Agreement with the EIF was signed. The implementation period ended on 31 December 2020¹¹⁹. Termination date for the EU Guarantee coverage is set for 31/12/2034.

Added value, final recipients and projects

The Cultural and Creative Sectors Guarantee Facility has been one of the main innovations and biggest successes of Creative Europe since its launch in 2016.

As a market-led financial instrument, it has widened the range of support available and tapped into new, greater sources of funding by reaching out to the financial sector, thus enabling investment and growth.

Traditionally in Europe, banks and other lending institutions perceived the cultural and creative sectors as being high-risk, and therefore even profit-oriented CCS companies found it difficult to obtain a loan. As the CCS organisations could not fully diversify their funding structure, they became more reliant on the support from the public side in the form of grants. To increase access to debt financing the CCS Guarantee Facility (CCS GF) was introduced. It reduced the financial institutions' risk by providing guarantees and counter-

¹¹⁷ Including the EFSI top-up of EUR 130,000,000.

¹¹⁸ Including the EFSI top-up of EUR 130,000,000.

¹¹⁹ However, and provided that the EIF Board had approved the EU Guarantee before 31 December 2020, EU Guarantees might have been signed until 31 September 2021.

guarantees as well as a training programme for financial institutions interested in making use of the facility (capacity building).

Through the CCS GF, financial intermediaries selected by the EIF could provide additional debt financing to SMEs in Participating Countries.

To target the knowledge gap between the financiers and the CCS companies, this instrument also provided technical assistance / capacity building to financial institutions wanting to build dedicated portfolios of loans targeting the CCS. This supported the further fine-tuning of financing products that were more suited to the specificities of CCS businesses. This add-on feature of the support proved as an extra incentive for the uptake of the CCS GF by financial institutions and resulted in an increase in the number of financial intermediaries working with cultural and creative SMEs.

DG CNECT oversees the implementation of the CCS GF. The Guarantee Facility is managed by the European Investment Fund (EIF) in line with the provisions of the Delegation Agreement.

Financial institutions involved in implementation

The EIF is implementing the CCS GF.

Operational Performance

Contribution to the achievement of the objectives of the programme

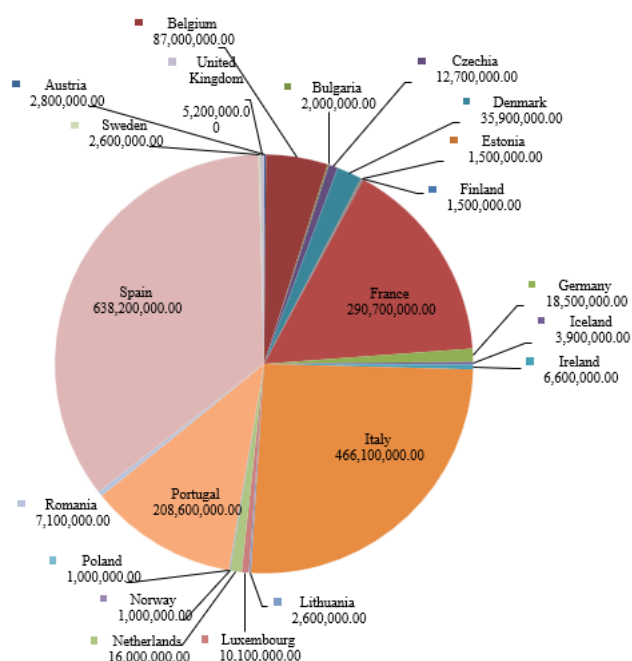
The CCS GF was launched in July 2016 as the first financial instrument specifically targeting cultural and creative enterprises. The total budgetary appropriation for CCS GF equalled EUR 252.9 million (EUR 122.9 million from Creative Europe budget and top-ups of EUR 130 million from EFSI) in the 2016-2020 period. To date CCS GF has mobilised EUR 3.9 billion of additional investment into the cultural and creative industries.

By the end of 2025, 22 transactions with 21 financial intermediaries were signed. 9,417 loans were granted to 7,088 SMEs from creative sectors. The geographical availability of the CCS GF has also expanded quickly, as SMEs from 22 participating countries benefited from easier access to finance.

The loans guaranteed by the CCS GF are diversified in terms of size of enterprises, geographical coverage as well as sectorial distribution. The majority of the support went to enterprises employing less than 10 persons. All cultural and creative sectors profited from the support, with the audiovisual sector being the biggest beneficiary, followed by performing arts, books and press, video games, visual art and other cultural domains.

Through the capacity building activities, the CCS GF helped financial intermediaries to better serve creative and cultural SMEs by providing high-level customised consultancy and support. Most of the financial intermediaries opted in for this tailor-made support delivered by CCS experts. In addition, capacity building helped promoting this source of finance through events, trade shows, publication of market studies or market research.

Geographical diversification



Main issues for the implementation

N/A

Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed	252,892,282.00	252,892,282.00
Leverage effect	7.20	2.77
Multiplier effect	15.45	4.75
Operations	22	10
Financing provided to final recipients	1,821,551,068.00	700,000,000.00
Number of final recipients	7,088	1,700
Investments made by final recipients due to the received financing	3,907,322,344.00	1,200,000,000.00

Financial Information

Financial Information (EUR)	Cultural and Creative Sectors Guarantee Facility (CCS GF)		
Type of instrument	Guarantee		
Year of inception	2016		
Implementing Partner	EIF		
	Notes	2025	All years
EU Contribution			
Budgetary commitments		0.00	85,124,732.88
<i>of which from third countries</i>		0.00	0.00
<i>of which from reflows</i>		0.00	0.00

Budgetary payments		472,890.00	49,399,851.80
Reflows	(1)		
Revenues		2,161,958.71	4,443,895.87
Repayments		0.00	0.00
Total reflows entered into the budget, of which:		2,161,958.71	4,443,895.87
<i>to the general budget</i>		0.00	0.00
<i>returned to be used</i>		2,161,958.71	4,443,895.87
Losses from operations			
Guarantees			
Guarantees called		18,972,449.00	50,054,818.08
Guarantee calls recovered		382,647.00	1,392,868.93
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		0.00	4,901,230.00
Incentive fees		0.00	2,472,307.00
Treasury management fees		37,447.00	301,684.00
Other charges		0.00	1,785,136.00
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		0.00	5,602.00
Net treasury result (including interest) (gains (+) / losses (-))		946,195.00	6,730,327.00
Net FX gains (+) / losses (-)		107,976.00	-550,865.00
Other revenues		0.00	0.00
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		62,738,045.00	81,202,190.00
Value of equity investments		0.00	0.00
<i>Investment at cost</i>		0.00	0.00
Value of loans		0.00	0.00
<i>Loans at cost</i>		0.00	0.00
Financial liabilities and provisions		29,716,932.00	35,185,920.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		29,470,116.00	48,630,570.00
<i>in euro</i>		22,550,980.00	38,025,218.00
<i>in non-euro currencies</i>		6,919,136.00	10,605,352.00
Other financial assets (including short term deposits >3months)		2,527,191.00	2,465,852.00

Notes to the financial information

- (1) In line with Article 35(1) of the InvestEU Regulation, 2023 reflows in the amount of EUR 690,823.86, 2024 reflows in the amount of EUR 1,591,113.30 and 2025 reflows in the amount of EUR 2,161,958.71 were assigned to InvestEU (total reflows assigned to InvestEU EUR 4,443,895.87).

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

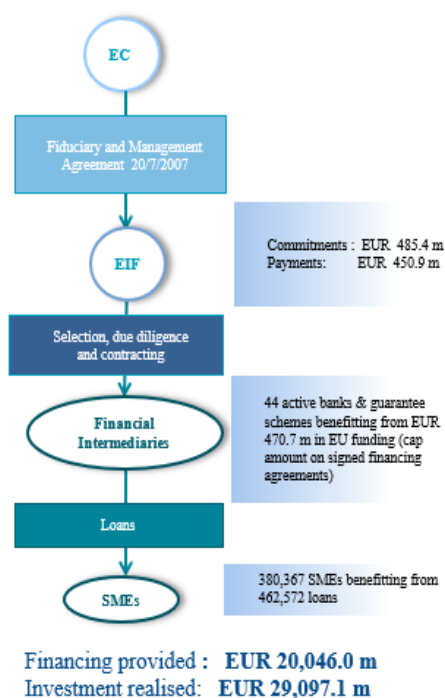
4.7 SME Guarantee Facility (SMEG07) under the Competitiveness and Innovation Framework Programme (CIP) - CIP SMEG 07

Description

Identification / Reference to the basic act			
Decision No 1639/2006/EC of the European Parliament and of the Council of 24 October 2006 establishing a Competitiveness and Innovation Framework Programme (2007 to 2013) (OJ L 310, 9.11.2006, p. 15)			
Budget lines			
02 02 99 01			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	-3,691,008.20	0.00	0.00
Budgetary payment appropriations	0.00	0.00	0.00

Initial financial envelope ¹²⁰ :	EUR 506,000,000.00
Current financial envelope ¹²¹ :	EUR 473,292,752.67
Overall financial envelope ¹²² :	EUR 485,382,636.55

General description



SMEG 07 is part of the Entrepreneurship and Innovation Programme (EIP), one of the three specific programmes under the Competitiveness and Innovation Programme (CIP). Its overall objective is the improvement of access to finance for the start-up and growth of SMEs to support their investment in innovation activities, including eco-innovation. It provides counter- or co-guarantees to guarantee schemes and direct guarantees to financial intermediaries operating in eligible countries with the aim of increasing lending volumes available to SMEs. The Facility is a demand-driven instrument, with only indicative country-based allocations, to ensure wide geographical coverage. The European Investment Fund (EIF) provides a capped guarantee that covers potential losses against a commitment of the financial intermediary to provide more debt financing (loans, leases or guarantees that support loans and leases) to target SMEs.

Duration

The fiduciary and management agreement was signed in July 2007. Last budgetary commitment: 31/12/2013. End of agreements' signing period: 30/09/2014. Maturity date of the last

debt exposure (source: EIF¹²³): 31/10/2026 (longest guarantee termination date for SMEG 07). Expected termination date of the financial instrument: the termination date is not contractually defined and depends on

¹²⁰ Initial voted commitments.

¹²¹ Including decrease in budget commitments from 2008 to 2025, including the 2025 EUR 3,691,008.20 decommitment, ending up with a current envelope in amount of EUR 473,292,752.67 without additional resources.

¹²² With additional resources.

¹²³ Source: information received from EIF in 2025.

the termination process for the underlying assets and liabilities, which is under discussion with the EIF, currently foreseen on 31/12/2026.

Added value, final recipients and projects

Thanks to SMEG 07, financial intermediaries either provide more financing to SMEs, or extend their financing to riskier and previously not serviced segments of vulnerable SMEs, such as start-ups, young companies and companies lacking sufficient collateral.

Financial institutions involved in implementation

Policy DG (Directorate General) in charge: DG GROW.

Implementing DG in charge: DG GROW, after the Commission's reorganisation in February 2025 (previously DG ECFIN).

Implementing Partner in charge: European Investment Fund (EIF).

SMEG 07 is operated by the EIF under a 2007 Fiduciary and Management Agreement (FMA). Until 2013 the EIF was responsible for identifying, evaluating, and selecting financial intermediaries ('FIs') according to the FMA's Guarantee Policy.

ECFIN (the Designated Service in the Commission) was actively involved in the FI approval processes. Each deal needed approval of the Commission and the EIF's Board of Directors. The monitoring of the facility is closed as from 2023; reporting obligations will continue until the wind down of the facility (estimated 2026-2027).

Operational Performance

Contribution to the achievement of the objectives of the programme

As at 31/12/2025¹²⁴ SMEG 07 consisted of 56 guarantee agreements with 44 active financial intermediaries from 23 countries for a total amount guaranteed of EUR 6,779.0 million (and a total of EUR 470.7 million guarantee cap amount from the Union budget for direct and counter-guarantees).

As at 31/12/2025, the main SMEG 07 achievements were as follows¹²⁵:

- Guarantee agreements: 56
- Eligible recipients (SMEs) supported: 380,367
- Eligible final recipients (SMEs) initially targeted: 315,000
- Loans achieved: 462,572
- Employees at eligible final recipients (SMEs) at inclusion date: 1,316,828
- Jobs created or maintained¹²⁶: 380,367
- Total financing achieved¹²⁷: EUR 20,046.0 million

¹²⁴ As from 2023 the Facility may contain fewer active agreements/intermediaries than in the previous year, due to the (natural) termination of the underlying agreements through time. The present report reflects the situation and exposure for the EU budget as at 31/12/2025, not the total operations provided under the Facility since inception.

¹²⁵ Excluding terminated agreements.

¹²⁶ Estimate based on the methodology outlined in the 2011 Final Evaluation of the Entrepreneurship and Innovation Programme (1 job for each SME supported by the facility).

¹²⁷ Loan amount in EUR, source: EIF's SMEG 07 Annual Report as at 31/12/2025

- Total financing expected¹²⁸ EUR 22,591.9 million
- Total investment realised¹²⁹: EUR 29,097.1 million

For 2007-2025, EUR 1,028.1 million of commitment appropriations were made available for the CIP financial instruments, of which EUR 473.3 million for SMEG¹³⁰. The appropriations were fully committed.

Regarding the payments appropriations for 2007-2025, out of the EUR 993.6 million made available for the CIP financial instruments, EUR 438.8 million were paid to the SMEG fiduciary account, managed by the EIF on behalf of the Commission¹³¹. Funds are drawn down from the fiduciary account as and when defaults occur under SMEG 07.

As of 31/12/2025, SMEG 07 already contributed to provide more than EUR 20 billion of financing to 380,367 SMEs through 462,572 loans¹³², accounting for over EUR 29 billion investment¹³³. The corresponding

i) achieved financing leverage effect for CIP SMEG 07 at the level of entrusted entity (total loan volume received by the recipient SMEs / EU contribution committed) is nearly 42.4¹³⁴ - meaning EUR 1 EU funding generated more than EUR 42 in loans for SMEs, and

ii) achieved multiplier effect is 61.5 (based on a total investment realised of EUR 29,097.1 million / EU contribution committed) - meaning EUR 1 EU funding generated more than EUR 61 in investment at SME level.

The (expected) target financing leverage effect for signed operations (calculated as "Estimated SME financing" / EU guarantee cap amount) is 48¹³⁵.

Based on the financing and investment volumes supported so far (see details above), the CIP market-oriented instruments under both GIF and SMEG have shown high efficiency and relevance in addressing the difficulties faced by SMEs in getting access to finance from 2007 until now. The SMEG Facility is a counter-cyclical instrument and has helped final recipients which face difficulties arising from the economic conditions from 2007 until now, namely, to obtain or maintain access to finance and to create or maintain jobs over the period. Although the overall effect of EU programmes on SMEs' financing remains limited (by nature, EU intervention is limited to market gaps or sub-optimal market situations, meaning that by far the largest part of financing is provided by banking and finance market players), the Facility did make a very positive contribution to the development and sustainability of EU SMEs.

¹²⁸ i.e., target financing volume ("Estimated Financing Guaranteed", source: EIF's SMEG 07 annual report as at 31/12/2025).

¹²⁹ Source: EIF's SMEG 07 Annual Report as at 31/12/2025.

¹³⁰ Amounts without additional resources; including additional resources, the commitment appropriations were EUR 1,059.6 million for CIP out of which EUR 485.4 million for SMEG.

¹³¹ Amounts without additional resources; including additional resources, the payment appropriations were EUR 1,025.1 million for CIP out of which EUR 450.9 million for SMEG.

¹³² Source: EIF's SMEG 07 Annual Report as at 31/12/2025.

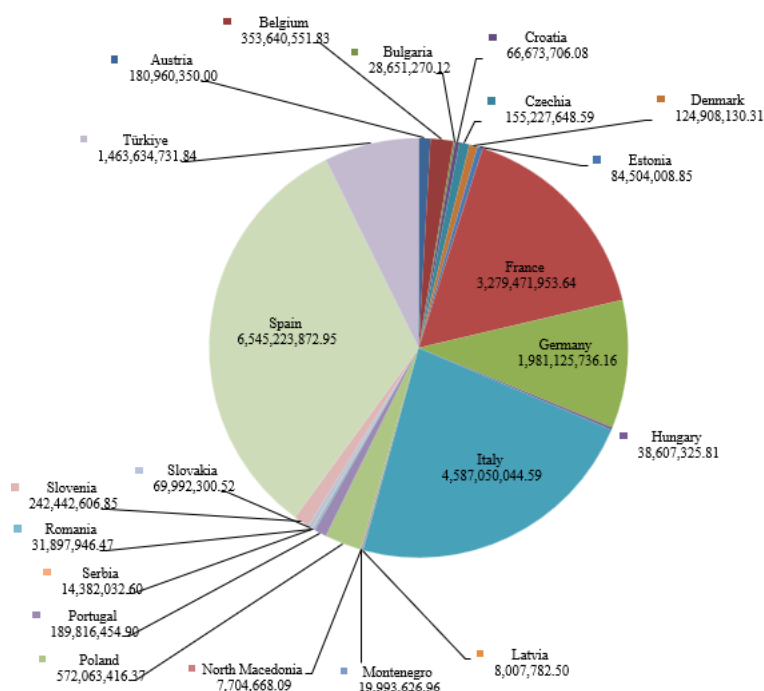
¹³³ Excluding terminated agreements.

¹³⁴ Source: EIF's SMEG 07 Annual Report as at 31/12/2025, resp. FS 2025; total loan volume received by the recipient SMEs = EUR 20,046.0 million / EU contribution committed = EUR 473.3 million (see summary table below).

¹³⁵ Source: EIF's SMEG 07 Annual Report as at 31/12/2025; "Estimated SME financing" = EUR 22,591.9 million / EU guarantee cap amount = EUR 470.7 million.

Geographical diversification

By the end 2025, the CIP SMEG 07 financing achieved is broken down as follows:



Main issues for the implementation

The Facility is closed for new operations as from 30/09/2014 and the inclusion period for new loans into the supported portfolios is finished as well. No specific implementation issues have been identified. However, the EIF guarantee duration is 10 years, so the portfolio is still impacted by guarantee calls, which undergo a systematic prior check before payment by the EIF, ending up sometimes with the rejection of the operation and/or of the final recipient: this ensures that any effective payment under the Facility is compliant with the EU provisions, and in turn this also accounts for some potential decrease over time in the figures (financing, loans, final recipients, etc.) as reported under the section “Operational Performance” above.

Since the Facility is closed for new agreements as from 30/09/2014, it was decided to close the monitoring of CIP SMEG 07 as from year 2023.

The latest evaluations related to GIF and SMEG reiterated that their effectiveness has increased over time. In more detail, there have been improvements in monitoring systems at the level of both EIF and FIs involved in implementation which contributed to tracking comprehensively the performance of the instrument and thus allows for more effectively pursuing its policy objectives.

Besides, the relevance of the instrument as assessed by the recipient SMEs is significant:

- 46% stated that the EU financing scheme was their only option available to get financing;
- 18% of recipient SMEs stated that without the EU support they would have received only part of the funding needed;
- 42% of recipient SMEs stated that the EU support helped them to get additional finance, and
- 64% of recipient SMEs stated that EU support was crucial to find the finance needed.

Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed ¹³⁶	473,292,752.67	470,690,711.30 ¹³⁷
Leverage effect	42.35	48.00
Multiplier effect	61.48	67.20
Operations	56	56
Financing provided to final recipients	20,045,980,166.02	22,591,873,044.01
Number of final recipients	380,367	315,000
Investments made by final recipients due to the received financing ¹³⁸	29,097,125,070.73	31,628,622,261.61

Financial Information

Financial Information (EUR)	SME Guarantee Facility (SMEG07) under the Competitiveness and Innovation Framework Programme (CIP) - CIP SMEG 07		
Type of instrument	Guarantee		
Year of inception	2007		
Implementing Partner	EIF		
	Notes	2025	All years
EU Contribution	(1)		
Budgetary commitments		-3,691,008.20	485,382,636.75
<i>of which from third countries</i>		0.00	22,748,338.00
<i>of which from reflows</i>		0.00	12,089,884.00
Budgetary payments		0.00	450,903,606.83
Reflows	(2)		
Revenues		2,366,111.21	47,754,356.58
Repayments		0.00	0.00
Total reflows entered into the budget, of which:		2,366,111.21	29,847,336.58
<i>to the general budget</i>		0.00	11,402,380.00
<i>returned to be used</i>		2,366,111.21	18,444,956.58
Losses from operations			
Guarantees			
Guarantees called		-173,302.00 ¹³⁹	416,547,825.16
Guarantee calls recovered		1,928,912.00	68,452,343.67
Equities			

¹³⁶ The actual figure stems from the FS 2025; the target one equals the "guarantee cap amount" and is sourced from the EIF's CIP SMEG 07 annual report as at 31/12/2025.

¹³⁷ This figure reflects the EIF's actual exposure towards financial intermediaries.

¹³⁸ Please note that, in the absence of any effective figure for the target investments, it has been applied a proxy of 1.4 on the "target financing" sourced from the EIF SMEG 07 annual report as at 31/12/2025 (EUR 22,591,873,044.01), in order to come up with the "target investments by final recipients" (EUR 31,628,622,261.61). The actual investments figure is sourced from the EIF SMEG 07 annual report as at 31/12/2025.

¹³⁹ The negative value includes the impact of an audit adjustment for the financial year 2024 of EUR -1,453,457.00. The guarantees calls in 2025 were EUR 1,280,155.00.

Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		450,000.00	24,342,550.00
Incentive fees		0.00	0.00
Treasury management fees		0.00	0.00
Other charges		19,260.00	1,545,250.78
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		0.00	1,646,021.14
Net treasury result (including interest) (gains (+) / losses (-))		1,744,452.00	35,076,156.72
Net FX gains (+) / losses (-)		243,527.00	-1,502,713.21
Other revenues		0.21	0.21
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		77,209,553.00	82,295,165.00
Value of equity investments		0.00	0.00
<i>Investment at cost</i>		0.00	0.00
Value of loans		0.00	0.00
<i>Loans at cost</i>		0.00	0.00
Financial liabilities and provisions		7,424,546.00	10,428,997.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		55,867,500.00	56,076,383.00
<i>in euro</i>		34,774,674.00	35,181,213.00
<i>in non-euro currencies</i>		21,092,826.00	20,895,170.00
Other financial assets (including short term deposits >3months)		0.00	0.00

Notes to the financial information

- (1) EUR 3,691,008.20 decommitment in 2025.
- (2) In line with Article 35(1) of the InvestEU Regulation, 2022 reflows in the amount of EUR 780,258.96, 2023 reflows in the amount of EUR 873,525.89, 2024 reflows of EUR 2,335,176.48 and 2025 reflows in the amount of EUR 2,366,111.21, were assigned to InvestEU (total reflows assigned to InvestEU EUR 6,355,072.54). 2021 reflows in the amount of EUR 3,019,799.47 were assigned to the Public Sector Loan Facility.

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

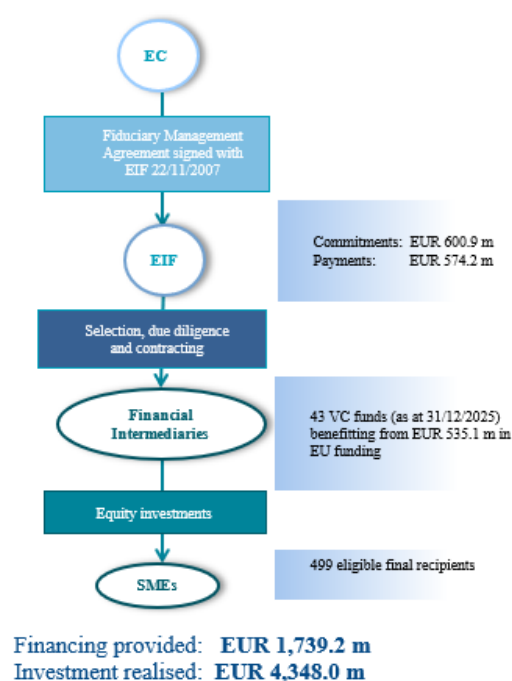
4.8 High Growth and Innovative SME Facility (GIF) under the Competitiveness and Innovation Framework Programme (CIP) - CIP GIF

Description

Identification / Reference to the basic act			
Decision No 1639/2006/EC of the European Parliament and of the Council of 24 October 2006 establishing a Competitiveness and Innovation Framework Programme (2007 to 2013) (OJ L 310/15, 9.11.2006, p.15)			
Budget lines			
02.029901			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	0.00	0.00
Budgetary payment appropriations	2,654,552.82	0.00	0.00

Initial financial envelope ¹⁴⁰ :	EUR 623,000,000.00
Current financial envelope ¹⁴¹ :	EUR 554,754,760.53
Overall financial envelope ¹⁴² :	EUR 574,229,117.80

General description



GIF is implemented by the European Investment Fund (EIF) on behalf of the Commission. The EIF provides EU venture capital investments on behalf of and at the risk of the Commission, under a 2007 Fiduciary and Management Agreement ('FMA'). The EIF was responsible for identifying, evaluating and selecting the Financial Intermediaries ('FI') in accordance with the FMA's Investment Policy. The EIF examined proposals based on a call for expression of interest. Investment proposals by FIs were selected based on a notice of implementation.

The Designated Service (former DG ECFIN, now integrated into DG GROW) was actively involved in the FI approval process. Each deal was to be approved by the EIF Board of Directors and the Designated Service. Since the Facility is closed for new operations as from 30/09/2014, it was decided to stop its monitoring as from 2019. The Designated Service will continue the reporting until the wind down of the Facility.

GIF is part of the Entrepreneurship and Innovation Programme (EIP), one of the three specific programmes under the Competitiveness and Innovation Framework Programme (CIP).

¹⁴⁰ Initial voted commitments, including the CBS programme reallocations (EUR 73 million).

¹⁴¹ Including increase / decrease in budget commitments from 2008 to 2025 without additional resources.

¹⁴² Including changes in budget commitments from 2008 to 2025. The initial split CIP budget between the GIF and SMEG instruments was only indicative. CIP's share of the SMEG instrument has increased in line with market needs, leading to a lower current overall programme budget for GIF.

Its objective is to improve access to finance for the start-up and growth of SMEs to support their investments in (eco-)innovation activities. GIF funds equity or quasi-equity participations in intermediaries, which then must provide long term equity or quasi-equity capital (including subordinated or participating loans and convertible bonds) to innovative SMEs. GIF therefore contributes to the establishment and financing of SMEs and the reduction of the equity financing gap (which prevents SMEs from exploiting their growth potential) and improves the European venture capital (VC) market. Moreover, it supports innovative SMEs with high growth potential, including in their cross-border expansion. Hence, GIF provided a critical lifeline of public support to the EU VC market during the crisis times in the late 2000s.

Duration

Date of agreement signature with the implementing partner: 22/11/2007.

Date of last budgetary commitment: 31/12/2013.

Date of end of agreements' signing period: 30/09/2014.

Expected date of exit from equity investments: 2026¹⁴³.

Expected termination date of the FI: The effective termination date has not been defined yet. Appropriate arrangements for the timely and cost-effective winding down of the FI after the nineteenth year following the signature of this Agreement (22/11/2026) have been negotiated between the Commission and the EIF.

Added value, final recipients and projects

The added value of the GIF instrument consists in addressing specific market needs, offering structuring input, and providing catalytic effects.

Financial institutions involved in implementation

Policy DG in charge: DG GROW.

Implementing DG in charge: DG GROW, after the Commission's reorganisation in February 2025 (previously DG ECFIN).

Implementing Partner in charge: EIF.

Operational Performance

Contribution to the achievement of the objectives of the programme

By 31/12/2025, GIF consisted of 43 venture capital funds having invested EUR 1,739.2 million in eligible final recipients from 18 countries (based on a total EUR 535.1 million EU contribution committed to financial intermediaries¹⁴⁴).

Until end 2025 the main GIF achievements were as follows¹⁴⁵:

- Financial intermediaries¹⁴⁶: 43
- Final recipients achieved¹⁴⁷: 499¹⁴⁸

¹⁴³ Latest planned termination date of underlying financial intermediaries. Source: EIF's GIF Annual Investment Report with data as at 31/12/2025, Table 2.2 - General Data as at 31/12/2025.

¹⁴⁴ "GIF net commitments", Source: EIF's GIF Annual Investment Report with data as at 31/12/2025.

¹⁴⁵ Excluding terminated agreements.

¹⁴⁶ Source: EIF's GIF Annual Investment Report with data as at 31/12/2025.

¹⁴⁷ Source: EIF's GIF Annual Investment Report with data as at 31/12/2025.

- Jobs created or maintained¹⁴⁹: 9,908
- Total financing achieved¹⁵⁰: EUR 1,739.2 million
- Total financing expected¹⁵¹ : EUR 3,599.8 million
- Total investment realised¹⁵²: EUR 4,348.0 million

For 2007-2025, EUR 1,028.1¹⁵³ million of commitment appropriations were made available for the CIP financial instruments, of which EUR 554.8 million for GIF¹⁵⁴. The appropriations were fully committed.

Regarding payments appropriations for 2007-2025, out of the EUR 993.6 million made available for the CIP financial instruments, EUR 554.8 million were paid to the GIF fiduciary account¹⁵⁵, managed by the EIF for the Commission. Funds are paid from the fiduciary account when venture capital funds under GIF give a drawdown notice.

Until 31/12/2025, the GIF already contributed to provide more than EUR 1,739.2 million of financing to 499 final recipients¹⁵⁶ for an estimated investment amount over EUR 4.3 billion. The corresponding achieved financing leverage effect for CIP GIF at the level of the entrusted entity¹⁵⁷ is around 3.14 meaning EUR 1 EU funding generated more than EUR 3 financing into SMEs. The achieved multiplier effect is around 7.84 (based on a total investment realised of EUR 4,348.0 million / EU Contribution committed to financial intermediaries of EUR 554.8 million) - meaning EUR 1 EU funding generated almost EUR 8 in investment at SME level.

The (expected) target financing leverage effect for signed operations¹⁵⁸ is estimated at around 6.49¹⁵⁹ for the entire duration of the programme.

Based on the financing and investment volumes supported so far (see above), the CIP market-oriented instruments under both GIF and SMEG have shown high efficiency and relevance in addressing SMEs' access to finance difficulties from 2007 until now. Although the overall effect of EU programmes on SMEs' financing remains limited (by nature, EU intervention is limited to market gaps or sub-optimal market situations, thus by far the largest part of financing is provided by banks and finance market players), CIP's

¹⁴⁸ 631 final recipients in participating countries, out of which 499 eligible final recipients. Source: EIF's GIF Annual Investment Report & Annual Report (Table 8) as at 31/12/2025.

¹⁴⁹ Source: Employment Report as at 31/12/2012 (latest available).

¹⁵⁰ Source: EIF GIF Annual Report 2025, Table 8, "Total Amounts Invested in Eligible Final Recipients".

¹⁵¹ i.e.: target financing volume ("Target Intermediary Size", source: EIF's GIF Annual Investment Report with data as at 31/12/2025).

¹⁵² Source: proxy 2.5 on total financing achieved.

¹⁵³ This amount has been lowered in 2016-2025 by EUR 215.5 million decommitments.

¹⁵⁴ Including additional resources, the commitment appropriations were EUR 1,059.6 million for CIP out of which EUR 574.2 million for GIF.

¹⁵⁵ Amounts without additional resources; including additional resources, the payment appropriations were EUR 1,025.1 million for CIP and EUR 574.2 million for GIF.

¹⁵⁶ The total number of Final Recipients is 660 (source: EIF's GIF Annual Investment Report with data as at 31/12/2025). Out of those, 631 are located in participating countries and 499 are Eligible Final Recipients. The VC funds supported may address non-eligible final recipients as well as eligible, but EU finances only eligible final recipients out of those.

¹⁵⁷ Total amounts invested by the funds in eligible final recipients (EUR 1,739.2 million) / EU Contribution committed to financial intermediaries (EUR 554.8 million).

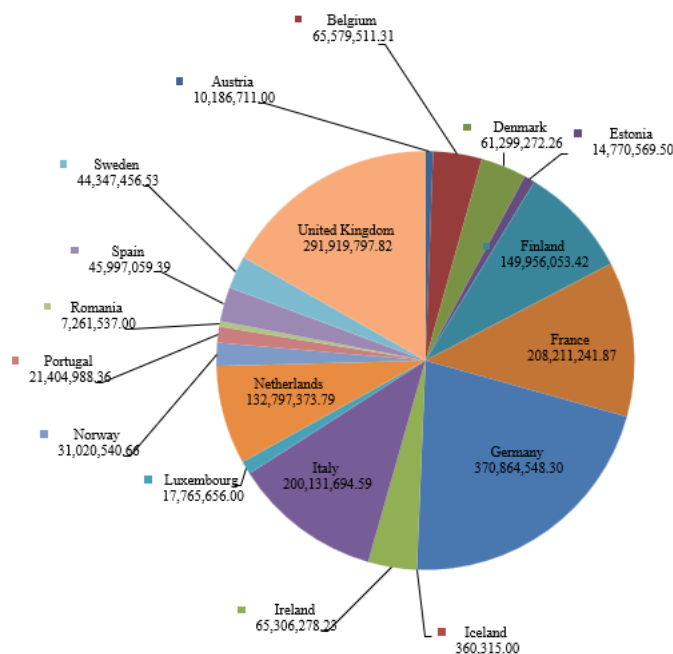
¹⁵⁸ Target Intermediary Size (EUR 3,599,827,979.00) / EU Contribution committed to financial intermediaries (EUR 554,754,760.53).

¹⁵⁹ Source: EIF's GIF Annual Investment Report with data as at 31/12/2025.

GIF components contributed very positively to the development and sustainability of SMEs from 2007 until now.

Geographical diversification

By the end of 2025, the GIF “Total financing achieved”¹⁶⁰ of EUR 1,739.2 million breakdown per country was as follows:



Main issues for the implementation

The Facility is closed for new operations as from 30/09/2014. No specific implementation issues have been identified. The GIF efficiency can be testified notably by the Entrepreneurship and Innovation Programme (EIP) Final Evaluation, as summarised below.

As from its launch until now, the GIF component (providing venture capital) delivered an essential contribution to SME support in the participating countries, as outlined above and confirmed by the final evaluation results. The main results are summarised below; no more recent data is available as at the date of writing.

On Relevance, the instrument met a clear need for finance for recipients and showed that gaps in SME finance can be addressed. 39% of recipients stated that this financing scheme was their only available option; 23% stated that without this support they would have been able to receive only part of the funding needed. In total, 62% said that the support was crucial to find the financing needed.

On Effectiveness, the funds are getting to the intended recipients with the desired effects for growth, innovation and employment. 77% stated that the equity financing made it easier to obtain additional financing. Over 90% said that the financial support had a positive impact on their long-term growth prospects. 62% expected an increase in turnover (between 26% and 100%). 83% identified themselves as engaged in product / service innovation.

Recipients also received other support (i.e., advice on business planning, access to a network, financial advice, special business advice).

¹⁶⁰ Source: EIF GIF Annual Report 2025, Table 8, “Total Amounts Invested in Eligible Final Recipients”

On Efficiency, general stakeholders have the impression that the instruments are administered efficiently, and that money is not wasted.

On Utility, most recipients said the support was the only option for obtaining the funds needed.

On European value-added, the report recognised the leverage effect achieved, the fact that 80% of GIF recipients operate internationally and that VC funds i) have a broader geographical focus and ii) operate across boundaries.

Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed	554,754,760.53	554,754,760.53
Leverage effect	3.14	6.49
Multiplier effect	7.84	16.22
Operations	43	43
Financing provided to final recipients	1,739,180,605.02	3,599,827,979.00
Number of final recipients	499	499
Investments made by final recipients due to the received financing	4,347,951,512.55	8,999,569,947.50

Financial Information

Financial Information (EUR)	High Growth and Innovative SME Facility (GIF) under the Competitiveness and Innovation Framework Programme (CIP) - CIP GIF		
Type of instrument	Equity		
Year of inception	2007		
Implementing Partner	EIF		
	Notes	2025	All years
EU Contribution			
Budgetary commitments		0.00	600,959,406.00
<i>of which from third countries</i>		0.00	24,851,463.00
<i>of which from reflows</i>		0.00	19,474,357.27
Budgetary payments		2,654,552.82	574,229,117.80
Reflows	(1)		
Revenues		12,345,440.17	246,615,422.08
Repayments		11,457,918.23	436,841,940.29
Total reflows entered into the budget, of which:		23,803,358.40	523,874,962.39
<i>to the general budget</i>		0.00	11,578,463.00
<i>returned to be used</i>		23,803,358.40	512,296,499.39
Losses from operations			
Guarantees			
Guarantees called		0.00	0.00
Guarantee calls recovered		0.00	0.00
Equities			
Realised losses		3,235,380.00	13,697,463.61

Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		0.00	34,071,096.00
Incentive fees		7,941.98	7,941.98
Treasury management fees		0.00	0.00
Other charges		10,455.00	7,908,482.15
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		2,559,778.00	164,441,904.32
Net treasury result (including interest) (gains (+) / losses (-))		1,505,563.00	13,224,649.41
Net FX gains (+) / losses (-)		-909,698.00	-2,871,926.30
Other revenues		0.49	7,798,647.49
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		199,043,204.80	265,116,083.80
Value of equity investments		165,056,025.80	231,592,374.80
<i>Investment at cost</i>		113,948,203.24	130,857,314.00
Value of loans		0.00	0.00
<i>Loans at cost</i>		0.00	0.00
Financial liabilities and provisions		0.00	0.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		58,898,440.00	63,917,966.00
<i>in euro</i>		56,986,779.00	60,607,214.00
<i>in non-euro currencies</i>		1,911,661.00	3,310,752.00
Other financial assets (including short term deposits >3months)		0.00	0.00

Notes to the financial information

(1) In line with Article 35(1) of the InvestEU Regulation, 2021 reflows in the amount of EUR 2,676,994.86, 2022 reflows in the amount of EUR 19,076,207.66, 2023 reflows in the amount of EUR 81,780,454.20, 2024 reflows in the amount of EUR 40,909,271.98 and 2025 reflows of EUR 23,803,358.40 were assigned to InvestEU (total reflows assigned to InvestEU EUR 168,246,287.10).

In 2021 reflows in the amount of EUR 22,462,865.49, 2022 reflows in the amount of EUR 58,713,056.36 and 2023 reflows in the amount of EUR 65,732,173.79 were assigned to the Public Sector Loan Facility (total reflows assigned to the Public Sector Loan Facility EUR 146,908,095.79).

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

4.9 SME Initiative (focus on indirect management Commission part, i.e., COSME LGF/InnovFin SMEG)

Description

Identification / Reference to the basic act

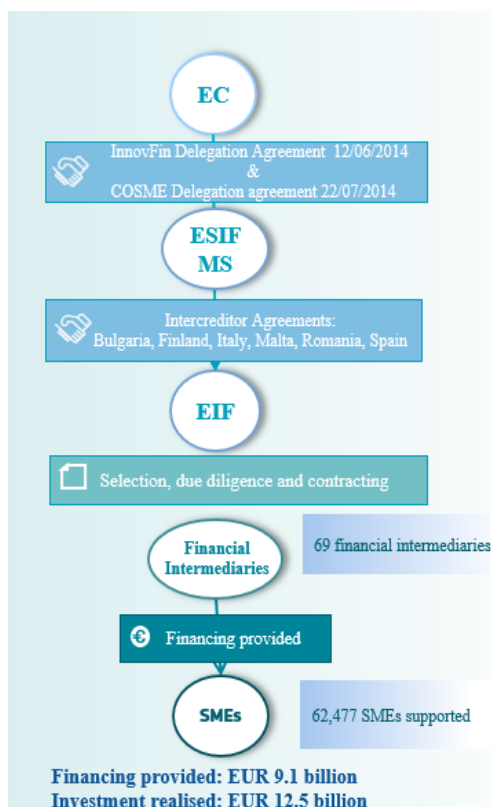
The EU SME Initiative may receive funding from the following EU budget sources:

COSME: Regulation (EU) No 1287/2013 of 11 December 2013 establishing a Programme for the Competitiveness of Enterprises and small and medium-sized enterprises (COSME) (2014 - 2020)

H2020: Regulation (EU) No 1291/2013 of 11 December 2013 establishing Horizon 2020 - the Framework Programme for Research and Innovation (2014-2020) and pursuant to the Decision No 2013/743/EU of the Council of 3 December 2013 establishing the Specific Programme implementing Horizon 2020

ERDF and EAFRD (Article of the 39 CPR): Regulation (EU) No 1303/2013 laying down common and general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and laying down common provisions on the European Agricultural Fund for Rural Development (Common Provisions Regulation ('CPR')).

General description



SME support is one of the main areas of support of the European Structural and Investment Funds (ESIF), and financial instruments play an increasingly important role within ESIF support. The basic act governing ESIF interventions is the Common Provisions Regulation ('CPR').

Within the financial instruments family, the SME Initiative is a real novelty, in that it combines different EU funding resources in one financial instrument – namely resources from ESIF, COSME or Horizon 2020 and EIB Group resources. Thereby, it provides significant leverage of (both public and private) additional resources to be mobilised for SME support.

Its overall aim is to enhance access to finance for SMEs, to stimulate economic growth and entrepreneurship. Access to finance is a real issue in the economy of at least several Member States in Southern and Eastern Europe. The problem is not so much the lack of liquidity in the market, but the missing transmission of that liquidity into the real economy, so that SMEs have adequate access to finance at reasonable conditions, which enables them to invest, develop their competitiveness and grow. Often, a lack of collateral on the SME side is the main reason why banks are not willing to lend.

Duration

The period of time during which the participating Member State may commit funds to the EIF was to expire on 31 December 2016, but was extended with changes to the CPR in 2018. The end of the eligibility period was 31 December 2023.

The SME Initiative contributes to the objectives of better SME access to finance and, thereby, enhanced SME competitiveness, innovativeness and growth.

The SME Initiative is a joint instrument, combining EU funds available under COSME and Horizon 2020 and ERDF-EAFRD resources in cooperation with EIB/EIF in view of generating additional lending to SMEs.

Three financial instruments can be implemented under the SME Initiative. In substance, they boil down to two alternative ways of operating, namely:

- uncapped guarantees providing capital relief to financial intermediaries for new portfolio of debt finance to SMEs, and
- securitisation instruments (with two possibilities, i.e., option n°2 securitisation instrument with MS contribution used exclusively for the participating MS and option n°3 securitisation instrument with several MS contributions pooled and used to provide protection on the aggregate exposure, particularly to the mezzanine tranches guaranteed by EIF).

A portion of the new Debt Finance portfolio equal to at least 20 times the contribution under the COSME Regulation and/or 9 times the contribution under the H2020 Regulation should fulfil respectively the COSME and/or H2020 eligibility criteria.

Financial institutions involved in implementation

The European Investment Fund (EIF) is the entrusted entity for the SME Initiative.

Operational Performance

Contribution to the achievement of the objectives of the programme

Five Member States opted for the guarantee instrument from Horizon 2020 under the SME Initiative (Bulgaria, Finland, Malta, Romania and Spain) and Italy opted for the securitisation instrument from COSME.

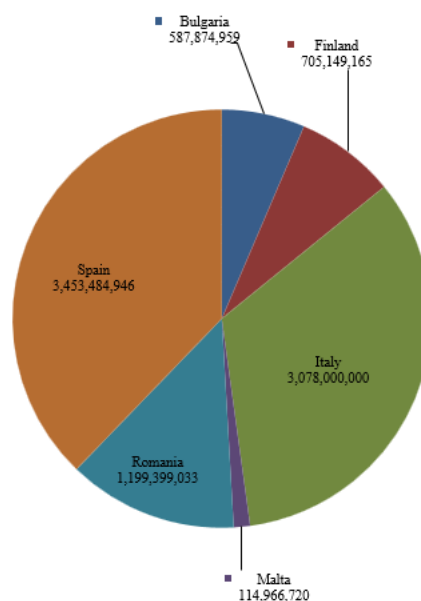
The SME Initiative supported final recipients in 6 Member States that provided a total of ERDF contribution of almost EUR 1.5 billion.

Member State	ERDF contribution (EUR)
Bulgaria	102,000,000
Finland	20,000,000
Italy	320,000,000
Malta	29,000,000
Romania	250,000,000
Spain	734,965,691
Total	1,455,965,961

Geographical diversification

The SME Initiative is implemented in six Member States. Financing provided to final recipients is distributed by Member State as follows:

Member State	Number of financial intermediaries	Number of financial recipients	Financing provided to final recipients (EUR)
Bulgaria	9	3,994	587,874,959
Finland	7	1,148	705,149,165
Italy	9	14,996	3,078,000,000
Malta	2	965	114,966,720
Romania	14	3,881	1,199,399,033
Spain	28	37,493	3,453,484,946
Total	69	62,477	9,138,874,823



Bulgaria: 9 financial intermediaries with a target volume of EUR 394 million and an actual volume of EUR 587.9 million for 4,623 transactions to 3,994 final recipients.

Finland: 7 financial intermediaries with a target volume of EUR 285.4 million and an actual volume of EUR 705.1 million for 1,272 transactions to 1,148 final recipients.

Italy: opted for the securitisation instrument under the SME Initiative, combined with COSME resources. By the end of 2025, nine agreements have been signed with nine Italian financial institutions through synthetic securitisation transactions. These enabled financial institutions to provide over EUR 3 billion in new financing to SMEs, improving the access to finance for nearly 15,000 SMEs located in Italy. As of 31 December 2025, the target volume of financing was EUR 3,135 million and the actual volume reached EUR 3,078 million for 17,857 transactions to 14,996 final recipients.

Malta: 2 financial intermediaries with a target volume of EUR 96.5 million and an actual volume of EUR 115 million for 1,168 transactions to 965 final recipients.

Romania: 14 financial intermediaries with a target volume of EUR 1,618.7 million and an actual volume of EUR 1,199.4 million for 5,404 transactions to 3,881 final recipients.

Spain: 28 financial intermediaries with a target volume of EUR 2,726.4 million and an actual volume of EUR 3,453 million for 44,438 transactions to 37,493 final recipients.

The financing provided to final recipients amounted to EUR 9.1 billion and the total investments made by final recipients due to the received financing amounted to EUR 12.5 billion.

Main issues for the implementation

No specific issue has been identified.

Performance, financing and investments

Key figures (EUR)	Actual
EU Contribution committed ¹⁶¹	1,478,105,763.58
Leverage effect	6.18
Multiplier effect	8.46
Operations	69
Financing provided to final recipients	9,138,874,823
Number of final recipients	62,477
Investments made by final recipients due to the received financing	12,500,000,000

Financial Information

The financial information regarding the EU level instruments that contribute to the SME Initiative is presented in Chapter 4.1 COSME Loan Guarantee Facility (LGF) and Chapter 4.3 Horizon 2020 SMEs & Small Midcaps R&I Loans Service (InnovFin SME Guarantee) of this document.

The annual summaries of data on the progress made in financing and implementing the financial instruments for the programming period 2014-2020 prepared in accordance with Article 46 of the CPR provide a report on the ERDF contribution to the SME Initiative¹⁶².

¹⁶¹ Including EUR 282,885.58 from 4.1 COSME Loan Guarantee Facility (LGF) and EUR 21,856,917 from 4.3 Horizon 2020 SMEs & Small Midcaps R&I Loans Service (InnovFin SME Guarantee).

¹⁶² The annual summaries of data on the progress made in financing and implementing the financial instruments for the programming period 2014-2020 in accordance with Article 46 of Regulation (EU) No 1303/2013 of the European Parliament and of the Council ('CPR') are available in this link:
https://ec.europa.eu/regional_policy/funding/financial-instruments_en

E. External Policies

5.1 Western Balkans Investment Framework (WBIF)

Description

Identification / Reference to the basic act			
Regulation (EU) 2021/1529 of the European Parliament and of the Council of 15 September 2021 establishing the Instrument for Pre-Accession Assistance (IPA III). Regulation (EU) No 231/2014 of the European Parliament and of the Council of 11 March 2014 establishing an Instrument for Pre-accession Assistance (IPA II). Council Regulation (EC) No 1085/2006 of 17 July 2006 establishing an Instrument for Pre-Accession Assistance (IPA).			
Budget lines			
B2009-22.020701, B2009-22.020701, B2009-22.020701, B2011-22.020701, B2016-22.020401, B2021-15.029901 (EFSE). BGUE-B2009-22.020701, BGUE-B2009-22.020701, BGUE-B2009-22.020701, BGUE-B2009-22.020701, BGUE-B2017-22.020401; B2021-15.029901 (GGF). BGUE-B2024-15.020201-C1-NEAR (GGFII). 22.02.51 (ENIF); 22.02.51 (ENEF). BGUE-B2021-15.029901-C8-NEAR (ENEF II). BGUE-B2013-22.020701-C1-ELARG (GFI); BGUE-B2017-22.020102-C8-NEAR (GFSerbia); BGUE-B2015-22.020401-C8-NEAR (GFII); BGUE-B2021-15.029901-C8-NEAR (GFII4SME), VOBUE 2024 E.15020201 ENEST IPAlII 21 27.			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	9,427,543.20	N/A	N/A
Budgetary payment appropriations	26,559,428.31	N/A	N/A

Initial financial envelope:	EUR 162,400,000.00
Current financial envelope:	EUR 403,429,050.12
Overall financial envelope:	EUR 403,429,050.12

General description

The Western Balkans Investment Framework (WBIF) was launched in 2009. It is a joint initiative of the EU, financial organisations, EU Member States and final recipients, contributing to the European perspective of the Western Balkans. Due to its collaborative nature in line with the “Team Europe” approach, the WBIF is the main vehicle for implementing the EU’s ambitious strategies for the region¹⁶³. Being the EU financial platform for the region, WBIF coordinates and harmonises investments for socio-economic development in the region and its European perspective via both: public sector infrastructure and private sector support. It pools resources from various sources, namely from IPA, bilateral donors, IFIs, regional organisations and governments of the Western Balkans.

The main area of interventions covers: sustainable transport, clean energy, environment and climate, digital future, competitiveness of the private sector and human capital.

Across the Western Balkans, up to 99% of all enterprises are small or medium sized. These businesses are the key to ensuring economic growth, innovation, social integration and job creation on the EU accession path. In fact, in the 6 countries of the Western Balkans, SMEs employ between 60% and 80% of the active population. Therefore, WBIF possesses a big private sector wing to spur competitiveness for start-ups, small, and medium-sized enterprises, as well as corporates in the region. In some cases, the private sector funds are

¹⁶³ A [Investment Plan for the Western Balkans](#), the [new Growth Plan for the Western Balkans](#) and the related Reform and Growth Facility.

provided to projects selected through a competitive procedure (call for investments or for proposals under the WBIF). In other situations, it is the EU that takes a proactive role to create specific projects with its WBIF partners that fill-in specific market gaps. The implementing partners are mainly pillar-assessed entities (DFIs/IFIs), where the EU funds in the form of instruments are used to de-risk and leverage additional funds in support to public and private investments in the region. A limited number of projects are implemented by NGOs or service providers, due to their specific technical expertise.

To leverage expertise and finance the WBIF cooperates with:

- IFIs: the European Investment Bank Group (EIB/EIF), the European Bank for Reconstruction and Development (EBRD), the World Bank group (WB);
- Bilateral donors active in the region, such as Italy (Casa Depositi e Prestiti), Austria (OeEB), Germany (KfW/DEG);
- Regional and local organisations: Organisation for Economic Cooperation and Development (OECD), Regional Cooperation Council (RCC), Chambers of commerce and industry and the Western Balkans 6 Chambers Investment Forum (WB6 CIF).
- Governments of the Western Balkans: (as investors in one of the equity funds)

The private sector wing of WBIF offers a variety of tools, divided into two main groups: a) access to finance instruments; b) advisory services, technical and analytical support.

The Equity component promotes best market practices and contributes to the further development of the venture capital (VC) market in the region. Deployed via 3 different funds, the equity/quasi equity focuses on various types of companies. One of them covers innovative companies from seed and early stage to later stage development (currently in disinvestment period and looking for a successor fund). Another two are targeting established SMEs with high growth potential in their respective markets, as well as big businesses in need of expansion capital. The governments of the final recipients countries, bilateral donors and private investors are also contributing to those funds. Two of those funds are assisted by an advisory service.

The guarantee facilities serve to provide a capped guarantee for SME loans via the participating commercial banks in the Western Balkans territories whereby such SMEs can obtain a loan to cover financing for investment and working capital (in many cases for up to EUR 500,000). Some of the EU-backed funded guarantees put special focus on youth employment, greening, digitalisation and resilience.

The lending component allows the deployment of dedicated credit lines which will be extended to partner financial institutions for on-lending to SMEs in support of investments that lead to improvement of their overall competitiveness. These are complemented with investment incentives for SMEs to blend additional funding upon completion of set of requirements. Such loans could be also coupled with interest rate subsidy.

Technical assistance is the smallest part of the private sector support but is also crucial for the running of all financial instruments. The advisory services include consultancy, networking, and TVET actions, to increase the competitiveness of the companies, their investment readiness and compliance with the EU acquis. It also trains and supports institutions and financial intermediaries to build portfolio or ensure ESG compliance, or appropriate reporting.

To achieve scale and mobilise other investors, WBIF is also investing into funds (as shareholder). The Green for Growth Fund and the European Fund for Southeast Europe are examples for such funds.

The operations reported in the section titled “key figures” are a limited sub-set of financial instruments in the form of equity or bank guarantees, which require opening a fiduciary account on behalf of the European Commission by an DFI/IFI. The other operations undertaken within the framework of WBIF (e.g. providing TA or investment grants) are not included below.

Duration

First generation guarantee facility (debt instrument) was created in December 2012, when the Delegation Agreement with the EIF was signed. Several guarantee facilities followed, with the last facility with the EIF being launched in December 2021. The total amount of all facilities is EUR 129 million under IPA. Most of the EIF guarantees have more than 10 years of implementation period and therefore the only one remaining active is the Resilience one that supported the Western Balkans' companies to cope with the consequences of the COVID-19 pandemic and the war in Ukraine.

The most recent contract, the Sustainable Access to Finance for Entrepreneurship, was signed with Cassa Depositi e Prestiti (CDP). It was signed on 22 December 2025 and is expected to have several inclusions in 2026. The guarantee will run for five years, until 22 December 2030. The Sustainable Access to Finance for Entrepreneurship (SAFE) programme is an EU-funded EUR 9,427,543.20 initiative under IPA III comprising a EUR 4,992,000.00 in financial instrument, EUR 2,500,00.00 in investment grants, and EUR 1,700,325.00 in technical assistance to improve MSME access to finance in the Western Balkans, as well as EUR 235,218.20 in fees.

The first equity fund was launched in February 2014 with an initial fund term of 10 years, further prolonged by 2 more years. The second equity-type fund started operations in 2015 and concluded its investment period in 2020. Both funds started their disinvestment phase already in 2020. Therefore, a third successor equity fund was set-up in 2022. Several investments were already executed, and it will continue functioning until June 2034. Total amount of the EU investment in equity operations is EUR 41.2 million for the three funds.

The first EU shares within the European Fund for Southeast Europe (EFSE) and the Green for Growth Fund (GGF) were taken in 2009. Their maturity was prolonged on several occasions with the latest amendment allowing subscription until 2024. As of 12 November 2025, for EFSE and 16 December 2025 for GGF, the shares previously held by EIF on both fund the EFSE and GGF have been transferred to KfW.

Added value, final recipients and projects

The guarantee facilities with the EIF have a guarantee rate of between 70% and 90%, depending on the risk profile of the companies. The guarantee cap was initially up to 25% but was lowered with time. The exact guarantee rate and cap is being determined on a case-by-case basis. EIF signed operations with several local banks in the region and almost all of them show very good results and nearly full absorption by the market.

The guarantee facility established with KfW has an indicative sub-guarantee cap rate of 45.83 % (EUR 22 million sub-guarantee amount; EUR 48 million EU guarantee amount).

Via the equity funding, WBIF diversifies sources of financing for innovative companies but also larger corporates, enabling growth and employment creating investments. The first of the funds was managed by a professional fund manager (South central ventures) and financed the riskiest segments of business-innovative SMEs and start-ups/early-stage development, typically of interest to venture capital investors, who have avoided the region. Hence, it served as a market test for the venture capital investment potential in the region and as a vehicle to attract private investors.

The two other funds provide equity and quasi-equity funding to bigger companies (such as preferred shares, convertible bonds, mezzanine or subordinated debt) on a selective basis as to diversify the access to finance. Typical investment tickets are in the range of EUR 1 to 7.5 million, with additional co-financing by the European Bank for Reconstruction and Development (EBRD). The first fund of this type was established as a pilot to allow for financial diversification and paved the way for the establishment of the equity. Its success brought into life a successor fund that is currently covering small innovative but also big companies.

Financial institutions involved in implementation

Under the WBIF, a total of eight guarantees have been established. Six of these guarantees were provided by the European Investment Fund (EIF) following the completion of two key activities: the Western Balkan Enterprise Development and Innovation Facility (WB EDIF) Guarantee Facility and its subsequent Amendment.

Currently under implementation are four guarantees in partnership with the EIF. These include the Guarantee Facility I (GF I) under the Enterprise Development and Innovation Facility and the Guarantee Facility II (GF II) under the Western Balkans Enterprise Development and Innovation Facility, (which includes the Enterprise Development and Innovation Facility, the GF II Serbia Window and the Youth Employment).

In addition, one guarantee has been established in collaboration with KfW, namely the EU-KfW Western Balkans Guarantee, which supports entrepreneurs and micro, small, and medium-sized enterprises (MSMEs). The most recent guarantee agreement has been signed with Cassa Depositi e Prestiti (CDP) under the Sustainable Access to Finance for Entrepreneurship (SAFE) for an amount of EUR 9.43 million.

The EIF was the entrusted entity for the EU participation in two of the equity funds. The EU participation in the last equity fund was ensured directly with EBRD.

The EU shares within the EFSE and GGF are managed by the EIF and KfW via Trusteeship Agreements. As per an Amendment to the Trusteeship Agreements signed on 12 November 2025 for EFSE and on 16 December 2025 for GGF the shares were transferred from EIF to KfW.

Operational Performance

Contribution to the achievement of the objectives of the programme

Financial instruments are used under the WBIF to enhance the availability and affordability of diversified financing to support access to finance to micro, small and medium-sized enterprises (MSMEs) at various stages of their lifecycle. In 2025, the WBIF continued to contribute to the objective of the Economic and Investment Plan Flagship 9, investing in the competitiveness of the private sector.

The private sector support under WBIF contributed also to the implementation of the Growth Plan for the region. Private sector support and investments are getting increasing importance in the enlargement process.

The financial instruments under WBIF support the economic convergence of the local market are an essential element in getting the Western Balkan economies closer to the EU. They also help the creation of the Common Regional Market, as well as the establishment of EU-wide value chains, in line with the EU Strategic compass.

The achieved leverage via the guarantees exceeds the initially envisaged leverage of 5. The actual leverage is ca. 7.6, but it varies from facility to facility and in some instances it can reach more than 9. This higher leverage achieved throughout the years is a result of the deployment of the instrument since 2013 in the region, the established relationship between EIF and local intermediaries, as well as the improved experience of those intermediaries to develop EU-funded guarantee schemes.

Geographical diversification

WBIF includes all six Western Balkans IPA beneficiaries, namely Albania, Bosnia and Herzegovina, Kosovo¹⁶⁴, Montenegro, Republic of North Macedonia and Serbia. It is noted that for some financial instruments, set up before the accession of Croatia, the latter was also an eligible beneficiary until 2014.

The Resilience Guarantee Facility launched with KfW aids Albania (EUR 16 million), Kosovo (EUR 22 million), and Serbia (EUR 10 million) in post-pandemic recovery, enhancing the region's competitiveness and job creation. Through risk-sharing guarantees and technical assistance, it unlocks financing for micro, small and medium-sized enterprises (MSMEs), prioritising start-ups, rural MSMEs, and those operating in the manufacturing sector. The guarantee is implemented through local Credit Guarantee Funds (CGFs), which enable Partner Financial Intermediaries (PFIs) to finance target MSMEs by mitigating lending risks through partial reimbursement of losses in the event of MSME defaults.

The SAFE Programme contract with CDP supports geographical diversification across all six Western Balkans IPA beneficiaries, targeting local micro-entrepreneurs (LMEs), with a focus on women- and youth-led businesses.

The three equity funds all together are covering all the six economies in the Western Balkans.

The EU shares in EFSE and GGF cover the entire geography of the Western Balkans.

Main issues for the implementation

The Western Balkans Investment Framework faces challenges at different stages of its implementation. First, the reduction of resources available under the WBIF, largely reflecting the shift towards a greater use of budgetary guarantees under the EFSD+, makes the selection of projects under the WBIF stricter. Therefore, a rigorous prioritisation of the various projects proposed by implementing partners is required.

The WBIF team, with support from EU delegations, ensures that selected projects are fully aligned with EU priorities (Global Gateway, Green Deal, Critical Raw Material Act, etc.) and the priorities of the Economic and Investment Plan for the Western Balkans, the Green Agenda for the Western Balkans, the Innovation Agenda for the Western Balkans and the Growth Plan for the Western Balkans as established in the WBIF Strategic Orientations.

Against this background, close coordination with the EU delegations, Western Balkans final recipients, and local partners is necessary at each stage of the project. Efforts to enhance cooperation with EU delegations from the preliminary stage of the proposal have been made by financial institutions and could be further enhanced going forward. This cooperation with EU delegations has been improved regarding the monitoring of ongoing EU programmes with the establishment of portfolio review meetings with IFIs which are organised twice a year. It is a concrete opportunity for EU delegations to raise questions/concerns regarding the implementation of specific programmes in the Western Balkan region.

An assessment is also carried out based on the additionality that the EU contribution will bring in terms of benefits and results, notably as regards development impact, in comparison to what would have been achieved without the EU contribution.

The additionality varies depending on the context and is driven by country, sector, market and project characteristics. In particular, the “financial additionality” assessment involves quantitative considerations of the cost-effectiveness, efficacy and efficiency of the EU contribution for the achievement of relevant policy objectives, and notably for maximising positive impact on the ultimate final recipients.

¹⁶⁴ This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

The “development additionality” keeps into consideration, the capacity of the programme to contribute towards results that are not easily quantifiable, such as for instance the introduction or increase in the quantity and quality of services available in the targeted market.

In terms of implementation, contracting of approved contributions under the WBIF can sometimes take considerable time, especially as regards contracting of financial instruments. This is notably due to discussions on horizontal legal issues between the Commission and some financial institutions under the different Financial Framework Partnership Agreement (FFPA).

Also, visibility of projects funded under the WBIF could be further enhanced by the EU and financial institutions to mobilise further (private) investments and highlight the positive impact of EU funding. Overall, there is a lack of information about the investments made by final recipients since this indicator was not defined at the contracting stage, which implies the impossibility to identify the multiplier effect for the WBIF.

Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed	403,429,050.12	N/A
Leverage effect	15.69	N/A
Multiplier effect	N/A	N/A
Operations	N/A	N/A
Financing provided to final recipients	6,329,000,000.00	N/A
Number of final recipients	392,160	N/A
Investments made by final recipients due to the received financing	N/A	N/A

Financial Information

Financial Information (EUR)	Western Balkans Investment Framework (WBIF)		
Type of instrument	Blending		
Year of inception	2009		
Implementing Partner	EIF, KfW, EBRD, CDP		
	Notes	2025	All years
EU Contribution	(1)		
Budgetary commitments		9,427,543.20	403,429,050.12
<i>of which from third countries</i>		0.00	0.00
<i>of which from reflows</i>		0.00	0.00
Budgetary payments		26,559,428.31	164,931,258.36
Reflows			
Revenues		602,789.46	945,752.80
Repayments		0.00	3,956,120.00
Total reflows entered into the budget, of which:		602,789.46	4,901,872.80
<i>to the general budget</i>		0.00	0.00
<i>returned to be used</i>		602,789.46	4,901,872.80
Losses from operations			
Guarantees			
Guarantees called		4,563,605.25	12,880,698.16

Guarantee calls recovered		123,750.12	2,712,223.86
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		548,326.28	12,938,223.43
Incentive fees		480,000.00	2,297,500.00
Treasury management fees		18,530.33	186,509.56
Other charges		1,446,610.00	6,045,463.78
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		1,003,741.48	16,887,917.39
Net treasury result (including interest) (gains (+) / losses (-))		1,075,560.32	3,776,006.78
Net FX gains (+) / losses (-)		0.00	-126,575.00
Other revenues		0.00	613.26
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		410,447,417.25	327,617,253.02
Value of equity investments		257,718,836.25	235,233,973.02
<i>Investment at cost</i>		200,414,097.10	186,256,700.72
Value of loans		0.00	0.00
<i>Loans at cost</i>		0.00	0.00
Financial liabilities and provisions		21,807,316.00	24,820,996.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		41,308,755.39	40,690,535.62
<i>in euro</i>		41,308,755.39	40,690,535.62
<i>in non-euro currencies</i>		0.00	0.00
Other financial assets (including short term deposits >3months)		5,562,693.00	5,682,150.00

Notes to the financial information

- (1) ENEF provides equity and quasi-equity. The total fund size is EUR 48.5 million, and the EU contribution is of EUR 11 million, which represents the 22.68% of the total fund. ENIF provides equity and quasi-equity and the total fund size is EUR 41.43 million, and the EU contribution is of EUR 14.1 million, which represents the 34.03% of the total fund.

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

Financial information per implementing partner and instrument

EUR

Implementing Partner			EBRD	EIF	KfW	CDP	TOTAL
Budgetary commitments		2025	-	-	-	9,427,543.20	9,427,543.20
		Aggregated	19,000,000.00	160,637,963.74	214,363,543.18	9,427,543.20	403,429,050.12
Budgetary payments		2025	5,000,000.00	11,306,202.00	10,253,226.31	-	26,559,428.31
		Aggregated	10,000,000.00	97,656,202.00	57,275,056.36	-	164,931,258.36
Amounts committed by the Implementing Partner	Grants (including TA)	2025	N/A	N/A	N/A	N/A	-
		Aggregated	N/A	N/A	N/A	N/A	-
	Financial instruments	2025	N/A	N/A	N/A	N/A	-
		Aggregated	N/A	N/A	N/A	N/A	-
	Own resources	2025	N/A	N/A	N/A	N/A	-
		Aggregated	N/A	N/A	N/A	N/A	-
Administrative expenditure	Management fees	2025	47,630.00	839,226.91	160,000.00	-	1,046,856.91
		Aggregated	146,022.86	14,749,335.46	526,874.67	-	15,422,232.99
	Other charges	2025	-	-	1,446,610.00	-	1,446,610.00
		Aggregated	-	1,493,549.28	4,551,914.50	-	6,045,463.78
	Total	2025	47,630.00	839,226.91	1,606,610.00	-	2,493,466.91
		Aggregated	146,022.86	16,242,884.74	5,078,789.17	-	21,467,696.77

Financial Information (EUR)	Guarantee Facility I (GF I) under the Western Balkans Enterprise Development and Innovation Facility		Guarantee Facility II (GF II) under the Western Balkans Enterprise Development and Innovation Facility		Enterprise Expansion Fund (ENEF) under the Western Balkans Enterprise Development and Innovation Facility		Enterprise Expansion Fund II (ENEF II) under the Western Balkans Enterprise Development and Innovation Facility		Enterprise Innovation Fund (ENIF) under the Western Balkans Enterprise Development and Innovation Facility	
Type of instrument	Guarantee		Guarantee		Equity		Equity		Equity	
Year of inception	2012		2015		2012		2022		2013	
Implementing Partner	EIF		EIF		EIF		EBRD		EIF	
	2025	All years	2025	All years	2025	All years	2025	All years	2025	All years
EU Contribution										
Budgetary commitments	0.00	21,900,000.00	0.00	107,137,363.74	0.00	10,400,000.00	0.00	13,000,000.00	0.00	21,200,000.00
<i>of which from third countries</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>of which from reflows</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Budgetary payments	0.00	21,900,000.00	11,306,202.00	44,156,202.00	0.00	10,400,000.00	5,000,000.00	10,000,000.00	0.00	21,200,000.00
Reflows										
Revenues	0.00	0.00	602,789.46	345,752.80	0.00	0.00	0.00	0.00	0.00	0.00
Repayments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,956,120.00
Total reflows entered into the budget, of which:	0.00	0.00	602,789.46	345,752.80	0.00	0.00	0.00	0.00	0.00	3,956,120.00
<i>to the general budget</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>returned to be used</i>	0.00	0.00	602,789.46	345,752.80	0.00	0.00	0.00	0.00	0.00	3,956,120.00
Losses from operations										
Guarantees										
Guarantees called	0.00	1,328,834.00	4,563,605.25	10,351,864.16	0.00	0.00	0.00	0.00	0.00	0.00
Guarantee calls recovered	0.00	743,636.37	123,750.12	1,368,587.43	0.00	0.00	0.00	0.00	0.00	0.00
Equities										
Realised losses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans										
Write offs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Management fees and other charges										
Administrative fees	0.00	1,900,000.00	49,318.00	3,614,543.00	132,825.19	1,324,321.04	47,630.00	146,022.86	38,553.09	5,426,461.86
Incentive fees	0.00	0.00	480,000.00	2,297,500.00	0.00	0.00	0.00	0.00	0.00	0.00
Treasury management fees	0.00	58,315.23	18,530.33	128,194.33	0.00	0.00	0.00	0.00	0.00	0.00
Other charges	0.00	263,375.17	0.00	25,500.00	0.00	-0.35	0.00	0.00	0.00	1,204,674.46
Revenues										
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)	0.00	0.00	0.00	213,828.77	1,003,741.48	709,927.22	0.00	0.00	0.00	15,364,161.40
Net treasury result (including interest) (gains (+) / losses (-))	0.00	302,176.01	472,403.00	1,630,095.34	447,614.43	608,648.01	19,546.00	236,158.20	135,936.83	398,328.78
Net FX gains (+) / losses (-)	0.00	-124,439.00	0.00	-2,076.00	0.00	0.00	0.00	0.00	0.00	0.00
Other revenues	0.00	486.26	0.00	0.00	0.00	0.00	0.00	0.00	0.00	127.00
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Risk exposure										
Maximum financial risk exposure	0.00	0.00	34,843,207.00	80,870,237.00	183,406.78	4,418,613.83	15,998,815.00	15,866,014.00	19,360,388.25	17,338,768.18
Value of equity investments	0.00	0.00	0.00	0.00	183,406.78	4,418,613.83	6,513,341.00	4,354,371.00	19,360,388.25	17,338,768.18
<i>Investment at cost</i>	0.00	0.00	0.00	0.00	0.00	3,305,536.07	6,515,126.00	4,486,357.00	3,596,124.37	3,611,633.31
Value of loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Loans at cost</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial liabilities and provisions	0.00	0.00	21,807,316.00	24,820,396.00	0.00	0.00	0.00	0.00	0.00	0.00
Assets under treasury management										
Balance in the fiduciary bank account (including short term deposits <3months)	0.00	0.00	25,583,211.86	18,586,616.01	11,287,314.01	6,723,247.20	3,022,555.75	181,178.10	1,415,673.77	1,362,720.62
<i>in euro</i>	0.00	0.00	25,583,212.00	18,586,616.01	11,287,314.00	6,723,247.20	3,022,556.00	181,178.10	1,415,673.00	1,362,720.62
<i>in non-euro currencies</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other financial assets (including short term deposits >3months)	0.00	0.00	5,562,693.00	5,682,150.00	0.00	0.00	0.00	0.00	0.00	0.00

Financial Information (EUR)	Green for Growth Fund (GGF)		European Fund for Southeast Europe (EFSE)		EU-KfW WB Guarantee Covid-19 Response - Supporting Entrepreneurs and MSMEs to Safeguard Employment		GGF II - Promoting Green Lending in the Western Balkans		Sustainable Access to Finance for Entrepreneurship	
Type of instrument	Blending		Blending		Guarantee		Blending		Blending	
Year of inception	2003		2005		2022		2022		2025	
Implementing Partner	KfW		KfW		KfW		KfW		CDP	
	2025	All years	2025	All years	2025	All years	2025	All years	2025	All years
EU Contribution										
Budgetary commitments	0.00	75,855,283.10	0.00	114,508,254.08	0.00	0.00	0.00	24,000,000.00	9,427,543.20	9,427,543.20
<i>of which from third countries</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>of which from reflows</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Budgetary payments	0.00	16,613,426.37	1,870,000.00	18,441,623.39	0.00	0.00	8,383,226.31	22,220,000.00	0.00	0.00
Reflows										
Revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Repayments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total reflows entered into the budget, of which:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>to the general budget</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>returned to be used</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Losses from operations										
Guarantees										
Guarantees called	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Guarantee calls recovered	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equities										
Realized losses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans										
Write offs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Management fees and other charges										
Administrative fees	20,000.00	200,000.00	20,000.00	206,874.67	0.00	0.00	120,000.00	120,000.00	0.00	0.00
Incentive fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Treasury management fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other charges	0.00	0.00	1,215,335.00	4,320,639.50	0.00	0.00	231,275.00	231,275.00	0.00	0.00
Revenues										
Revenues from operations (Risk remuneration, dividends, realized gains, fees, interests on loans)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net treasury result (including interest) (gains (+) / losses (-))	0.00	0.44	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net FX gains (+) / losses (-)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Risk exposure										
Maximum financial risk exposure	9,862,467.73	69,860,759.25	140,708,579.37	138,660,860.70	48,400,500.00	0.00	81,090,053.12	0.00	0.00	0.00
Value of equity investments	9,862,467.73	69,860,759.25	140,708,579.37	138,660,860.70	0.00	0.00	81,090,053.12	0.00	0.00	0.00
<i>Investment at cost</i>	9,450,000.00	68,083,232.73	96,219,614.00	100,763,341.01	0.00	0.00	78,633,232.73	0.00	0.00	0.00
Value of loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Loans at cost</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial liabilities and provisions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assets under treasury management										
Balance in the fiduciary bank account (including short term deposits <3months)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13,836,773.63	0.00	0.00
<i>in euro</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13,836,773.63	0.00	0.00
<i>in non-euro currencies</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other financial assets (including short term deposits >3months)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

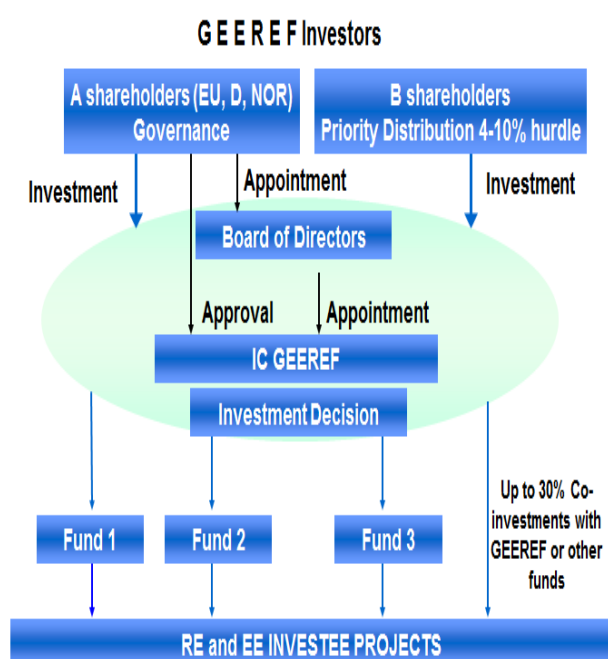
5.2 Global Energy Efficiency and Renewable Energy Fund (GEEREF)

Description

Identification / Reference to the basic act			
Regulation (EC) No 1905/2006 of the European Parliament and of the Council of 18 December 2006 establishing a financing instrument for development cooperation.			
Regulation (EU) No 233/2014 of the European Parliament and of the Council of 11 March 2014 establishing a financing instrument for development cooperation for the period 2014-2020.			
Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action.			
Budget lines			
E.14029902.04			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	0.00	0.00
Budgetary payment appropriations	0.00	0.00	0.00

Initial financial envelope:	EUR 25,000,000.00
Current financial envelope ¹⁶⁵ :	EUR 101,100,000.00
Overall financial envelope:	EUR 101,100,000.00

General description



GEEREF is a Fund-of-Funds, established as the first compartment of the European Initiative on Clean, Renewable Energy, Energy Efficiency and Climate Change related to Development SICAV, SIF. Its aim is promoting energy efficiency and renewable energy in developing countries and economies in transition. In addition to the European Commission, Norway and Germany have invested approximately EUR 13 and 23 million respectively in GEEREF and were actively involved in its creation. The Commission, Norway and Germany have all subscribed to first loss shares, and are called “A shareholders”. In addition, 24 private investors have committed EUR 110 million to the fund, while the European Investment Bank (EIB) has also invested EUR 10 million. The EIB and the private investors (called “B Shareholders”) have second-loss shares in the fund.

Duration

The European Commission mandate to EIB Group was signed in December 2007. GEEREF’s duration is 15 years from the initial closing date, 6 November 2008 and the investment period ended in 2019. The duration of the activities will last until the liquidation of the Fund, which started on 6 November 2025 and is expected

¹⁶⁵ Committed amounts budget and EDF. The EUR 101.1 million also include EUR 5 million for Technical Assistance and EUR 20 million financed under the European Development Fund (‘EDF’).

to end by end of 2030. The Board, the Advisor and Sub-Advisor are considering all possible options to harvest the value in the context of GEEREF's liquidation.

Added value, final recipients and projects

The goal of GEEREF is to invest in private equity investment funds with a regional focus on small and medium-sized projects in developing countries and economies in transition, which contribute to the development and extension of renewable energy, energy efficiency and related clean energy technology markets and services. In turn, these funds invest in private sector projects, increasing the leveraging effect of GEEREF's investments.

Financial institutions involved in implementation

GEEREF is advised by the EIB Group.

Operational Performance

The current operations and results are covered by the full contribution committed (not only by the EC budget share) and have been slightly impacted by inflationary pressures. Over the fourth quarter of 2025 the performance of GEEREF remained broadly unchanged.

As of 31 December 2025, the Fund has signed commitments to 15 portfolio funds, of which 12 are still active:

- In 2009, the Fund invested ZAR 108.5 million (EUR 10 million at prevailing exchange rate) in Evolution One, which focuses on clean energy investment in Southern African Development Community ("SADC") countries. The fund is in a liquidation process and the Manager is doing its best to secure a liquidity event for Evolution One Fund LPs in the shortest timeframe.
- In 2009, the Fund invested EUR 12.5 million in the Renewable Energy Asia Fund ("REAF"), which focuses on renewable energy projects in Asia (primarily India and the Philippines). REAF is currently in liquidation with two remaining assets. The team has successfully raised a successor fund, REAF II, into which GEEREF has also committed, cf. below for further information on REAF II.
- In 2010, the Fund made a conditional commitment of EUR 10 million in the DI Frontier Market Energy & Carbon Fund ("DI Frontier"), a private equity fund concentrating on renewable energy infrastructure in Eastern Africa. 13 out of the 19 project companies of the DI Frontier's portfolio were sold to Frontier II. The Fund used the proceeds of the sale of assets to Frontier II to finance the remaining capital need for the remaining assets.
- In 2011, the Fund made a conditional commitment of the USD equivalent of EUR 12.5 million (converted into USD 18.1 million) to Emerging Energy Latin America Fund II (formerly Cleantech Latin America Fund II), a private equity fund investing primarily in renewable energy infrastructure in Latin America and the Caribbean. Signature of the conditional commitment was completed on 4 July 2011. The last asset has been sold and the fund partnership has been dissolved on 7 November 2016 and no longer exists.
- In 2012, the Fund invested the USD equivalent of EUR 10 million in the Armstrong South East Asia Clean Energy Fund ("Armstrong") - a fund concentrating on investments in Southeast Asia. The last asset was exited in December 2022. Liquidation process of the fund was completed in H1 2024.
- At the end of December 2012, GEEREF signed a conditional commitment of EUR 10 million in the MicroCarbon Development Fund ("MCDF") - a fund focusing on energy efficiency projects in Central America and the Caribbean. In 2013, the fund changed its name to MGM Sustainable Energy Fund ("MSEF"). MSEF has now committed or allocated all its capital into 28 investments, 19 still active. MSEF entered into liquidation in November 2025. The Manager is executing investment sales and early contract termination agreements to monetise the 19 investments.

- At the end of December 2014, GEEREF signed a EUR 12 million, in Indian Rupees, commitment to Solar Arise India Project Private Limited, an investment vehicle focussing on solar photovoltaic (“PV”) investments in India. The sale transaction of GEEREF stake in Solar Arise was closed in January 2023.
- On 12 June 2015, GEEREF signed a USD 13 million conditional commitment agreement to the Caucasus Clean Energy Fund I (“CCEF”). The fund is invested primarily in small and medium scale green-field run-of-river HPPs, with a capacity of approximately 10-20 MW. The fund made 8 investments (6 still active).
- On 14 September 2015, GEEREF signed a USD 19.6 million commitment into the Africa Renewable Energy Fund (“AREF”), a fund focusing on renewable energy infrastructure investments (small and medium-sized hydro, wind, solar PV, geothermal and biomass projects) across Sub-Saharan Africa (except South Africa). The fund invested in 18 companies (9 still active) and is in liquidation period.
- In December 2015, GEEREF signed a conditional commitment of up to EUR 15 million to the Renewable Energy Asia Fund II (“REAF II”). REAF II is the first follow-on fund from the existing GEEREF portfolio and successor to the Renewable Energy Asia Fund. The final close of REAF II was achieved in November 2017 at a size of just above USD 200 million. The fund has built a portfolio of 15 projects, early-stage renewable assets or project developers across different Asian countries.
- In July 2016, GEEREF signed a USD 16.6 million commitment to the Catalyst MENA Clean Energy Fund (“Catalyst” or “CMCF”) which reached a size of USD 57.3 million. The investment period was restated as a result of a remedial action plan requested by the fund’s limited partners. CMCF concentrates on renewable energy and energy efficiency investments in the Middle East and North Africa, with a special focus in Jordan. It made 6 investments (1 still active).
- In December 2016, GEEREF signed a USD 21 million conditional commitment to Evolution II, the successor fund to Evolution One to focus on Sub-Saharan Africa. The portfolio is composed of 12 growth capital investments and infrastructure-type investments in the RE/EE and resource efficiency space, favouring the infrastructure-type investments.
- In March 2017, GEEREF signed a commitment of USD 20.8 million (equivalent of EUR 20 million) in Frontier Energy II, the successor fund to DI Frontier Fund (see above), targeting renewable energy projects in East Africa. By the end of Q4 2025 the Fund had deployed USD 198.6 million to 30 investments resulting in net deployed capital of USD 173.0 million. The 30 investments are structured in 32 portfolio companies with two investments being made via two portfolio companies. Of the 30 investments, 8 are in operation, 2 in construction, 2 have been exited before reaching construction, and 4 are to be liquidated in the near future as they are not able to reach construction. The remaining 14 investments are all in development stage and one of these 14 renewable energy investments is expected to be constructed within this Fund’s life.
- In March 2019, MSEF II, the successor fund to MSEF achieved a closing including GEEREF. The final closing at USD 125 million occurred in Q3 2020. The main focus remains on energy efficiency projects in Latin America. The portfolio has as of 2025, 27 ESG-focused investments located in 7 countries (22 still active). In terms of jobs and small and medium enterprise (SME) support, during 2025, MSEF II investments contributed to 2,722 new jobs and generated business opportunities for 1,521 SMEs.
- In July 2019, GEEREF made a USD 19.6 million commitment in a pan-African renewable fund ARCH Africa Renewable Power Fund L.P. (“ARPF”). This fund already had a first close in February 2019 and a final closing in July 2021. Together with the General Partner and GEEREF, investors committed roughly USD 133 million to ARPF. As of end 2025, ARPF made seven investments (6 still active).

Contribution to the achievement of the objectives of the programme

The GEEREF is effectively contributing to deliver projects of EU added value in energy access and efficiency. It is expected that the GEEREF will lead to an increased engagement of the private sector by providing “patient capital”. This will improve the investment conditions for private equity co-investors or senior lenders, thereby making selected project/SMEs eligible for funding from these sources, previously outside their reach. GEEREF ensures review and enhancement of the funds’ Environmental and Social (E&S) practices via regular monitoring.

As reported by the Fund Manager at the end of 2025, GEEREF has achieved the following results¹⁶⁶:

- 5.2 GW of clean energy capacity in different stages until December 2023¹⁶⁷ (1.6 GW in development, 0.4 GW in construction, 3.1 GW in operation).
- 8,856 GWH of clean energy have been generated in 2023¹⁶⁸ and 151 GWH of energy saved per year thanks to investments supported by GEEREF. This is equivalent to the annual energy consumption of more than 5.2 million households.
- 4.12 million tons of yearly emissions of CO2 equivalent expected to be avoided.
- As of end 2023¹⁶⁹, GEEREF’s operational projects (including projects exited by the funds) had a climate mitigation effect of 24 million tonnes CO2 equiv. (cumulatively since 2015).
- GEEREF investments supported 7.1 thousand permanent male jobs; 3.7 thousand permanent female jobs; 24.1 thousand temporary male jobs; 11.3 thousand temporary female jobs and 194.6 thousand training hours.

Geographical diversification

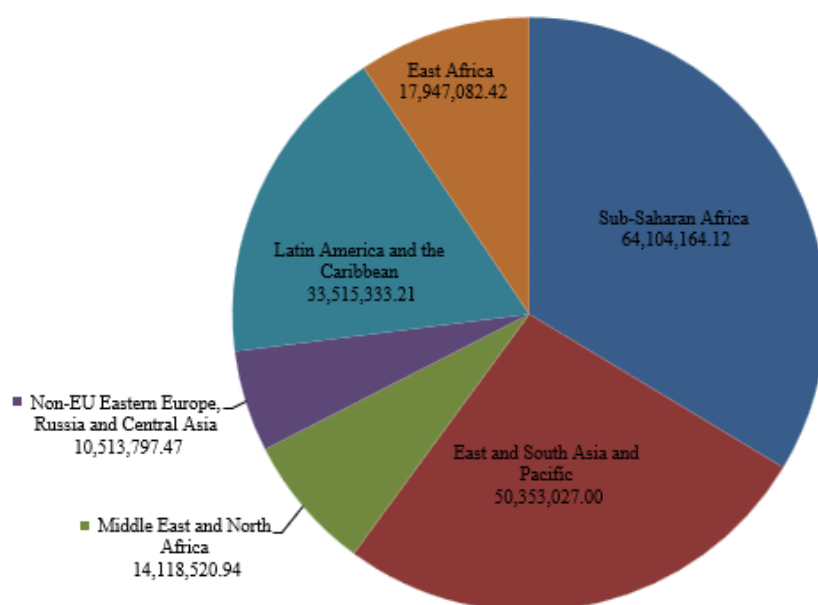
The scope of GEEREF is to support regional sub-funds for Sub-Saharan Africa, Caribbean, and Pacific Island States, the countries of the European Neighbourhood Policy and Russia, Latin America, and Asia (including Central Asia and the Middle East). There is a special emphasis on serving the needs of the African Caribbean and Pacific (ACP) countries.

¹⁶⁶ Based on the Impact Report 2023, latest available.

¹⁶⁷ Latest data available to date.

¹⁶⁸ Latest data available to date.

¹⁶⁹ Latest data available to date.



Main issues for the implementation

GEEREF is fully invested and the investment period ended in 2019. GEEREF has committed to 15 investments of which 12 are still active. No new investments will be concluded and GEEREF is in its divestment phase. Over the coming months several funds will enter into the liquidation/winding down stage as they end their life and are exited.

In 2025 GEEREF, its operations and funds, as the worldwide economy was affected by the effects of the inflation pressures. Exiting investments at attractive valuations remains a challenge. In particular on the African continent liquidity for exits is scarce.

Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed	99,290,617.00 ¹⁷⁰	101,100,000.00 ¹⁷¹
Leverage effect	1.92	2.18
Multiplier effect	12.93	9.89
Operations	15	13
Financing provided to final recipients	190,551,925.00	220,000,000.00
Number of final recipients	215	73
Investments made by final recipients due to the received financing	1,284,219,995.00	1,000,000,000.00

¹⁷⁰ Including the financing from the European Development Fund ('EDF').

¹⁷¹ EUR 101.1 million including EUR 5 million for Technical Assistance and EUR 20 million financed under European Development Fund ('EDF').

Financial Information

Financial Information (EUR)	Global Energy Efficiency and Renewable Energy Fund (GEEREF)		
Type of instrument	Equity		
Year of inception	2007		
Implementing Partner	EIF		
	Notes	2025	All years
EU Contribution	(1)		
Budgetary commitments		0.00	80,615,616.65
<i>of which from third countries</i>		0.00	0.00
<i>of which from reflows</i>		0.00	0.00
Budgetary payments		0.00	79,515,616.65
Reflows	(2)		
Revenues		0.00	121,653.58
Repayments		0.00	0.00
Total reflows entered into the budget, of which:		0.00	121,653.58
<i>to the general budget</i>		0.00	121,653.58
<i>returned to be used</i>		0.00	0.00
Losses from operations			
Guarantees			
Guarantees called		0.00	0.00
Guarantee calls recovered		0.00	0.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		111,403.51	1,556,240.34
Incentive fees		0.00	0.00
Treasury management fees		0.00	0.00
Other charges		0.00	3,756,081.00
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		0.00	0.00
Net treasury result (including interest) (gains (+) / losses (-))		57,940.04	271,523.78
Net FX gains (+) / losses (-)		0.00	46,612.57
Other revenues		0.00	0.00
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		54,327,621.25	57,545,079.36
Value of equity investments		54,327,621.25	57,545,079.36
<i>Investment at cost</i>		74,301,000.00	74,301,000.00
Value of loans		0.00	0.00

<i>Loans at cost</i>		0.00	0.00
Financial liabilities and provisions		0.00	0.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		3,430,924.49	3,372,984.45
<i>in euro</i>		3,430,925.49	3,372,984.45
<i>in non-euro currencies</i>		0.00	0.00
Other financial assets (including short term deposits >3months)		0.00	0.00

Notes to the financial information

- (1) Commitments and payments from budget only. Includes technical assistance.
- (2) The reflows have been sent back to the General Budget. They will not be re-used.

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

5.3 Facility for Euro-Mediterranean Investment and Partnership (FEMIP) - Debt instrument

Description

Identification / Reference to the basic act			
Regulation (EC) No 1638/2006 of the European Parliament and of the Council of 24 October 2006 laying down general provisions establishing a European Neighbourhood and Partnership Instrument (OJ L 310, p. 9.11.2006, p.1)			
Budget lines			
22.04.51.00 and 14.029901			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	0.00	0.00
Budgetary payment appropriations	0.00	0.00	0.00

Initial financial envelope ¹⁷² :	N/A
Current financial envelope:	N/A
Overall financial envelope:	N/A

General description

FEMIP was created in October 2002, following the conclusions of the Barcelona European Council in March 2002 stating that private sector development in the Mediterranean region should be enhanced to facilitate a higher level of economic growth. FEMIP combines loans of the European Investment Bank (EIB) with EU budget resources to provide technical assistance, risk capital and interest rate subsidies to promote sustainable economic growth in the region, through investments in infrastructure and especially in private sector development. Operations under FEMIP are implemented in indirect centralised management with EIB. The EIB is entrusted to carry out the implementation of these operations.

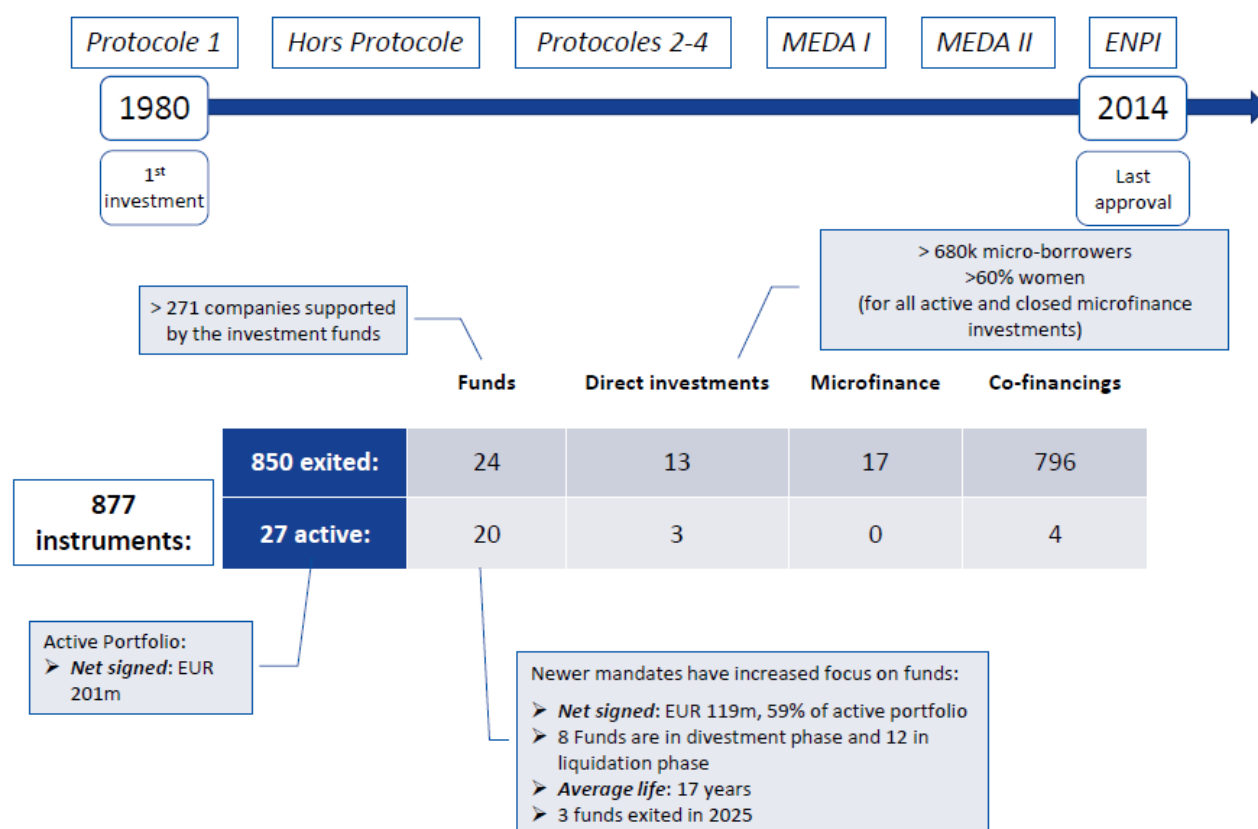
Countries that have received funding so far are Algeria, Egypt, Jordan, Lebanon, Morocco, Palestine¹⁷³, and Tunisia. Cross-border or regional projects are also eligible.

Overview on FEMIP risk capital operations:

The overall FEMIP portfolio is made up of 4 different instrument types: funds, direct investments, microfinance operations and co-financings. The active portfolio is now in its wind-down phase.

¹⁷² For FEMIP there are no voted commitment appropriations at basic act or programming level specifically for financial instruments.

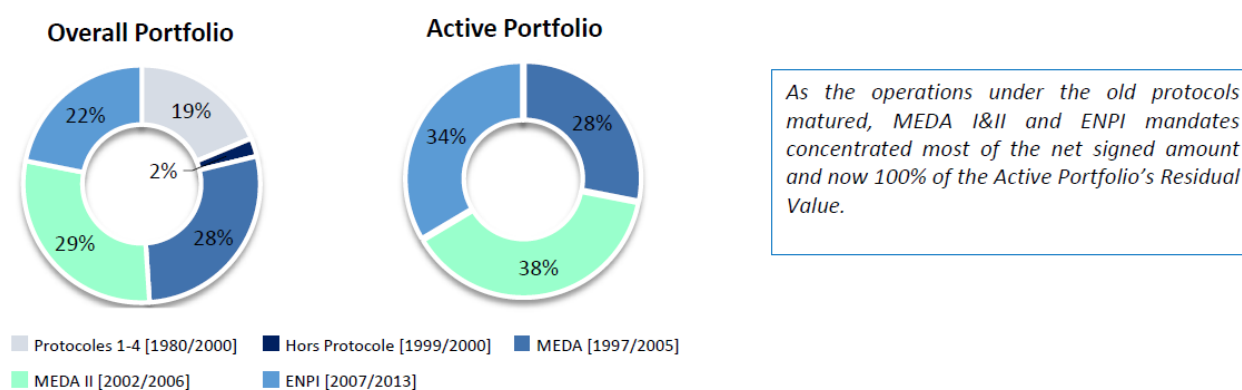
¹⁷³ This designation shall not be construed as recognition of a State of Palestine and is without prejudice to the individual positions of the Member States on this issue.



Source: 2025 FEMIP Annual Report on Risk Capital (EIB)

It should be noted that the financial reporting only covers the financial instruments under ENPI. However, the overall narrative covers the entire FEMIP portfolio. The below graphs depict the breakdown by mandate. Only MEDA, MEDA II and ENPI remain active.

Breakdown per Mandate – by number of investments



Duration

The last commitment in the framework of the FEMIP was decided in 2014, with an effective last payment on 5 February 2016.

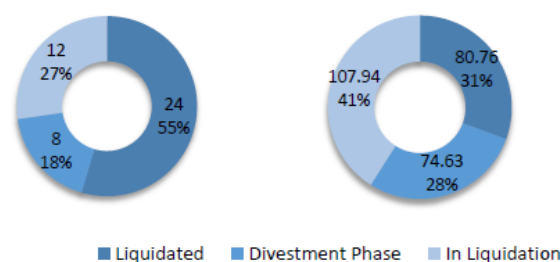
Added value, final recipients and projects

Regarding risk capital operations, the investments helped develop the financial sector and provided a sustained, tangible impact on the local and regional economies. About 1,100 final recipients have been reached through the funds, co-financings, and direct investments made, and more than 680,000 final recipients have been supported through the microfinance operations (of which more than 60% are women).

Overall	EUR 232m Net Signed Amount
• 44 funds in the Overall Funds Portfolio	
Active	EUR 119m Net Signed Amount
• 20 funds in the Active Funds Portfolio	
TVPI	0.87x for the Active Funds Portfolio

Maturity of the funds by number and net signed amount

By number of funds By net signed amount (EUR m)

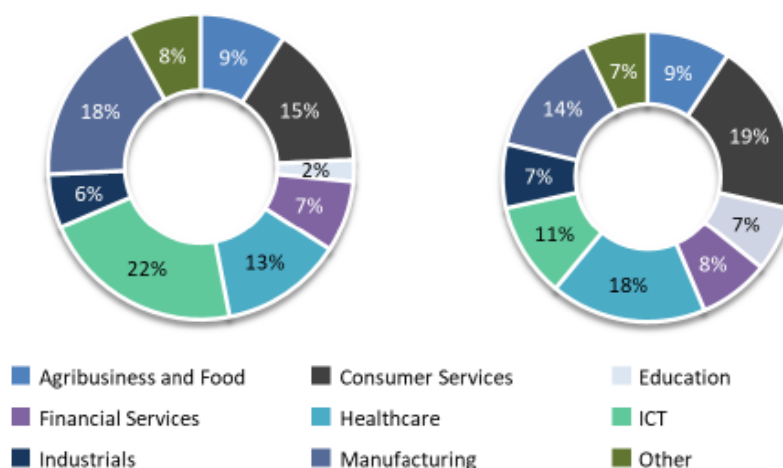


TVPI: Total Value to Paid-in Capital (also known as the ‘Investment Multiple’) is a measure of the performance of a private equity fund. It represents the total value of a fund relative to the amount of capital paid into the fund to date.

Investment by Sector – final beneficiaries (Overall Funds’ Portfolio)

By number of investments

By cost (EUR m)

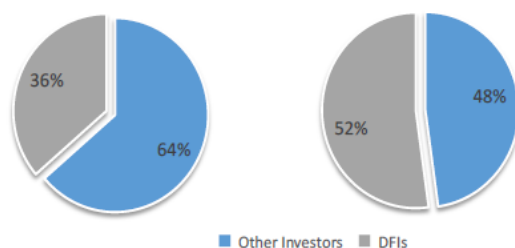


Financial institutions involved in implementation

Overview of the co-investors types – Overall fund’s portfolio

By number of investors

By committed amount



- Funds achieve a catalytic effect by gathering together and thus leveraging their investors’ minority stakes
- The results on investments are maximized by cooperation with the companies’ management and finding/creating synergies between the fund’s portfolio investments
- DFI investors represent a smaller number but higher commitments than non-DFIs
- DFIs (including EIB) often act as anchor investors, with larger commitments to ensure sustainability of the business model
- Private investors (especially if new to the region and/or to the fund management team) tend to more prudently commit smaller tickets.

The most common DFI co-investors in the region are IFC (World Bank Group), followed by European national development banks and institutions (France, UK, Germany, Belgium, the Netherlands, Switzerland) and Moroccan development institutions.

Operational Performance

Contribution to the achievement of the objectives of the programme

Risk capital operations under FEMIP are an important financing instrument for the Mediterranean region as they are providing a stable source of funding, supporting the development of the private sector in an environment with a recognised lack of equity resources:

- They help promote best market standards in the private equity and venture capital sector and encourage necessary policy developments.
- They cover the shortage of equity resources (particularly for SMEs).
- They benefit from the EIB's track record as a shareholder of bringing additional non-financial value by:
 - attracting other potential investors and thus helping to mobilise funds,
 - encouraging funds to follow good international market practice in terms of governance and reporting, and
 - being involved at the board level/investment committee/advisory committee of final recipients.

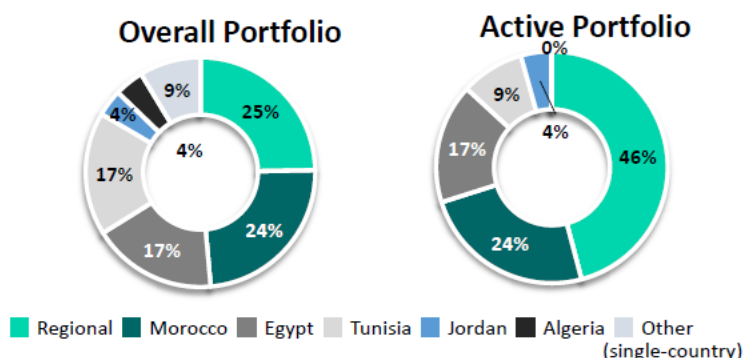
The performance of the overall FEMIP portfolio (funds, direct investments, microfinance operations and co-financings) measured by Total Value to Paid-In (TVPI) is 0.95x in 2025 (as compared to 0.94x in 2024). The TVPI of the active portfolio is 0.87x. This implies that the EUR 510.6 million disbursed are not expected to be fully recovered. However, this performance level still shows that regional private sector development and job creation can be supported through financial instruments which operate close to financial sustainability (as opposed to non-refundable tools).

It should be noted that the overall positive performance of the portfolio in 2025 is attributable to attractive exits at fund investees' level. However, this positive outcome does not reflect the generally negative performance trend observed across the remaining active portfolio (across nearly all countries and sectors) at end-2025. The remaining tail-end assets are more difficult to exit and are also the most exposed to the challenging macroeconomic environment (see section on “Main issues for the implementation”).

Geographical diversification

Breakdown per Country – by number of investments

The higher proportion of regional operations in the Active portfolio reflects the maturing market, particularly with respect to recurring fund managers, who feel more comfortable expanding their business beyond their initial single-country focus.



Main issues for the implementation

The portfolio continues to operate in a challenging environment marked by elevated geopolitical instability in the region, a persistent shortage of strategic buyers, and complex legal and regulatory frameworks that continue to act as exit barriers. Even where fund investees are fully exited, administrative and legal constraints often delay the formal closure of funds. The absence of an efficient secondary market remains a

structural limitation. Although economic growth has been stronger than in previous years, economies continue to suffer from high levels of government debt and elevated fiscal deficits. Political instability, elevated tax rates, corruption, competition from the informal sector, issues with electricity and a lack of access to finance are the top obstacles leading to pressure on business environment, along with persistent inflation putting pressure on FEMIP economies, and contributing to further pressure on valuation levels across the FEMIP portfolio.

Lastly, this is a maturing portfolio. Funds have all reached their tail-end phase and keep focusing efforts on selling the last unrealised assets or completing their administrative phase of wind down. This phase often leads to stagnating or diminishing returns over time, as the last assets to exit are often the most challenging ones.

Performance, financing and investments¹⁷⁴

Key figures (EUR)	Actual	Target
EU Contribution committed	224,000,000.00	N/A
Leverage effect	2.40	N/A
Multiplier effect	N/A	N/A
Operations	N/A	N/A
Financing provided to final recipients	537,300,000.00	N/A
Number of final recipients	681,100	N/A
Investments made by final recipients due to the received financing	N/A	N/A

Financial Information

Financial Information (EUR)	Facility for Euro-Mediterranean Investment and Partnership (FEMIP)		
Type of instrument	Blending		
Year of inception	2002		
Implementing Partner	EIB		
	Notes	2025	All years
EU Contribution	(1)		
Budgetary commitments		0.00	224,000,000.00
<i>of which from third countries</i>		0.00	0.00
<i>of which from reflows</i>		0.00	0.00
Budgetary payments		0.00	224,000,000.00
Reflows	(2)		
Revenues		0.00	3,433,052.01
Repayments		0.00	71,620,513.48
Total reflows entered into the budget, of which:		0.00	75,053,565.49
<i>to the general budget</i>		0.00	36,484,845.45
<i>returned to be used</i>		0.00	38,568,720.04
Losses from operations			
Guarantees			

¹⁷⁴ The figures reported here relate only to “FEMIP ENPI” in line with the obligations of Article 41(4) of the Financial Regulation while the narrative above refer to FEMIP overall (“MEDA” and “ENPI”) since inception.

Guarantees called		0.00	0.00
Guarantee calls recovered		0.00	0.00
Equities			
Realised losses		6,558,617.00	15,233,936.00
Loans			
Write offs		1,513,398.00	1,513,398.00
Management fees and other charges			
Administrative fees		626,764.00	17,408,456.01
Incentive fees		0.00	0.00
Treasury management fees		0.00	0.00
Other charges		3,700.00	21,504,814.00
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		2,774,674.00	9,541,717.00
Net treasury result (including interest) (gains (+) / losses (-))		490,754.00	2,663,427.00
Net FX gains (+) / losses (-)		-1,959,349.00	-1,091,068.59
Other revenues		0.00	1,043,091.01
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		17,083,535.71	29,758,903.71
Value of equity investments		13,675,415.71	25,683,379.71
<i>Investment at cost</i>		35,148,673.71	48,548,753.71
Value of loans		0.00	0.00
<i>Loans at cost</i>		0.45	1,509,173.45
Financial liabilities and provisions		0.00	0.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		24,756,375.00	20,055,677.00
<i>in euro</i>		21,543,109.00	16,446,639.00
<i>in non-euro currencies</i>		3,213,266.00	3,609,038.00
Other financial assets (including short term deposits >3months)		0.00	0.00

Notes to the financial information

- (1) In 2025, there were no new budgetary commitments or payments.
- (2) In 2025, there were no reflow of funds. In total, the Commission recovered EUR 75,053,565.49, of which EUR 36,484,845.45 entered into the general budget and EUR 38,568,720.04 were returned to the financial instrument.

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

5.4 ACP Trust Fund (ACP TF)

Description

Identification / Reference to the basic act			
Regulation (EU) No 947/2021 of the European Parliament and of the Council of 9 June 2021 establishing the NDICI (Neighbourhood, Development and International Cooperation Instrument - Global Europe).			
Budget lines			
E.14020160			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	127,482,352.15	0.00
Budgetary payment appropriations	0.00	0.00	0.00

Initial financial envelope:	EUR 125,500,000.00
Current financial envelope:	EUR 372,517,647.85
Overall financial envelope:	EUR 500,000,000.00

General description

The ACP Trust Fund was signed in March 2023 between the European Commission (EC) and the European Investment Bank (EIB) and has EUR 500 million committed by the EC. These are reflows from the former ACP Facilities, after Council decision 2020/2233 in December 2020. The ACP Trust Fund - EU Compartment focus is on private sector operations in Eligible Countries characterised by high risk, expected to achieve high impact, such as equity, quasi equity, local currency lending, lending to fragile countries and co-financing with EFSD+ guarantees.

Duration

The implementation period started in March 2023 and will last until 02/03/2043.

Added value, final recipients and projects

The ACP Trust Fund - EU Compartment will focus on private sector operations in Eligible Countries characterised by high risk, expected to achieve high impact, such as equity, quasi equity, local currency lending, lending to fragile countries and co-financing with EFSD+ guarantees.

Currently, 6 operations have been concluded within the ACP Trust Fund mandate:

Operation Name	Contract Amount (EUR)	Signature date	Project fact sheet
BOAD EQUITY INCREASE ¹⁷⁵	28,507,966.22	16/10/2023	https://www.eib.org/en/projects/pipelines/all/20220625
SEEDSTARS AFRICA VENTURES ¹⁷⁶	18,382,352.94 ¹⁷⁷	22/12/2023	https://www.eib.org/en/projects/pipelines/all/20220721
MADAGASCAR SUSTAINABLE AGRICULTURE ¹⁷⁸	20,000,000.00	17/07/2023	https://www.eib.org/en/projects/pipelines/all/20220466
UGANDA TELECOM TOWER	CANCELLED	30/12/2023	https://www.eib.org/en/projects/pipelines/all/20220268

¹⁷⁵ Direct operation.

¹⁷⁶ Indirect operation targeting 25 MSMEs.

¹⁷⁷ The contract amount is USD 20 million, therefore upon conversion to EUR the contract amount may fluctuate from year to year.

¹⁷⁸ Direct operation.

Operation Name	Contract Amount (EUR)	Signature date	Project fact sheet
EXPANSION ¹⁷⁹			
ACP GENDER FINANCE FACILITY - STANBIC ZIMBABWE ¹⁸⁰	20,000,000.00	10/12/2024	https://www.eib.org/en/projects/loans/all/20230133
IPAE III HIGH IMPACT FOR AFRICA FUND ¹⁸¹	15,000,000.00	11/12/2024	https://www.eib.org/en/projects/loans/all/20240243
THE SDG OUTCOMES FUND ¹⁸²	16,453,382.08	04/04/2025	https://www.eib.org/en/projects/pipelines/all/20230829
TOTAL	118,343,701.24		

Financial institutions involved in implementation

European Investment Bank.

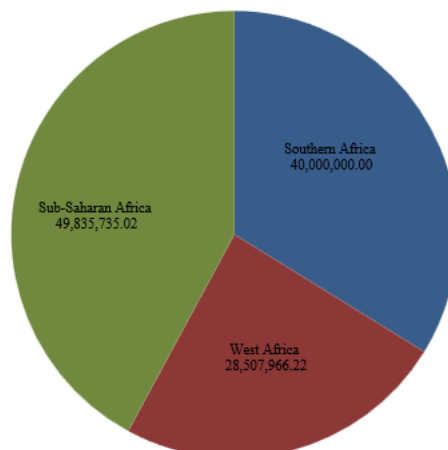
Operational Performance

Contribution to the achievement of the objectives of the programme

The overarching goals of the ACP Trust Fund are in line with the European Union's strategic orientations, Global Gateway priorities and Global Gateway Adjustment plan. This includes Green Deal, and Jobs & inclusive Growth. It has been established to foster the sustainable economic, social and environmental development of ACP countries, with the primary aim of promoting growth and prosperity.

Geographical diversification

Up to 31/12/2025, 6 operations have been signed with detail by sub-regions as per graph below.



Main issues for the implementation

The ACP Trust Fund should demonstrate the added value of EU support, in terms of policy alignment and increased impact for private sector operations. It includes high risk, high impact operations that need to be carefully selected to meet the agreed conditions.

¹⁷⁹ Direct operation.

¹⁸⁰ Indirect operation.

¹⁸¹ Indirect equity investment (impact finance).

¹⁸² Indirect equity investment (impact finance).

The EIB mandate manager confirmed the pipeline for the financial instruments window before the end of the MFF and a pipeline for the Technical Assistance window of this instrument.

Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed	224,752,121.00	500,000,000.00
Leverage effect	0.53	5 to 7
Multiplier effect	1.58	5 to 7
Operations	6	N/A
Financing provided to final recipients	118,343,701.24	2.5 bn to 3.5 bn
Number of final recipients	30	N/A
Investments made by final recipients due to the received financing	355,031,103.72	2.5 bn to 3.5 bn

Financial Information

Financial Information (EUR)	ACP Trust Fund (ACP TF)		
Type of instrument	Equity and Loans		
Year of inception	2023		
Implementing Partner	EIB		
	Notes	2025	All years
EU Contribution			
Budgetary commitments		0.00	372,517,647.85
<i>of which from third countries</i>		0.00	0.00
<i>of which from reflows</i>		0.00	0.00
Budgetary payments		0.00	224,752,120.54
Reflows			
Revenues		0.00	0.00
Repayments		0.00	0.00
Total reflows entered into the budget, of which:		0.00	0.00
<i>to the general budget</i>		0.00	0.00
<i>returned to be used</i>		0.00	0.00
Losses from operations			
Guarantees			
Guarantees called		0.00	0.00
Guarantee calls recovered		0.00	0.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		3,350,605.00	3,888,942.00
Incentive fees		0.00	0.00
Treasury management fees		0.00	0.00

Other charges		365,801.00	27,448,369.00
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		915,300.00	1,279,579.00
Net treasury result (including interest) (gains (+) / losses (-))		4,285,079.00	10,516,837.00
Net FX gains (+) / losses (-)		-5,715,910.00	-3,976,891.00
Other revenues		0.00	0.00
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		79,840,682.00	89,062,500.00
Value of equity investments		11,343,476.00	4,292,084.00
<i>Investment at cost</i>		10,655,036.00	3,931,895.00
Value of loans		26,021,758.00	7,124,877.00
<i>Loans at cost</i>		28,800,085.00	9,500,000.00
Financial liabilities and provisions		0.00	192,007.08
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		138,456,807.00	171,856,539.00
<i>in euro</i>		108,309,127.00	135,338,373.00
<i>in non-euro currencies</i>		30,147,680.00	36,518,166.00
Other financial assets (including short term deposits >3months)		0.00	0.00

Notes to the financial information

N/A

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

5.5 Ukraine Investment Framework (UIF)¹⁸³

Description

Identification / Reference to the basic act			
Regulation (EU) 2024/792 of the European Parliament and of the Council of 29 February 2024 establishing the Ukraine Facility.			
Budget lines			
16.060202			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	164,000,000.00	p.m.	p.m.
Budgetary payment appropriations	111,980,000.00	p.m.	p.m.

Initial financial envelope:	EUR 184,600,000.00
Current financial envelope:	EUR 184,600,000.00
Overall financial envelope:	EUR 184,600,000.00

General description

The Ukraine Facility Regulation entered into force on 1st March 2024, paving the way for the establishment of the Ukraine Investment Framework (UIF). The objective of the UIF is to mobilise investments for the reconstruction, modernisation and long-term growth of Ukraine, supporting the objectives and the implementation of the Ukraine Plan consistent with EU policy priorities. The main purpose of the blending instruments covered in this section is supporting access to finance mostly for micro, small and medium-sized enterprises (MSMEs) which are a core focus of the UIF.

The operations reported in this chapter are a limited sub-set of financial instruments in the form of guarantees or investments in structured funds, which require opening a fiduciary account on behalf of the European Commission by a partner institution. Other components e.g. providing technical assistance or investment grants are not included in the financial overview.

1. EU support to Ukrainian Micro, Small and Medium-Sized Enterprises (top-up) implemented by BGK

The Contribution Agreement was signed on 12 August 2024.

Bank Gospodarstwa Krajowego (BGK) coordinates and manages a EUR 20 million guarantee scheme for Ukrainian partner financial institutions, through Kredobank and PrivatBank. This initiative improves access to financing for MSMEs, supporting the recovery of Ukraine's economy by helping rebuild businesses damaged by the ongoing war. The supported loans are exclusively directed to MSMEs operating in war-affected areas. The guarantee scheme will last 156 months (13 years) from 12 August 2024 to 31 March 2038 (final date of implementation), end date of activities 28 August 2037.

BGK signed 100% guarantee capacity with two Ukrainian banks (Kredobank and PrivatBank) with a lending portfolio of EUR 15 million established by the banks as of end 2025. The facility is exclusively implemented in the war-affected territories of the country.

The program delivered the following results since the launch of the facility: 114 SMEs supported. All the covered portfolio is in war-affected territories with a 96% SME share and approximately 55% capex

¹⁸³ Last year's 41(4) FR report, Chapter 5.5 has been renamed Ukraine Investment Framework (formerly: EU support to Ukrainian Micro, Small and Medium-Sized Enterprises (top-up)) and includes three additional financial instruments.

investment. Collateral reduction reported stands at approximately 25% on average. One of the key achievements of the program is supporting employment in difficult economic conditions: the instruments cover businesses with 6,100 employees.

2. EU4 Business Guarantee Facility Ukraine implemented by EIB

The Contribution Agreement was signed in June 2025.

The facility will enable Ukrainian partner banks to expand lending to SMEs by reducing credit risk and improving access to finance on more favourable terms through first-loss portfolio guarantees. Its main component – a EUR 40 million partial portfolio guarantee – provides credit risk protection on a portfolio basis for loans extended by financial institutions (FIs) to SMEs. The guarantee scheme will last 180 months (15 years) from 20 June 2025 to 19 June 2040.

The facility places particular emphasis on companies directly affected by the war, including displaced businesses, enterprises operating near conflict zones, and those owned or managed by war veterans or internally displaced persons, youth and female-led businesses, as well as start-ups.

As of end of 2025, the facility had not started operational implementation.

3. Green for Growth Fund - Promoting Green Lending in Ukraine (top-up) implemented by KfW

The Contribution Agreement was signed on 15 December 2025.

An EU contribution in the form of first-loss piece (EUR 45 million in C-shares) will enable Green for Growth Fund (GGF) to continue providing essential green financing to businesses in Ukraine. This support will help to strengthen the country's energy security, enhance business resilience, and advance its green transition and future EU integration. GGF will deliver its investments through two main channels. First, it will provide targeted financing and complementary technical assistance to financial institutions (FIs), including local commercial banks, non-bank financial institutions (such as microfinance institutions and leasing companies), and other selected financial entities. Second, it will offer direct financing to non-financial institutions (NFIs), such as companies, energy service providers, renewable energy businesses, infrastructure projects, and small-scale renewable energy and energy efficiency service and supply companies. The scheme will last 246 months (20.5 years) from 15 December 2025 to 14 June 2046.

As of end of 2025, the facility had not started operational implementation.

4. EFSE – Ukraine Sub Fund (top-up) implemented by KfW

The Contribution Agreement was signed on 15 December 2025.

An EU contribution to the new Ukraine Sub-Fund, in the form of first-loss piece (EUR 45 million in C-shares), will enable the European Fund for Southeast Europe (EFSE) to continue providing critical financing to MSMEs in Ukraine. This support will help strengthen the MSME sector, enhance business resilience, promote the (re)integration of vulnerable groups, support financial sector stability and development, and lay the groundwork for MSME integration in European value chains. EFSE will provide targeted, longer-term financing in local currency, as well as subordinated debt, to partner Ukrainian lending institutions to facilitate increased lending to MSMEs. The scheme will last 246 months (20.5 years) from 15 December 2025 to 14 June 2046.

As of end of 2025, the facility had not started operational implementation.

Duration

The UIF is operational since 2024.

Added value, final recipients and projects

Given the wartime environment, limited institutional capacity, and high transaction costs, MSMEs face acute shortages of working capital and insufficient investment resources. They benefit to a limited extent from lending and other forms of support provided by financial institutions. The financial instruments supported under the UIF are instrumental in facilitating access to finance for MSMEs, by targeting underserved market segments and enabling specific target and vulnerable groups to benefit from higher risk coverage. These groups include companies operating in war-affected areas, businesses led by veterans or internally displaced persons (IDPs), women-led enterprises, micro-enterprises, etc. Access to finance strengthens the resilience and adaptability of MSMEs, thereby sustaining employment, supporting the (re)integration of vulnerable groups, and promoting financial sector stability.

Financial institutions involved in implementation

The following financial institutions are involved in implementation: BGK, EIB, KfW.

Operational Performance

Contribution to the achievement of the objectives of the programme

The UIF has enabled the EU to meet some of the key objectives in terms of providing access to finance for the priority target groups in Ukraine.

Please refer to each program general description (see above) for a granular view.

Geographical diversification

Ukraine.

Main issues for the implementation

Key barriers to the deployment of MSME financial instruments include the challenging operating environment for MSMEs, marked by intensified attacks on critical facilities and ongoing energy insecurity, as well as structural constraints such as regional disparities.

Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed	184,600,000.00	184,600,000.00
Leverage effect	0.08 ¹⁸⁴	12.72
Multiplier effect	N/A	N/A
Operations	N/A	N/A
Financing provided to final recipients	15,000,000.00 ¹⁸⁵	2,349,000,000.00
Number of final recipients	114	33,590
Investments made by final recipients due to the received financing	N/A	N/A

¹⁸⁴ Refer to the following footnote for the limited leverage effect.

¹⁸⁵ This figure only comprises the financial instrument EU support to Ukrainian Micro, Small and Medium Sized Enterprise (top-up), the remaining financial instruments presented in this chapter had not started operational implementation by end 2025.

Financial Information

Financial Information (EUR)	Ukraine Investment Framework (UIF)		
Type of instrument	Guarantee, blending		
Year of inception	2024		
Implementing Partner	BGK, EIB, KfW		
	Notes	2025	All years
EU Contribution			
Budgetary commitments		164,000,000.00	184,600,000.00
<i>of which from third countries</i>		0.00	0.00
<i>of which from reflows</i>		0.00	0.00
Budgetary payments		111,980,000.00	117,580,000.00
Reflows			
Revenues		0.00	0.00
Repayments		0.00	0.00
Total reflows entered into the budget, of which:		0.00	0.00
<i>to the general budget</i>		0.00	0.00
<i>returned to be used</i>		0.00	0.00
Losses from operations			
Guarantees			
Guarantees called		0.00	0.00
Guarantee calls recovered		0.00	0.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		364,995.68	364,995.68
Incentive fees		0.00	0.00
Treasury management fees		0.00	0.00
Other charges		813.00	813.00
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		0.00	0.00
Net treasury result (including interest) (gains (+) / losses (-))		110,708.98	137,495.98
Net FX gains (+) / losses (-)		0.00	0.00
Other revenues		0.00	0.00
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		45,100,000.00	20,000,000.00
Value of equity investments		0.00	0.00
<i>Investment at cost</i>		0.00	0.00
Value of loans		0.00	0.00
<i>Loans at cost</i>		0.00	0.00

Financial liabilities and provisions		42,452,887.00	19,473,129.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		105,137,496.00	5,026,787.00
<i>in euro</i>		105,137,496.00	5,026,787.00
<i>in non-euro currencies</i>		0.00	0.00
Other financial assets (including short term deposits >3months)		0.00	0.00

Notes to the financial information

N/A

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

Financial information per implementing partner and instrument

EUR

Implementing Partner			BGK	KFW	EIB	TOTAL
Budgetary commitments		2025	-	100,480,000.00	11,500,000.00	111,980,000.00
		Aggregated	20,600,000.00	100,480,000.00	11,500,000.00	132,580,000.00
Budgetary payments		2025	-	100,480,000.00	11,500,000.00	111,980,000.00
		Aggregated	5,600,000.00	100,480,000.00	11,500,000.00	117,580,000.00
Amounts committed by the Implementing Partner	Grants (including TA)	2025	N/A	N/A	N/A	-
		Aggregated	N/A	N/A	N/A	-
	Financial instruments	2025	N/A	N/A	N/A	-
		Aggregated	N/A	N/A	N/A	-
	Own resources	2025	N/A	N/A	N/A	-
		Aggregated	N/A	N/A	N/A	-
Administrative expenditure	Management fees	2025	46,125.00	280,000.00	38,870.68	364,995.68
		Aggregated	46,125.00	280,000.00	38,870.68	364,995.68
	Other charges	2025	-	813.00	-	813.00
		Aggregated	-	813.00	-	813.00
	Total	2025	46,125.00	280,813.00	38,870.68	365,808.68
		Aggregated	46,125.00	280,813.00	38,870.68	365,808.68

Financial Information (EUR)	EU support to Ukrainian Micro, Small and Medium-Sized Enterprises (top-up)		EFSE - Ukraine Sub Fund (top-up)		Green for Growth - Promoting Green Lending in Ukraine (top-up)		EU4 Business Guarantee Facility Ukraine	
Type of instrument	Guarantee, blending		Blending		Blending		Guarantee, blending	
Year of inception	2024		2025		2025		2025	
Implementing Partner	BGK		KfW		KfW		EIB	
	2025	All years	2025	All years	2025	All years	2025	All years
EU Contribution								
Budgetary commitments	0.00	20,600,000.00	56,050,000.00	56,050,000.00	56,050,000.00	56,050,000.00	51,900,000.00	51,900,000.00
<i>of which from third countries</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>of which from reflows</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Budgetary payments	0.00	5,600,000.00	50,240,000.00	50,240,000.00	50,240,000.00	50,240,000.00	11,500,000.00	11,500,000.00
Reflows								
Revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Repayments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total reflows entered into the budget, of which:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>to the general budget</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>returned to be used</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Losses from operations								
Guarantees								
Guarantees called	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Guarantee calls recovered	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equities								
Realised losses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans								
Write offs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Management fees and other charges								
Administrative fees	46,125.00	46,125.00	140,000.00	140,000.00	140,000.00	140,000.00	38,870.68	38,870.68
Incentive fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Treasury management fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other charges	0.00	0.00	406.50	406.50	406.50	406.50	0.00	0.00
Revenues								
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net treasury result (including interest) (gains (+) / losses (-))	107,861.00	134,648.00	0.00	0.00	0.00	0.00	2,847.98	2,847.98
Net FX gains (+) / losses (-)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	2025	2024	2025	2024	2025	2024	2025	2024
Risk exposure								
Maximum financial risk exposure	20,000,000.00	20,000,000.00	0.00	0.00	0.00	0.00	25,100,000.00	0.00
Value of equity investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Investment at cost</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Value of loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Loans at cost</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial liabilities and provisions	17,934,667.00	19,473,129.00	0.00	0.00	0.00	0.00	24,518,220.00	0.00
Assets under treasury management								
Balance in the fiduciary bank account (including short term deposits <3months)	5,134,648.00	5,026,787.00	50,000,000.00	0.00	50,000,000.00	0.00	2,848.00	0.00
<i>in euro</i>	5,134,648.00	5,026,787.00	50,000,000.00	0.00	50,000,000.00	0.00	2,848.00	0.00
<i>in non-euro currencies</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other financial assets (including short term deposits >3months)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

6.1 Neighbourhood Investment Platform (NIP)

Description

Identification / Reference to the basic act			
Regulation (EC) No 1638/2006 of the European Parliament and of the Council of 24 October 2006 laying down general provisions establishing a European Neighbourhood and Partnership Instrument.			
Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a European Neighbourhood Instrument.			
Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action.			
Regulation (EU) 2021/947 of the European Parliament and of the Council of 9 June 2021 establishing the Neighbourhood, Development and International Cooperation Instrument – Global Europe, amending and repealing Decision No 466/2014/EU of the European Parliament and of the Council and repealing Regulation (EU) 2017/1601 of the European Parliament and of the Council and Council Regulation (EC, Euratom) No 480/2009.			
Budget lines			
14.02011			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	22,350,000.00	N/A	N/A
Budgetary payment appropriations	8,411,099.62	N/A	N/A
Initial financial envelope ¹⁸⁶ :			
Current financial envelope:	N/A		
Overall financial envelope:	N/A		

General description

The NIP blending facility is supporting investments from pillar-assessed financial institutions in the Neighbourhood South and the Neighbourhood East regions via technical assistance, investment grants, equity, or guarantees. Blending operations are aligned with EU priorities such as inclusive and sustainable growth and the green transition, and consistent with the national policies in the supported sectors. Blending operations also support EU strategic priorities such as the Moldova Growth Plan, the Connectivity Agenda and the Pact for the Mediterranean.

Blended finance has a strong potential in terms of crowding-in, leveraging or catalysing additional financing, including from private and commercial sources. In selected sectors and countries, EU blending resources are deployed through existing or new financial instruments in order to leverage further resources that would otherwise not support development outcomes. Financial instruments, thus, increase the impact for sustainable development.

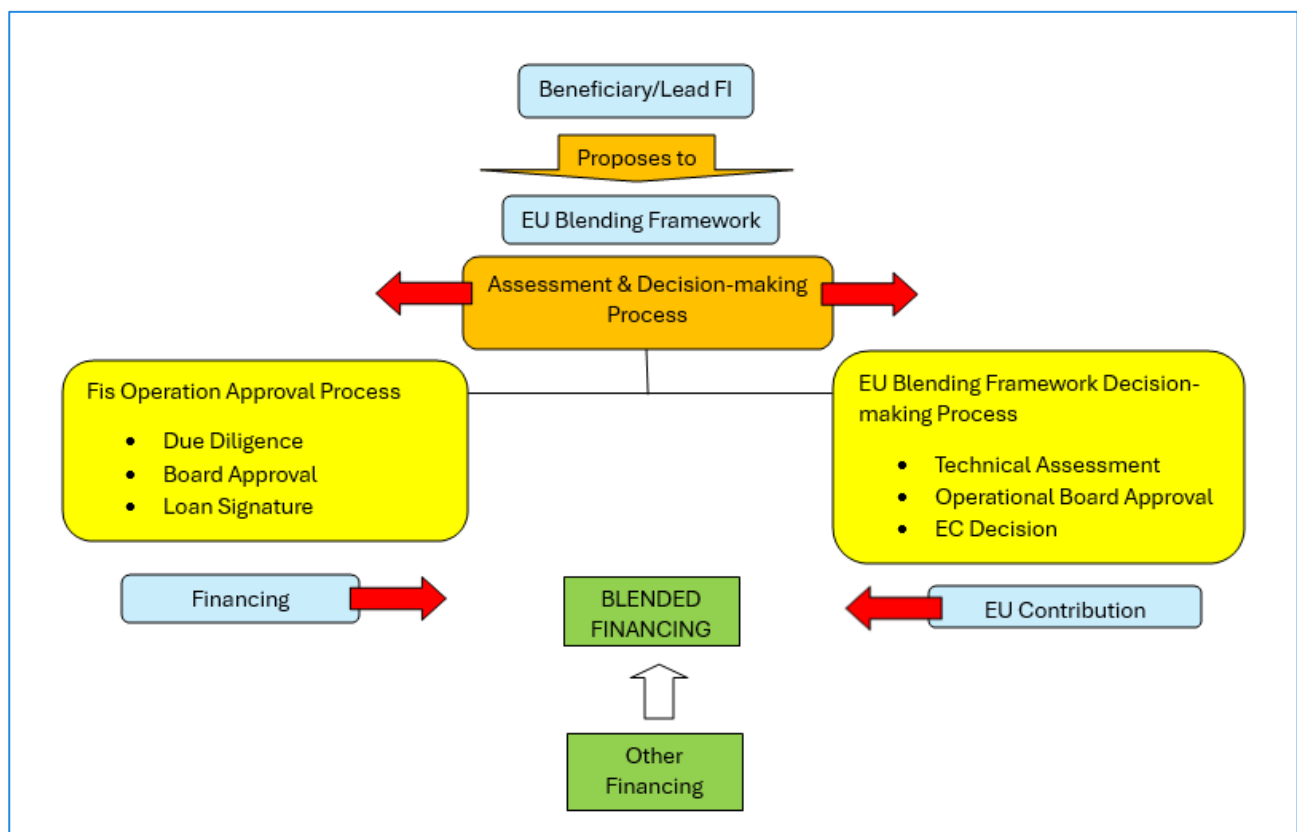
The Neighbourhood Investment Platform (NIP) combines resources from the EU budget and additional resources from EU Member States and uses them to leverage loans and other financial instruments from International Financial Institutions (IFIs), as well as contributions from partner countries and other investors, and/or final recipients.

The NIP is part of the European Fund for Sustainable Development Plus (EFSD+) which constitutes an integrated financial package supplying financing capacity in the form of grants, technical assistance,

¹⁸⁶ For the NIP there are no voted commitment appropriations at basic act or programming level specifically for financial instruments.

financial instruments, budgetary guarantees and blending operations in the Neighbourhood, the Western Balkans and Türkiye, Sub-Saharan Africa, Asia and the Pacific and the Americas and the Caribbean. As set out in Article 32 of the NDICI – Global Europe Regulation, the Neighbourhood Investment Platform is one of the regional investment platforms under the EFSD+.

The NIP is characterised by open and transparent project selection and decision-making processes. The European Commission chairs the NIP Board, which is composed of representatives from the European Commission, the European External Action Service, and EU Member States as voting members, and Implementing Partners (i.e. IFIs) as observers. The NIP Secretariat, managed by DG ENEST¹⁸⁷ in close cooperation with DG MENA, is the entry point for grant requests and follows up the entire assessment and decision-making process from identification of the project until contracting. Implementing Partners interested in financing a NIP blending operation identify a project based on the partner country's priorities and in line with EU strategic priorities. This should be done in dialogue with the EU Delegation, Commission services in Brussels and local partners in that country. Only projects that have been identified as priorities and are part of the pipeline can be proposed for funding. For this purpose, a lead finance institution which is pillar-assessed submits the proposal and presents the project to the Technical Assessment Meeting, a group chaired by the Commission and including all eligible finance institutions. The projects which have been positively assessed are then presented to the NIP Board, which issues an opinion as to which projects will benefit from NIP funding.



The operations reported in the section entitled “key figures” are a limited sub-set of financial instruments in the form of equity or bank guarantees, which require opening a fiduciary account on behalf of the European Commission by a partner institution. The other operations undertaken within the framework of NIP (e.g. providing TA or investment grants) are not included in the financial overview. They are, however, included in the narrative.

¹⁸⁷ As of February 2025, the NIP Secretariat is managed by DG ENEST still covering the Middle East and North Africa (which are under the remit of DG MENA) as regards the approval process for blending operations.

Duration

The NIP blending facility is operational since 2008.

Added value, final recipients and projects

Overall, the NIP has demonstrated to be a successful aid modality throughout its existence. It has fully delivered on its objectives by supporting the development of a favourable environment for investments by creating markets, setting up demonstration projects in specific sectors such as for instance (renewable) energy and environment, and enhancing access to finance for underserved areas and vulnerable groups.

Thanks to the leverage effect, it has strengthened the impact of EU funding, which would be difficult to achieve without the NIP. In addition to the financial leverage, the NIP has also given projects considerable qualitative leverage. These benefits are both socio-economic and environmental and thus not always easily measurable in financial terms. For instance, technical assistance grants have improved the project design and enhanced the management and quality of projects (e.g. through capacity building). For support to MSME projects, technical assistance has been used to address market gaps and inefficiencies on both the supply and demand side. Local financial intermediaries have learned how to tailor their products and communication to the specific needs of the MSME market, and potential borrowers have increased their capacity in preparing bankable projects and reinforce business linkages. This support has enhanced the development impact of projects and ensured the achievement of sustainable results.

Since 2014 allocations to projects under the NIP from the EU budget have reached a total of EUR 3.86 billion, of which approximately EUR 1.45 billion for projects in the Neighbourhood East and EUR 2.41 billion for the Neighbourhood South. This has enabled the launching of over 235 operations with NIP support, including 111 in the Eastern Neighbourhood and 124 in the Southern Neighbourhood. The NIP has succeeded in mobilising approximately EUR 35 billion of financing from European and International Financial Institutions since 2014, implying an average leverage ratio of 9.1 times for every euro provided by the NIP. Additional amounts have been mobilised from other public and private co-investors reaching a total mobilisation (i.e. total project cost) of EUR 51.54 billion¹⁸⁸.

Financial institutions involved in implementation

In principle, any pillar-assessed financial institution can submit a project proposal to be supported by the NIP. Since 2008, the following financial institutions benefitted from NIP support: EBRD, EIB, KfW, AFD, Proparco, CEB, BGK, NEFCO and AfDB. However, only EBRD, EIB, KfW and BGK are implementing partners of the financial instruments under this reporting exercise (the EU contributions under the NIP can also be in the form of investment grants or technical assistance besides financial instruments).

Operational Performance

Contribution to the achievement of the objectives of the programme

The NIP has enabled the EU to meet some of the key objectives in terms of sustainable economic development in Europe's neighbouring countries. It has mobilised public and private resources for an enhanced development impact in areas such as private sector development, waste, energy, environment, water and sanitation, education, transport, social inclusion and agriculture.

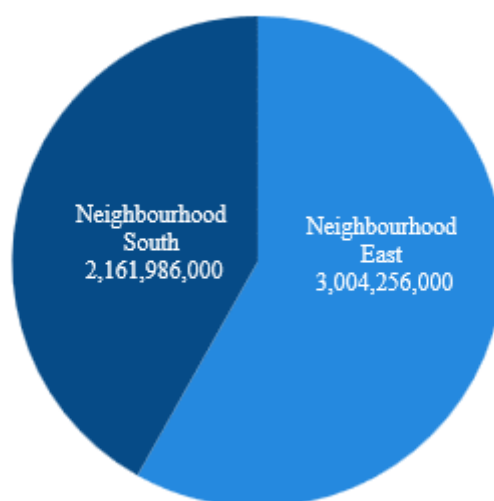
For example, the Green for Growth Fund (GGF), primarily implemented by Kreditanstalt für Wiederaufbau (KfW), is an impact investment vehicle established in 2009 to combat climate change. It does so by financing measures that reduce energy consumption, resource use, and greenhouse gas emissions across 19 enlargement and neighbouring countries (East and South). Supported by EU contributions from the

¹⁸⁸ The figures referred to in this paragraph refer to approved NIP projects as a whole and not only the financial instruments. It should also be noted that since the beginning of 2024, new bilateral blending projects for Ukraine are no longer covered under the NIP but under the Ukraine Investment Framework. Ukraine can still benefit from regional projects where relevant.

Neighbourhood Investment Platform (NIP), GGF channels funding both through financial institutions and directly into green projects, helping to mainstream climate finance and promote more sustainable practices among final recipients. Since its inception, GGF has invested EUR 2.5 billion in green growth, achieving annual reductions of approximately 1,523 kilotons of CO₂ and energy savings of 5,755 GWh. Structured funds like GGF are powerful tools for mobilising private sector capital effectively, with more than 35% of its funding sourced from private investors.

Geographical diversification

The total investments (EUR) mobilised by the reported EU financial instruments are geographically divided as follows:



Main issues for the implementation

The Neighbourhood Investment Platform faces challenges at different stages of its implementation. First, the reduction of resources available under the NIP, reflecting to a large extent the shift towards a greater use of budgetary guarantees under the EFSD+, makes the selection of projects under the NIP stricter. Therefore, a rigorous prioritisation of the various projects proposed by implementing partners is required. For this purpose, the EU is paying particular attention to the additionality of grant requests, in order to provide funding where it is really needed.

The NIP Secretariat and geographical colleagues ensure that selected projects are fully aligned with EU priorities within the framework of Global Gateway and in particular the priorities of the Growth Plan for Moldova, the Resilience and Growth Plan for Armenia, the Connectivity Agenda as well as the Pact for the Mediterranean. Against this background, close coordination with the EU delegations and local partners is necessary at each stage of the project. Efforts to enhance cooperation with EU delegations and Commission services in headquarters from the preliminary stage of the proposal have been made by Financial Institutions. It will continue to be important for IFIs to rapidly respond to EU strategic priorities.

An assessment is also carried out on the basis of the additionality that the EU contribution brings in terms of benefits and results, notably as regards development impact, in comparison to what would have been achieved without the EU contribution. The additionality varies depending on the context and is driven by country, sector, market and project characteristics. In particular, the “financial additionality” assessment involves quantitative considerations of the cost-effectiveness, efficacy and efficiency of the EU contribution for the achievement of relevant policy objectives, and notably for maximising the positive impact on the

ultimate final recipients. The “development additionality” takes into consideration, the capacity of the programme to contribute towards results that are not easily quantifiable, such as for instance the introduction or increase in the quantity and quality of services available in the targeted market.

In addition, visibility of projects funded under the NIP could be further enhanced by the EU and Financial Institutions, in order to mobilise further (private) investments and showcase the positive impact of EU funding. Lastly, outreach is being done to EU companies to ensure that they are aware of procurement opportunities for NIP projects in their sector.

Performance, financing and investments¹⁸⁹

Key figures (EUR)	Actual	Target
EU Contribution committed	685,345,639.16	N/A
Leverage effect	4.04	N/A
Multiplier effect	7.54	N/A
Operations	N/A	N/A
Financing provided to final recipients	2,771,925,000.00	N/A
Number of final recipients	N/A	N/A
Investments made by final recipients due to the received financing	5,166,242,000.00	N/A

Financial Information

Financial Information (EUR)	Neighbourhood Investment Platform		
Type of instrument	Guarantee, Equity, Blending		
Year of inception	2009		
Implementing Partner	EBRD, EIB, KfW and BGK ¹⁹⁰		
	Notes	2025	All years
EU Contribution			
Budgetary commitments		22,350,000.00	685,345,639.16
Budgetary payments		8,411,099.62	502,271,126.93
Reflows	(1)		
Total reflows entered into the budget, of which:		0.00	4,756,083.00
<i>to the general budget</i>		0.00	0.00
<i>returned to be used</i>		0.00	4,756,083.00
Losses from operations			
Guarantees			
Guarantees called		2,379,540.18	9,868,100.58
Guarantee calls recovered		264,394.54	1,116,508.03
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			

¹⁸⁹ The figures in this table refer to the financial instruments reported in this exercise.

¹⁹⁰ Implementing partners of the financial instruments under the reporting exercise (and not all partners under the NIP).

Administrative fees		1,143,765.95	9,314,456.28
Incentive fees		65,600.00	3,019,994.00
Treasury management fees		0.00	125,000.00
Other charges		2,641,379.14	25,504,374.94
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		362,423.89	2,059,814.18
Net treasury result (including interest) (gains (+) / losses (-))		2,364,718.35	8,058,315.97
Net FX gains (+) / losses (-)		-4,476,342.10	-1,007,462.68
Other revenues		142.00	3,586,300.09
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		396,030,484.50	385,788,503.19
Value of equity investments		285,421,519.77	284,036,749.94
Value of loans		0.00	0.00
Financial liabilities and provisions		44,962,608.38	36,578,164.41
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		105,917,890.74	104,965,925.34
Other financial assets (including short term deposits >3months)		3,964,357.88	4,070,086.00

Notes to the financial information

- (1) The cumulative reflows amounting to EUR 4,756,083.00 for the financial instrument component of the project “NIP Women in Business (EBRD)” were recovered in 2024. A payment from EBRD in the amount of EUR 26,176.14, corresponding to accrued interest on the financial instrument, was received in 2025. The contract closure is expected to be finalised in 2026.

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

Financial information per implementing partner

EUR

Implementing Partner			EBRD	EIB	KfW	BGK	TOTAL
Budgetary commitments		2025	6,110,000.00	16,240,000.00	-	-	22,350,000.00
		Aggregated	117,091,000.00	259,394,197.00	298,660,442.16	10,200,000.00	685,345,639.16
Budgetary payments		2025	6,437,681.43	488,191.14	1,285,227.05	200,000.00	8,411,099.62
		Aggregated	98,601,681.43	121,489,732.96	276,779,712.54	5,400,000.00	502,271,126.93
Amounts committed by the Implementing Partner	Grants (including TA)	2025	-	-	-	-	-
		Aggregated	-	-	-	-	-
	Financial instruments	2025	N/A	N/A	N/A	N/A	-
		Aggregated	1,089,400,000.00	1,136,000,000.00	546,525,000.00	-	2,771,925,000.00
	Own resources	2025	N/A	N/A	N/A	N/A	-
		Aggregated	N/A	N/A	N/A	N/A	-
Administrative expenditure	Management fees	2025	164,354.81	559,222.89	453,739.25	32,049.00	1,209,365.95
		Aggregated	4,575,833.02	4,494,833.40	3,310,317.86	78,466.00	12,459,450.28
	Other charges	2025	828,694.19	20,780.00	1,791,904.95	-	2,641,379.14
		Aggregated	14,000,233.43	2,200,423.88	9,303,717.63	-	25,504,374.94
	Total	2025	993,049.00	580,002.89	2,245,644.20	32,049.00	3,850,745.09
		Aggregated	18,576,066.45	6,695,257.28	12,614,035.49	78,466.00	37,963,825.22

Financial information per implementing partner and instrument

Financial Information (EUR)	EFSE - EU4Business: Local Currency Lending to SMEs in the Eastern Partnership		EU4Business Guarantee Facility (previously EIB DCFTA PHASE II)		EU4Business - the EU Local Currency Partnership Initiative: The European Fund for Southeast Europe (KfW)		European Fund for Southeast Europe (KfW)		EU Trade and Competitiveness Programme for Egypt and Jordan (EBRD)		Green for Growth Fund - Extension to Neighbourhood East II (for Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine)		Green for Growth Fund (GGF) - COVID 19- RESPONSE in the Southern Neighbourhood (NIP GGF C-shares Southern Neighbourhood)	
Type of instrument	Blending		Blending		Blending		Blending		Blending		Blending		Blending	
Year of inception	2019		2016		2018		2009		2019		2019		2019	
Implementing Partner	KfW		EIB		KfW		KfW		EBRD		KfW		KfW	
	2025	All years	2025	All years	2025	All years	2025	All years	2025	All years	2025	All years	2025	All years
EU Contribution														
Budgetary commitments	0.00	39,921,000.00	0.00	41,550,000.00	0.00	50,320,000.00	0.00	5,100,000.00	0.00	25,720,000.00	0.00	11,320,000.00	0.00	43,600,000.00
Budgetary payments	30,000.00	36,801,000.00	0.00	1,117,000.00	0.00	49,460,000.00	0.00	5,100,000.00	0.00	13,180,000.00	60,000.00	10,520,000.00	0.00	43,230,000.00
Reflows														
Total reflows entered into the budget, of which:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
to the general budget	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
returned to be used	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Losses from operations														
Guarantees														
Guarantees called	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Guarantee calls recovered	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equities														
Realised losses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans														
Write offs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Management fees and other charges														
Administrative fees	30,000.00	329,999.00	88,142.00	220,142.00	60,000.00	520,000.70	0.00	100,000.00	15,991.00	112,463.48	60,000.00	520,000.00	20,000.00	200,000.00
Incentive fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Treasury management fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other charges	585,678.00	4,089,366.78	0.00	0.00	8,334.00	228,224.91	0.00	0.00	0.00	0.00	0.00	0.00	183,592.02	1,606,751.02
Revenues														
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net treasury result (including interest) (gains (+) / losses (-))	0.00	-0.93	418.04	2,294.04	0.00	-0.59	0.00	-322,651.00	6,021.00	77,501.26	0.00	0.00	0.00	0.00
Net FX gains (+) / losses (-)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-34,773.00	-2,034.05	0.00	0.00	0.00	0.00
Other revenues	0.00	0.00	142.00	142.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Risk exposure														
Maximum financial risk exposure	36,871,724.20	35,227,017.16	26,199,999.95	10,750,000.00	66,978,218.50	64,270,470.68	5,033,593.98	4,998,748.45	2,968,677.99	3,640,886.12	3,289,463.80	2,988,420.80	21,508,728.00	20,102,096.00
Value of equity investments	36,871,724.20	35,227,017.16	0.00	0.00	66,978,218.50	64,270,470.68	5,033,593.98	4,998,748.45	2,871,715.99	3,807,599.80	3,289,463.80	2,988,420.80	21,508,728.00	20,102,096.00
Value of loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial liabilities and provisions	0.00	0.00	22,180,181.07	10,750,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assets under treasury management														
Balance in the fiduciary bank account (including short term deposits <3months)	0.00	0.00	2,112.00	1,943.00	0.00	0.00	0.00	0.00	229,427.52	310,373.61	0.00	0.00	0.00	0.00
Other financial assets (including short term deposits >3months)	0.00	0.00	17,324.00	16,933.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Financial Information (EUR)	Green for Growth Funds L-shares Georgia (10 MEUR)		Green for Growth Fund to the Eastern Neighbourhood Region (EIB)		MENA Fund for Micro,Small and Medium Enterprises III SANAD		NIP Armenia SME Finance and Advice Facility (EBRD)		NIP Deep and Comprehensive Free Trade Area (DCFTA) Facility (EBRD) EAST (MDL-GEO-UKR)		NIP Deep and Comprehensive Free Trade Area (DCFTA) Facility (EIB) EAST		NIP Eastern Partnership SME Finance Facility Phase II (KfW)	
Type of instrument	Blending		Blending		Blending		Blending		Blending		Blending		Blending	
Year of inception	2019		2019		2019		2018		2016		2018		2019	
Implementing Partner	KfW		EIB		KfW		EBRD		EBRD		EIB		KfW	
	2025	All years	2025	All years	2025	All years	2025	All years	2025	All years	2025	All years	2025	All years
EU Contribution														
Budgetary commitments	0.00	43,250,000.00	0.00	13,350,000.00	0.00	23,486,951.81	0.00	15,380,000.00	0.00	19,430,000.00	0.00	62,746,000.00	0.00	5,200,000.00
Budgetary payments	20,000.00	42,850,000.00	0.00	13,350,000.00	59,153.25	23,124,146.83	0.00	15,380,000.00	0.00	19,430,000.00	0.00	60,838,546.00	704,073.80	5,075,075.36
Reflows														
Total reflows entered into the budget, of which:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>to the general budget</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>returned to be used</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Losses from operations														
Guarantees														
Guarantees called	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,254,353.18	7,402,000.33	125,187.00	125,187.00
Guarantee calls recovered	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	264,394.54	1,110,093.03	0.00	0.00
Equities														
Realised losses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans														
Write offs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Management fees and other charges														
Administrative fees	20,000.00	300,000.00	0.00	0.00	59,153.25	569,407.25	17,587.00	149,703.71	0.00	360,000.00	362,423.89	3,020,034.40	15,000.00	132,500.00
Incentive fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,954,394.00	0.00	0.00	0.00	0.00
Treasury management fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other charges	317,526.95	1,661,076.95	0.00	2,119,605.31	0.00	0.00	0.00	0.00	147,335.00	12,467,007.98	3,700.00	31,319.57	0.00	99,020.50
Revenues														
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	362,423.89	2,059,814.18	0.00	0.00
Net treasury result (including interest) (gains (+) / losses (-))	0.00	0.00	0.00	-28,518.63	0.00	0.00	91,783.00	595,717.80	59,755.00	13,720.85	1,160,075.85	3,574,051.35	643.16	5,545.55
Net FX gains (+) / losses (-)	0.00	0.00	0.00	0.00	0.00	427,979.26	-543,720.00	-212,523.22	0.00	0.00	-380,397.10	-73,309.71	0.00	0.00
Other revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	522.47	0.00	3,554,203.62	0.00	15,065.00	0.00	0.00
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Risk exposure														
Maximum financial risk exposure	32,297,746.00	30,422,024.00	4,319,096.00	4,319,096.00	17,579,010.79	19,407,791.39	3,992,668.05	4,147,226.81	0.00	0.00	43,307,053.00	45,921,617.90	0.00	125,186.42
Value of equity investments	32,297,746.00	30,422,024.00	4,319,096.00	4,319,096.00	17,579,010.79	19,407,791.39	1,675,435.00	0.00	0.00	0.00	226,191.00	255,822.90	0.00	0.00
Value of loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial liabilities and provisions	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	1,564,867.00	5,418,144.00	0.00	125,186.28
Assets under treasury management														
Balance in the fiduciary bank account (including short term deposits <3months)	0.00	0.00	0.00	0.00	0.00	0.00	2,999,535.87	4,811,034.97	3,261,802.22	3,349,382.22	47,256,056.83	48,603,615.49	6,787.57	6,143.79
Other financial assets (including short term deposits >3months)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3,448,352.88	3,366,361.00	0.00	0.00

Financial Information (EUR)	NIP EU Trade and Comp. Prog. in Morocco, Tunisia, Egypt & Jordan EIB		NIP Risk Capital Facility for Southern Neighbourhood countries (EIB)		NIP SEMED MSME Financial Inclusion Programme (EBRD) SOUTH		NIP Women in Business (EBRD)		NIP MENA Fund for Micro, Small and Medium Enterprises COVID-19 top-up		Participation in MENA Fund for Micro-, Small and Medium Enterprises (SANAD) II (KfW)		Participation in MENA Fund for Micro-, Small and Medium Enterprises (SANAD) (KfW)	
Type of instrument	Blending		Blending		Blending		Blending		Blending		Blending		Blending	
Year of inception	2019		2019		2019		2015		2019		2018		2020	
Implementing Partner	EIB		EIB		EBRD		EBRD		KfW		KfW		KfW	
	2025	All years	2025	All years	2025	All years	2025	All years	2025	All years	2025	All years	2025	All years
EU Contribution														
Budgetary commitments	0.00	51,900,000.00	0.00	50,900,000.00	0.00	27,640,000.00	0.00	5,035,000.00	0.00	29,807,490.35	0.00	20,400,000.00	0.00	10,240,000.00
Budgetary payments	0.00	9,935,495.82	248,191.14	36,008,691.14	0.00	27,640,000.00	0.00	5,035,000.00	20,000.00	29,587,490.35	0.00	20,400,000.00	0.00	10,240,000.00
Reflows														
Total reflows entered into the budget, of which:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,756,083.00	0.00	0.00	0.00	0.00	0.00	0.00
to the general budget	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
returned to be used	0.00	0.00	0.00	0.00	0.00	0.00	0.00	4,756,083.00	0.00	0.00	0.00	0.00	0.00	0.00
Losses from operations														
Guarantees														
Guarantees called	0.00	0.00	0.00	0.00	0.00	2,320,269.25	0.00	20,644.00	0.00	0.00	0.00	0.00	0.00	0.00
Guarantee calls recovered	0.00	0.00	0.00	0.00	0.00	0.00	0.00	6,425.00	0.00	0.00	0.00	0.00	0.00	0.00
Equities														
Realised losses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans														
Write offs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Management fees and other charges														
Administrative fees	88,000.00	484,000.00	0.00	625,000.00	0.00	500,000.00	0.00	200,000.00	10,000.00	180,000.46	27,586.00	250,572.42	0.00	55,838.03
Incentive fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Treasury management fees	0.00	0.00	0.00	125,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other charges	13,380.00	23,120.00	3,700.00	26,379.00	0.00	158.00	0.00	56,935.00	678,202.55	656,544.07	0.00	0.00	0.00	944,161.97
Revenues														
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net treasury result (including interest) (gains +) / losses (-)	0.00	0.00	188,174.00	1,115,790.09	426,071.00	1,279,203.00	0.00	423,033.74	0.00	0.08	822.48	19,652.43	64,856.82	289,937.63
Net FX gains (+) / losses (-)	0.00	0.00	-2,759,648.00	-1,339,258.91	648.00	-299,975.00	0.00	110,145.77	-547,311.00	-36,087.47	-2,401.00	64,745.19	0.00	520,403.00
Other revenues	0.00	9,740.00	0.00	0.00	0.00	228.00	0.00	6,399.00	0.00	0.00	0.00	0.00	0.00	0.00
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Risk exposure														
Maximum financial risk exposure	8,000,000.00	8,000,000.00	46,237,802.55	48,873,858.82	1,772,949.00	4,841,033.70	0.00	0.00	25,933,848.05	28,697,770.09	17,197,566.18	18,746,549.31	6,067,137.46	6,327,721.54
Value of equity investments	0.00	0.00	43,572,044.82	43,865,621.82	0.00	0.00	0.00	0.00	25,933,848.05	28,697,770.09	17,197,566.18	18,746,549.31	6,067,137.46	6,327,721.54
Value of loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial liabilities and provisions	0.00	0.00	0.00	0.00	5,528.24	60,171.44	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assets under treasury management														
Balance in the fiduciary bank account (including short term deposits < 3months)	0.00	0.00	3,348,812.14	5,194,007.00	23,958,877.31	23,532,805.97	0.00	0.00	353,789.55	400,137.30	18,999.99	20,579.07	2,880,818.74	2,815,961.92
Other financial assets (including short term deposits > 3months)	0.00	0.00	498,681.00	696,792.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Financial Information (EUR)	NIP Women in Business in EaP Phase II		EU-EBRD Local currency		EU Support for Ukrainian MSMEs		Financial Inclusion Programme West Bank and Gaza Strip		Palestine Financial Sustainability Initiative Part 1		Social Entrepreneurship Fund (SEF)		Green Local Currency Lending in Tunisia TCX Fund (EBRD)	
Type of instrument	Blending		Blending		Blending		Blending		Blending		Blending		Blending	
Year of inception	2021		2021		2022		2023		2024		2024		2025	
Implementing Partner	EBRD		EBRD		BGK		EBRD		EIB		KfW		KfW	
	2025	All years	2025	All years	2025	All years	2025	All years	2025	All years	2025	All years	2025	All years
EU Contribution														
Budgetary commitments	0.00	8,440,000.00	0.00	6,216,000.00	0.00	10,200,000.00	0.00	3,120,000.00	16,240,000.00	38,948,197.00	0.00	16,015,000.00	6,110,000.00	6,110,000.00
Budgetary payments	2,218,534.00	5,592,534.00	0.00	6,200,000.00	200,000.00	5,400,000.00	919,147.43	2,844,147.43	240,000.00	240,000.00	392,000.00	392,000.00	3,300,000.00	3,300,000.00
Reflows														
Total reflows entered into the budget, of which:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
to the general budget	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
returned to be used	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Losses from operations														
Guarantees														
Guarantees called	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Guarantee calls recovered	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equities														
Realised losses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans														
Write offs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Management fees and other charges														
Administrative fees	-39,393.19	87,303.89	36,000.00	36,000.00	32,049.00	78,466.00	15,779.00	57,576.94	20,657.00	20,657.00	152,000.00	152,000.00	52,791.00	52,791.00
Incentive fees	35,600.00	35,600.00	0.00	0.00	0.00	0.00	30,000.00	30,000.00	0.00	0.00	0.00	0.00	0.00	0.00
Treasury management fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other charges	628,394.19	1,423,167.45	52,965.00	52,965.00	0.00	0.00	0.00	0.00	0.00	0.00	18,571.43	18,571.43	0.00	0.00
Revenues														
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net treasury result (including interest) (gains (+) / losses (-))	82,976.00	228,210.36	122,656.00	334,705.00	112,880.00	373,525.00	42,478.00	71,491.00	0.00	0.00	0.00	0.00	5,108.00	5,108.00
Net FX gains (+) / losses (-)	-9,107.00	-9,778.54	0.00	0.00	0.00	0.00	-199,633.00	-157,769.00	0.00	0.00	0.00	0.00	0.00	0.00
Other revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Risk exposure														
Maximum financial risk exposure	1,703,505.00	1,931,993.00	1,200,000.00	0.00	20,000,000.00	20,000,000.00	1,788,680.00	1,448,995.00	0.00	0.00	0.00	0.00	1,783,016.00	0.00
Value of equity investments	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Value of loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial liabilities and provisions	4,999.00	7,554.47	43,162.00	0.00	20,000,000.00	20,000,000.00	238,986.07	217,108.22	0.00	0.00	0.00	0.00	924,885.00	0.00
Assets under treasury management														
Balance in the fiduciary bank account (including short term deposits <3months)	4,262,454.00	2,513,092.00	6,285,205.00	6,236,049.00	5,373,525.00	5,260,645.00	2,644,579.00	1,910,155.00	0.00	0.00	0.00	0.00	3,035,108.00	0.00
Other financial assets (including short term deposits >3months)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

6.2 Investment Facility for Central Asia (IFCA) & Asian Investment Facility (AIF) & Asia Pacific Investment Facility (APIF)

Description

Identification / Reference to the basic act			
Regulation (EC) No 1905/2006 of the European Parliament and of the Council of 18 December 2006 establishing a financing instrument for development cooperation, (OJ L 378, 27.12.2006, p. 41)			
Regulation (EU) No 233/2014 of the European Parliament and of the Council of 11 March 2014 establishing a financing instrument for development cooperation for the period 2014-2020, (OJ L 77, 15.04.2014, p. 44)			
Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action, (OJ L 77, 15.04.2014, p. 95).			
Regulation (EU) No 947/2021 of the European Parliament and of the Council of 9 June 2021 establishing the NDICI (Neighbourhood, Development and International Cooperation Instrument - Global Europe)			
14.020130, 14.020131, 14.020132, 14.029902.01			
Budget lines			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	45,000,000.00	45,000,000.00
Budgetary payment appropriations	2,356,964.40	70,000,000.00	70,000,000.00

Initial financial envelope:	EUR 50,000,000.00
Current financial envelope:	EUR 735,000,000.00
Overall financial envelope:	EUR 1,363,000,000.00

General description

The main purpose of these three blending facilities is to promote additional investments with a focus on climate change and green investments in the areas of energy, environment, and transport. In addition, the facilities may help to improve access to finance for SMEs and to promote social sector investments.

The facilities include different forms of assistance and are composed of operations that can take the form of technical assistance, investment grant, equity or guarantee.

Investment Facility for Central Asia (IFCA)

Since its creation in 2010 till the end of 2021, more than EUR 250 million have been allocated to this investment facility, out of which EUR 165 million under the 2014 – 2020 DCI. This amount has been fully absorbed in support of 38 investment projects which are expected to catalyse investments worth EUR 2.5 billion.

Asian Investment Facility (AIF)

The facility has benefitted under the 2014-2020 period from DCI allocations of nearly EUR 485 million by the end of 2021. Since 2014, the AIF board has approved 50 projects for total contributions of EUR 453 million.

Main sectors of support were environment and climate change, urban development, energy and agriculture.

Asia Pacific Investment Facility (APIF)

In line with the objectives of the Regional Indicative Programme 2021-2027 for Asia-Pacific, the APIF's main objective is the promotion of SDG-related investments through leveraging additional investments in key infrastructure with a priority focus on climate change-relevant and green investments in environment, energy, sustainable urban development, transport and social infrastructure as well as in SME development. Other priority areas, such as gender equality, digitalisation and COVID-related support are also envisaged by APIF.

Amount: EUR 628,421,961 for 2021-2027

Expected leverage: 22

Number of projects (essentially technical assistance, and grants, but also one financial instrument) already approved by the APIF board: 37

Financial institutions involved in implementation

Individual projects financed under IFCA and AIF are implemented through indirect management mode. This means that the Commission delegates budget implementation tasks to eligible Financial Institutions, which have successfully undergone an ex-ante pillar assessment in accordance with the Financial Regulation.

Budget implementation tasks consist of the launch of public procurement and grant award procedures and of concluding and managing the resulting contracts as well as execution of payments. The entrusted Member State agency or international organisation also monitors and evaluates the project and reports on it.

The main IFCA partner has been EBRD, which during the 2014-2020 period, supported 14 projects totalling EUR 118 million, followed by AFD, EIB and KfW. However, the Commission is reaching out to other partners, including private sector arms of European development financial institutions such as, for example, the French Proparco.

AFD is the first recipient of AIF, followed by KfW and ADB, then EBRD, EIB and FMO (in terms of volume of funds managed).

APIF's main partner has been AFD, which has so far supported 14 projects, followed by EIB (9 projects) and EBRD (7 projects). Other partners include ADB and UNCDF (2 projects each), as well as AECID/COFIDES, FMO and KfW (1 project each).

Operational Performance

The following two sections, Operational Performance and Financial Information, present the implementation, in figures, of the 8 financial instruments of the facilities IFCA, AIF and APIF, which take the form of equity or bank guarantees and require opening a fiduciary account on behalf of the European Commission by a partner institution.

Financial instruments implemented under the facilities

1. Microfinance Initiative for Asia Debt Fund (MIFA)

The basic objective of the MIFA Debt Fund is the support of micro and small enterprises (MSEs) and low-income households (private sector development) and to offer a flexible range of market based financial instruments to sound microfinance institutions (MFIs) in the region enabling them to provide MSEs and low-income households with appropriate financial products.

The EU contribution is EUR 9.2 million. The financial instrument has been running since December 2012, when the Delegation Agreement with KfW was signed and the contract end date of activities is the 31/12/2026.

The MSE sector provides a significant contribution to economic development in Asia. MSEs make up for about 90% of all companies in most Asian economies and contribute to a large part of national GDP. MSEs are particularly important for job creation and employment and are also drivers of innovation and growth in particular in rural areas. MFI clients are to a significant extent involved in setting up MSEs.

At the end of December 2025, the loan portfolio of MIFA encompassed USD 52.1 million across seven countries. Due to the wind down of the Fund, the disbursement of loans stopped, and the Fund started the repayment of capital to its investors. The loan portfolio distribution is as follows: South Asia is the largest region (45.67%), followed by Central Asia (32.38%) and East Asia and the Pacific (21.95%).

2. Support for Mongolian Economic Diversification through SME

The Programme targets micro, small and medium-sized companies in a variety of industries, excluding the extractive industries. It covers all 21 provinces of Mongolia and aims to increase financing for rural SMEs. It improves and increases the access of SMEs to finance through loans to Mongolian commercial banks for on-lending to SMEs.

The initial EUR 9,670,400 (including fees) AIF contribution to the Programme signed in December 2015 was replenished by EUR 2,140,000 (including fees) in December 2018. The total EUR 11,810,400 of the AIF funding, which consists of the Autonomous Technical Assistance (“TA”) of up to EUR 7,610,400 and the Risk Sharing and Guarantees of up to EUR 4,200,000, supports four different types of EBRD activities (“Instruments”), in particular:

- indirect financing to SMEs via credit lines to partner financial institutions (“PFIs”) for on-lending to mostly micro and small-sized companies (Instrument 1);
- risk sharing/co-financing with PFIs on their loans to SMEs, EBRD’s tailored direct finance to SMEs and financial incentives for ESG improvements (Instrument 2 – upon Amendment No 2 in 2025);
- business advice to MSMEs (Instrument 3);
- policy dialogue to improve the business environment and domestic financial intermediation, to develop new financial products and to strengthen business associations (Instrument 4).

Since the start of the implementation, the Programme has led to EUR 102.9 million of financing to local SMEs. The leverage ratio achieved is 11 to 1, which is the result of EUR 102.9 million of financing to SMEs via Instruments 1 and 2 divided by the EUR contribution of 10.2 million.

Particularly, under Instrument 1 by end-2022, the EBRD signed 14 MSME-related operations with five local PFIs for a total amount of USD 105.4 million (EUR 98.7 million equivalent). As all funds under this instrument were utilised by end of 2022, no new activities took place afterwards.

Under Instrument 2, the availability of the guarantee has brought about EUR 4.2 million of new lending from EBRD to local SMEs, extended in co-financing with two Mongolian banks, namely XacBank and Khan Bank. The FLRC (first loss risk cost) has so far led to longer-term financing for three SMEs (four loans) in tandem with local banks and to improving the risk/reward profiles of the loans. The expected results after 10 years, however, is to have at least 15 loans to SMEs benefiting from the guarantee cover. No new investments were signed with the support of the EU’s FLRC guarantee in 2023-2024. Considering that three loans are by now repaid and the other one is successfully being repaid, the current committed guarantee amounts to EUR 102,102, leaving approximately EUR 3.9 million available for new loans. The EBRD’s SME investments in Mongolia were generally rather low in the last few years, as SMEs in the country are still recovering from the spill-over effects from COVID-19 and the sanctions on Russia. For this reason, upon EBRD’s request, both the EU and EBRD have signed an amendment in July 2025 reallocating EUR 1.5 million to support ESG improvements through financial incentives (instead of guarantees).

Under Instrument 3, to date, more than 320 small and medium-sized enterprises outside of extractive industries have received business advice in organisational management, marketing and sales, production

enhancement, cost reduction and improvement of financial reporting. The SMEs that benefited from such support have created more than 3,000 new jobs. No new activities were undertaken under Instrument 3 in 2025 since the allocation for it was utilised by end of 2022.

Under Instrument 4, a legal assistance project implemented by the IDLO and titled “Strengthening Commercial Mediation in Mongolia” was launched in 2023. It offers out-of-court dispute resolution, which is quicker, cheaper, and more tailored than what can be achieved through courts and has benefits for the court system.

3. The SME Finance Facility for Central Asia – Phase 2

The Action aims to provide long-term support to SMEs in Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan, through the deployment of a programme integrating finance and advice. The programme helps companies to grow, invest more in production and trading capacities, and become more competitive in a sustainable way.

The SME Finance Facility for Central Asia – Phase 2 was signed with EBRD in December 2017 as a successor programme to the SME Finance Facility for Central Asia. While the Action has the same purpose of increasing access to finance for small and medium-sized enterprises (SMEs) in the region as the predecessor programme, it excludes indirect financing via partner financial institutions (PFIs) and concentrates on direct financing of SMEs in combination with business advice. The objectives of the Action include the following:

- Increasing the amount of direct financing to SMEs in the region;
- Expanding the limited availability of long-term, tailor-made funding to SMEs, with the involvement of a meaningful number of PFIs;
- Developing SMEs’ capacity to improve competitiveness, access financing and grow through provision of business advice.

The EU total contribution to the Action is split between the Technical Assistance (“TA”) of EUR 3.5 million and the first loss guarantee (the “First Loss Guarantee”) of EUR 4 million. Remuneration, evaluation, and communication costs amount to EUR 0.350 million. The EU has transferred EUR 7.79 million (inclusive of the EUR 350,000 management fee). The EBRD has disbursed 98% of TA. As to the First Loss Guarantee, with investment projects successfully repaying, only 21.4% (EUR 856,750) is now legally committed.

As of end-2025, the Action has brought about EUR 28.4 million of EBRD direct finance in 22 investment projects with 20 SMEs in all the five eligible countries in the region. Seven of the investments have been made in tandem with local PFIs via the EBRD’s trademark Risk Sharing Framework (“RSF”). The EBRD had active RSF partnerships with nine PFIs in the countries in question, except Turkmenistan. With EUR 3.93 million of co-financing from PFIs, the leverage effect reaches 4.4¹⁹¹.

The financing, with an average maturity of 4.8 years, is for working capital needs and/or capital expenditures to increase the scope of operations and to achieve a smooth functioning of the businesses. Fourteen SMEs have now repaid the loans, two projects have been cancelled, which has freed the committed amount of the First Loss Guarantee. The decommitted amount will be used for new financings until the end of the implementation period of the Action.

The Action has assisted 164 local companies with their capital expenditure decisions and/or in improving management, market performance and automation, - the expertise that the SMEs would not have been able to obtain or afford otherwise. It has created 1,714 jobs. Overall, 38% of clients that received business advice could access financing from the EBRD and/or PFIs.

¹⁹¹ The leverage is calculated as total amount of the Action (minus remuneration and communication costs) divided by the total amount of EU contribution costs without remuneration and communication costs.

4. AGRIFI Country Window for Sri Lanka

EDFI (European Development Finance Institutions) AgriFI Sri Lanka Country Window (EUR 8 million from the DCI; Dec 2021-Dec 2035) is part of the global AgriFI facility launched in 2018 composed of different country and regional windows representing a total budget of EUR 120 million. It is fully financed by the EU, contracted between the EU and FMO and managed by the EDFI Management Company (EDFI MC), which signed Financial Intermediary Agreements with FMO. The aim is to provide long-term finance to cover capital expenditures and/or working capital needs in the form of debt or equity of between EUR 0.5-5 million, on commercially oriented terms, to MSMEs active in agri-food value chains and involving smallholder farmers.

The Sri Lankan window has also a specific focus on organic farming (a high priority of the government) and on cold chains and other food processing solutions (to reduce post-harvest loss and food waste as part of the objective under the previous MFF agriculture modernisation and new MFF circular economy/waste management) with a clear objective of benefitting smallholder farmers.

In 2022, with the financial and economic crisis, several prospected entities either fell short of some of the basic requirements for investment or withdrew their interest for the financing offered by AgriFI. There were no investments made in 2022.

EDFI signed a contract with its first client, MFI Sarvodaya Development Finance in April 2024, in order to supply financial services and leasing of income-generating assets to societies, individuals and SMEs. Moreover, in the course of 2024, EDFI sourced creditworthy leads involved in the agro-sector and displaying good corporate governance practices. A potential lead ultimately decided to unilaterally withdraw from the lending process in Q4 2025.

Meanwhile, since the performance of Sarvodaya has been satisfactory and resulted in mobilising private funds, EDFI MC started considering an additional investment of USD 1-2 million which could bring more co-investments to the company and increase the number of the agro SMEs reached. Such payment could be done in parallel with the repayment of the funds already disbursed (approx. EUR 2.7 million).

No other Facility Partner approval was obtained in 2025 for Sri Lanka Country Window.

5. Sustainable Private Sector Programme in Central Asia (SPS Kaz)

The regional project SPS Contribution Agreement was signed with EBRD in December 2021. However, as the new overarching FFPA (Financial Framework and Partnership Agreement) between the EU and EBRD was signed only in October 2022, many specific clauses had to be re-negotiated and re-introduced through an addendum to the contract that was signed in November 2022 and the SPS Programme effectively started only in 2023.

The SPS Programme envisages an EU contribution of EUR 5,320,000. It targets private enterprises in Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan, and Uzbekistan, with the focus on micro, small and medium-sized enterprises.

The Action aims to help address the issues affecting the sustainable growth of the private sector in Central Asia through a comprehensive and integrated set of activities combining finance and capacity building. Specifically, it will pursue the following objectives: (i) supporting private sector through finance; (ii) encouraging growth, supporting MSMEs in creating employment opportunities; (iii) aiding financial inclusion; (iv) promoting regional connectivity and digitalisation; (v) tackling climate change issues and supporting green investments, technologies, and behaviours.

The total cost of the Action is EUR 28 million and it includes:

- EUR 21 million finance to MSMEs in the form of:

- a) The EU-provided EUR 1 million guarantee of a first loss risk cover that will help deliver longer-term financing and riskier financing for companies that cannot easily access finance (e.g. because of a lack of collateral, innovative character, etc.);
 - b) EBRD credit lines of EUR 17 million to PFIs for on-lending to MSMEs;
 - c) PFIs own financing of EUR 3 million.
- EUR 7.3 million technical assistance (TA) which will be used for tailor-made consultancies and trainings for local MSMEs and local consultants, and matching visits for MSMEs to learn from the experience of the EU countries. The TA will be financed by:
 - a) EU contribution of EUR 4 million ;
 - b) EBRD Special Shareholder Fund of EUR 3 million;
 - c) Private companies' contributions of EUR 300 thousand.

Every EUR 1 of the EU Contribution to the Project is estimated to leverage EUR 5.94 in relation to the total investment costs of the Project.

During the reporting period, advisory support reached 33 SMEs (32 of them new) through 33 advisory projects. These comprised four individual advisory and 29 standardised projects via five group advisory cycle. Within this overall portfolio the Kyrgyz Republic implemented fourteen advisory projects, evenly divided between initiatives to improve management effectiveness and efforts to strengthen market performance. Notably, 85% of Kyrgyz projects were gender-focused, and nearly half (43%) emphasized digital priorities. In Tajikistan, ten projects were implemented of which five focused on management effectiveness, four on market performance, and one on quality management and certification. Furthermore, 80% of projects carried a rural focus and the same share prioritised digital transformation, while 60% were gender-tagged. In Uzbekistan, all nine projects concentrated exclusively on financial management and reporting, with one-third incorporating a gender dimension. Collectively, these projects illustrate the diverse national priorities: managerial and market competitiveness in Kyrgyzstan, a balanced mix including certification and rural outreach in Tajikistan, and financial discipline in Uzbekistan, while cross-cutting themes of gender inclusion, digitalisation, and rural engagement were embedded to varying degrees across the portfolio.

The Action also contributed to the Regional Small Business Programme (RSBP) Knowledge Sharing and Exchange Platform that makes MSME finance know-how available in the form of self-paced online courses, tutorials, video lessons and various sector-specific publications. The platform contains over 25 learning modules already, with built-in knowledge attesting tools, covering organisational, lending, communication and other MSME finance related topics. Since the start of RSBP, 239 financial institutions have benefitted from its training suite (online interactive classroom). In 2025 alone there were a total of 90 FIs that took part in the RSBP trainings in Central Asia (Kazakhstan, Kyrgyz Republic, Tajikistan, and Uzbekistan).

6. Building Crisis-resilient SMEs in Mongolia post COVID-19 (ECS2)

The objective of the Action is to support the Mongolian micro, small and medium-sized enterprises (MSMEs), predominantly outside of the extractive industries, during and after COVID-19. There are 4 outcomes aimed under this Action: 1. PFIs build capacity and continue provision of finance to MSMEs to survive the COVID-19 crisis and to grow; 2. MSMEs are becoming more resilient and expanded (by increased revenues and creation of new jobs); 3. More favourable business environment for MSMEs is created that fosters growth and addresses the impacts of COVID-19, and 4. A policy dialogue that contributes to a more favourable business environment for MSMEs.

The EU contribution under the AIF is EUR 11,460,800 (including fees) to support this Action. The EU contribution consists of two components:

- Guarantee of EUR 4,020,000, and
- Ancillary support in the form of Technical Assistance (“TA”) of EUR 6,980,000 (incl. communication costs).

The Action is composed of 4 Instruments:

1. Indirect Financing via Local PFIs (Instrument 1)
2. Direct Financing to Local SMEs (Instrument 2)
3. Business Advice to SMEs (Instrument 3)
4. Policy Dialogue (Instrument 4)

The targeted leverage effect of the Action is 3.74. It is calculated by dividing the total cost of the Action by the total amount of the EU blending contribution (EUR 42,860,800/EUR 11,460,800).

Regarding this Action, the actual implementation started only at the end of November 2022. While the EBRD signed eight loans totalling EUR 59.4 million with five private PFIs in Mongolia in 2023 and EUR 43.2 million with four private PFIs in 2024, there was no need yet to use the EU guarantee from the Action (latest available information). Out of the total approved budget of EUR 480,000 for the capacity building for PFIs, EUR 434,900 was committed in 2023 and EUR 180,536.65 disbursed in 2023-2024 to support two activities/projects (latest available information).

The EBRD must sign operations by 23 November 2032. The expected exit from equity investments is scheduled for 23 November 2034, 12 years after the start of the Action. The Financial Instrument is also expected to terminate on 23 November 2032.

The TA from the Action is helping a non-bank financial institution, InvesCore NBFI JSC, to increase its loan portfolio (also outside the capital) and to diversify its funding base. Additionally, it supported InvesCore in improving the efficiency of its MSE lending operations in Mongolia. The second activity is the extension of EBRD’s RSBP (regional small business programme), made possible thanks to funding under the Action. It allowed staff of 20 Mongolian financial institutions to take part in trainings to improve knowledge and know-how to serve and finance MSMEs better.

Since the start of the Action, 105 advisory projects have been undertaken under Instrument 3, of which 100 were projects with local consultants including five group advisory projects, and five projects with international advisers. Out of the 100 local consultancy projects, 22 projects are in rural areas/outside of main cities. The Action has significantly contributed to the development of the local consultancy market and the enhancement of business advice availability for MSMEs. A total of thirteen events were organised, involving 970 MSMEs and 20 consultants. The EBRD aimed these activities around the EU’s and EBRD’s strategic themes, such as transitioning to a green, low-carbon economy, promoting equality of opportunity, and advancing digitalisation (latest available information).

In 2024, new activities have included the following: rural know-how events in five regions of Mongolia, capacity building support to the MStars Hub LLC, a local accelerator with 30 start-ups in its portfolio, the recruitment of high potential start-ups (HPSUs) for the second cohort under the “Star Venture” programme, the financial training for 60 local businesses in Khanbogd in southern Mongolia, and a project with Lemon Press Digital LLC to produce a series of educational contents to promote banking and advisory service opportunities for SMEs on social media (latest available information).

In 2025, a replenishment of EUR 1,090,648.54 was executed. At date of publication of the report, the 2025 Annual Report has not been received, hence no data is available on the use of the replenishment.

As in 2023, in 2024 the Action continued supporting the work to help the Mongolian Government in their efforts to protect the businesses’ rights in court and dispute resolution through commercial mediation (latest available information).

7. Supporting green infrastructure under the ASEAN Catalytic Green Finance Facility (ACGF)

The ASEAN Catalytic Green Finance Facility (ACGF) is an ASEAN Infrastructure Fund (AIF) initiative supporting governments in Southeast Asia to prepare and finance infrastructure projects that promote environmental sustainability and contribute to climate change goals. The AIF is owned by ASEAN governments, and its activities—and that of ACGF—report to the ASEAN finance track. On behalf of AIF shareholders and partners, ACGF is managed by ADB through its ASEAN Power Grid and Special Funds Unit, Southeast Asia Department.

The ACGF provides ASEAN member governments with technical assistance and access to over USD 1.9 billion equivalent in pledged loan cofinancing from development partners. The ACGF's technical assistance supports governments to identify and prepare commercially viable green infrastructure projects while the ACGF loans are utilised to cover upfront capital investment costs. This two-pronged approach “de-risks” green infrastructure projects, accelerates their development, and makes them more attractive to private capital investors.

The EU and ADB agreed on 28 August 2023 to establish the EU-ACGF trust fund, providing catalytic financing to concessional loans (as components to eligible projects prepared by ADB) and technical assistance. Per the agreement, loan funds must be committed by 28 August 2026. The final maturity date will depend on when the loans are committed. Given a 15-year term, the latest possible end date would be 28 August 2041. The financial instrument is expected to end around the same time.

In 2025, the EU and ADB initiated discussions on a possible extension of the loan fund commitment date to ensure that remaining investment funds can be committed to preferred projects in the pipeline, and an extension is expected to be agreed in Q2 2026.

In 2025, three projects with EU cofinancing (zero interest loans) were approved for finance by ADB:

- Indonesia: Accelerating Indonesia's Clean Energy Transition Program – Phase 1. USD 10 million EU funds committed. This is a Team Europe project with AFD and KfW as part of Indonesia JETP. The EU-ACGF loan agreement is dated 23 December 2025.
- Lao PDR: Sustainable Agrifood Systems Sector Project. USD 10 million EU funds committed. This complements the TICAFA Team Europe initiative. The EU-ACGF loan agreement is dated 23 July 2025.
- Cambodia: Livable, Resilient, and Water-Secure Cities Investment Program – Tranche 1. USD 10 million EU funds committed. The project is cofinanced by AFD. The EU-ACGF loan agreement is dated 19 December 2025.

In total, the three projects are projected to result in approximately 2.5 million tCO₂e reductions or avoidance per year, and they have potential to catalyse more than USD 1 billion in financing from private, institutional, and commercial financing. On leverage, for each USD 1 of EU funds, USD 50 of development partner funds were leveraged (USD 30 million from EU, relative to USD 640 million from ADB, USD 486 million from AFD, USD 351 million from KfW, and USD 10 million from the UK).

Through ACGF, technical assistance is also supported. By the end of 2025, USD 2.75 million of EU-ACGF funds for technical assistance had been committed to project origination, knowledge and capacity, and management activities. Highlights include:

- ASEAN Power Grid: Regional power market and interconnection infrastructure development supporting ASEAN Power Grid Initiative, including support in 2025 to develop tools for climate assessments, program management, and pipeline development.
- Programmatic support to agriculture, food, nature, and rural development (AFNR) for project development. Preparation of projects and promotion of climate resilience in infrastructure projects. In 2025, support commenced to three early-stage projects in the Philippines.

- Project-specific origination and structuring support, e.g. for a smallholder resilience project in Cambodia, and a sustainable transport (e-mobility) project in Thailand.
- Knowledge Management, supporting ACGF knowledge and communications work, including reporting, workshops and visibility plans, including in 2025 for an Innovative Finance Clinic on Green and Resilient Ports, held in Singapore with more than 40 government officials from across Southeast Asia, on development of Catalytic Finance Stories.

Next steps: (i) allocation and commitment of remaining loan funds to projects with Team Europe-links, to ensure cofinancing of preferred projects and extension of the timeline for loan fund commitments, and (ii) allocation and commitment of remaining TA funds, to project origination and knowledge and communication initiatives.

8. Kuali Fund India

The Kuali Fund India, led by COFIDES and managed by the Spanish private entity GAWA Capital, will mobilise over EUR 200 million. It is backed by contributions from the Green Climate Fund (EUR 25 million)¹⁹², the European Union—through the Latin America and the Caribbean Investment Facility (LACIF) and the Asia-Pacific Investment Facility (APIF) (EUR 12 million), the Development Promotion Fund (FONPRODE) of the Spanish Agency for International Development Cooperation (AECID) (EUR 50 million), and COFIDES (EUR 5 million). These contributions will act as catalysts for private investment. Additionally, the fund includes a EUR 12.25 million technical assistance facility.

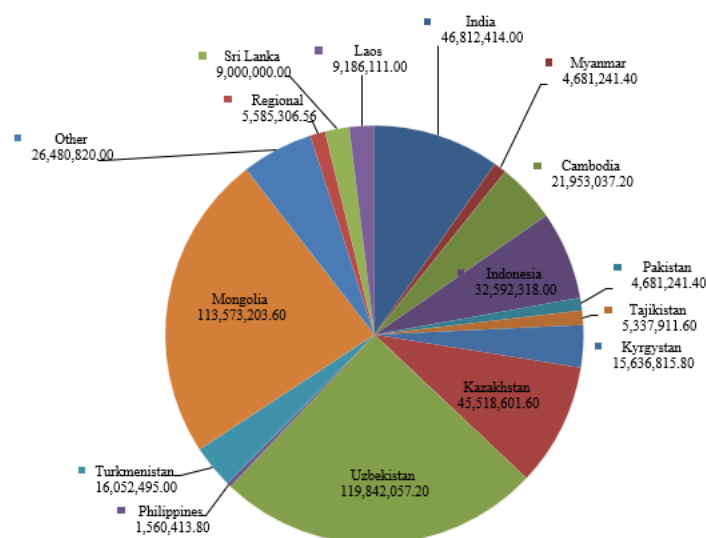
Specifically in India, approximately EUR 84 million will go towards investments and EUR 2.7 million of the budget will be directed towards the deployment of technical assistance to support investees. Both components will be devoted to the same final recipients: innovative companies and FSPs (and the SMEs and smallholder farmers financed by the latter ones).

The Fund will facilitate the transition toward greener and more inclusive business models by enabling financial service providers to offer green and climate-focused financial products to both SMEs and small-scale farmers. The Kuali Fund will also support companies with innovative climate solutions, expanding the availability of mitigation and adaptation strategies.

The contract with COFIDES for what concerns the India component was signed in 2024. No investment has taken place in 2025, as the focus in 2025 has been on securing the additional contribution from GCF, AECID, etc as well as completing the first closing of the Fund with private investors (e.g. Allianz and others). There are prospects for EIB to also join Kuali but this should be secured in a second closing. The deadline to sign operations is 26/04/2034, which also marks the expected termination date of the financial instrument.

¹⁹² Currently, COFIDES is still awaiting the Non-Objection Letter from the Indian Nationally Designated Authority (NDA) to be able to mobilise the GCF funding in India.

Geographical diversification



Main issues for the implementation

No specific issues have been identified. With its blending cooperation, the Commission is promoting the Team Europe approach and leveraging the EFSD+ instrument as a key means of implementing the EU's Global Gateway strategy.

Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed	62,735,308.12	110,589,200.00
Leverage effect	7.63	6.73
Multiplier effect	15.77	7.36
Operations	361	214
Financing provided to final recipients	478,493,988.60	743,945,608.00
Number of final recipients	390,802	179,645
Investments made by final recipients due to the received financing	989,385,978.97	814,354,362.00

Financial Information

Financial Information (EUR)	Investment Facility for Central Asia (IFCA) & Asian Investment Facility (AIF) & Asia Pacific Investment Facility (APIF)		
Type of instrument	Equity/Guarantee		
Year of inception	2010		
Implementing Partner	EBRD, KfW, ADB, FMO, Cofides		
	Notes	2025	All years
EU Contribution			
Budgetary commitments		0.00	110,589,200.00

Budgetary payments		2,356,964.40	62,735,308.26
Reflows			
Total reflows entered into the budget, of which:		0.00	2,000,000.00
<i>to the general budget</i>		0.00	2,000,000.00
<i>returned to be used</i>		0.00	0.00
Losses from operations			
Guarantees			
Guarantees called		0.00	0.00
Guarantee calls recovered		0.00	0.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		300,869.93	1,279,141.08
Incentive fees		4,824.00	28,090.00
Treasury management fees		0.00	0.00
Other charges		4,410,166.82	8,153,550.63
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		185,175.50	247,797.00
Net treasury result (including interest) (gains (+) / losses (-))		1,069,058.24	1,803,751.81
Net FX gains (+) / losses (-)		-2,767,404.08	-1,897,030.74
Other revenues		18,248.00	57,938.80
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		22,402,095.14	14,064,939.71
Value of equity investments		8,937,468.69	10,620,598.72
Value of loans		2,184,883.49	968,011.00
Financial liabilities and provisions		1,757,400.01	1,123,915.13
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		14,442,556.39	15,600,804.16
Other financial assets (including short term deposits >3months)		17,907,692.08	19,781,192.00

Notes to the financial information

N/A

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

Financial information per implementing partner and instrument

EUR

Implementing Partner		KfW	EBRD	ADB	FMO	Cofides	TOTAL
Budgetary commitments	2025	-	-	-	-	-	-
	Aggregated	9,220,000.00	36,441,200.00	51,900,000.00	8,000,000.00	5,028,000.00	110,589,200.00
Budgetary payments	2025	-	1,090,648.54	-	1,266,315.86	-	2,356,964.40
	Aggregated	9,220,000.00	26,771,022.09	19,100,628.00	6,409,000.64	1,234,657.53	62,735,308.26
Amounts committed by the Implementing Partner	Grants (including TA)	2025	-	168,791.98	-	156,342.90	325,134.88
	Financial instruments	Aggregated	-	16,664,342.86	2,802,764.05	156,342.90	19,623,449.81
		2025	-	28,191.00	16,297,863.95	886,314.70	17,212,369.65
	Own resources	Aggregated	7,220,000.00	2,238,808.75	16,297,863.95	3,000,000.00	29,642,987.40
		2025	-	-	4,964,145.00	45,000.00	5,009,145.00
	Aggregated	20,677,375.57	295,259,902.00	16,933,647.11	-	45,000.00	332,915,924.68
Administrative expenditure	Management fees	2025	-	70,413.00	208,988.93	15,492.00	305,693.93
		Aggregated	220,000.00	524,010.84	482,367.90	62,852.34	1,307,231.08
	Other charges	2025	-	2,397,442.00	1,686,719.31	317,605.51	4,410,166.82
		Aggregated	-	5,406,546.34	1,706,546.31	1,026,457.98	8,153,550.63
	Total	2025	-	2,467,855.00	1,895,708.24	333,097.51	4,715,860.75
		Aggregated	220,000.00	5,930,557.18	2,188,914.21	1,089,310.32	9,460,781.71

Financial Information (EUR)	AgrFI Country Window for Sri Lanka		Building Crisis-Resilient SMEs in Mongolia post Covid-19		Microfinance Initiative for Asia Debt Fund		Support for Mongolian Economic Diversification through SME	
Type of instrument	Equity		Guarantee		Equity		Guarantee	
Year of inception	2021		2022		2012		2016	
Implementing Partner	FMO		EBRD		KfW		EBRD	
	2025	All years	2025	All years	2025	All years	2025	All years
EU Contribution								
Budgetary commitments	0.00	8,000,000.00	0.00	11,460,800.00	0.00	9,220,000.00	0.00	11,810,400.00
Budgetary payments	1,266,315.86	6,409,000.64	1,090,648.54	5,112,945.09	0.00	9,220,000.00	0.00	10,158,077.00
Reflows								
Total reflows entered into the budget, of which:	0.00	0.00	0.00	0.00	0.00	2,000,000.00	0.00	0.00
to the general budget	0.00	0.00	0.00	0.00	0.00	2,000,000.00	0.00	0.00
returned to be used	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Losses from operations								
Guarantees								
Guarantees called	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Guarantee calls recovered	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equities								
Realised losses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans								
Write offs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Management fees and other charges								
Administrative fees	15,492.00	62,852.34	45,600.00	106,727.80	0.00	220,000.00	0.00	200,000.00
Incentive fees	0.00	0.00	4,824.00	18,090.00	0.00	0.00	0.00	0.00
Treasury management fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other charges	317,605.51	1,026,457.98	1,350,547.00	3,428,304.10	0.00	0.00	0.00	0.00
Revenues								
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)	185,175.50	247,797.00	0.00	0.00	0.00	0.00	0.00	0.00
Net treasury result (including interest) (gains (+) / losses (-))	-561.49	-7,920.24	63,261.00	134,239.15	0.00	0.06	30,679.00	80,710.45
Net FX gains (+) / losses (-)	-253,118.10	-206,026.86	-166,603.00	-166,144.08	0.00	0.00	1,785.00	2,325.00
Other revenues	0.00	0.00	18,248.00	57,938.80	0.00	0.00	0.00	0.00
	2025	2024	2025	2024	2025	2024	2025	2024
Risk exposure								
Maximum financial risk exposure	2,184,883.49	2,411,845.83	1,359,396.96	0.00	8,893,150.78	10,620,598.72	15,379.00	102,102.44
Value of equity investments	0.00	0.00	0.00	0.00	8,893,150.78	10,620,598.72	0.00	0.00
Value of loans	2,184,883.49	968,011.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial liabilities and provisions	-0.49	505,342.51	1,743.00	0.00	0.00	0.00	2,868.50	11,667.72
Assets under treasury management								
Balance in the fiduciary bank account (including short term deposits <3months)	2,581,943.45	2,743,918.63	1,898,450.79	2,097,661.79	0.00	0.00	2,580,652.00	2,550,031.00
Other financial assets (including short term deposits >3months)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Financial Information (EUR)	Sustainable private sector in Central Asia		The SME Finance Facility for Central Asia - Phase 2		Supporting green infrastructure under the ASEAN Catalytic Green Finance Facility (ACGF)		Kuali Fund India	
Type of instrument	Guarantee		Guarantee		Equity		Equity	
Year of inception	2022		2018		2023		2024	
Implementing Partner	EBRD		EBRD		ADB		Cofides	
	2025	All years	2025	All years	2025	All years	2025	All years
EU Contribution								
Budgetary commitments	0.00	5,320,000.00	0.00	7,850,000.00	0.00	51,900,000.00	0.00	5,028,000.00
Budgetary payments	0.00	3,710,000.00	0.00	7,790,000.00	0.00	19,100,628.00	0.00	1,234,657.53
Reflows								
Total reflows entered into the budget, of which:	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
to the general budget	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
returned to be used	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Losses from operations								
Guarantees								
Guarantees called	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Guarantee calls recovered	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equities								
Realised losses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans								
Write offs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Management fees and other charges								
Administrative fees	0.00	29,007.04	19,989.00	160,186.00	208,988.93	482,367.90	10,800.00	18,000.00
Incentive fees	0.00	10,000.00	0.00	0.00	0.00	0.00	0.00	0.00
Treasury management fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other charges	1,046,895.00	1,978,242.24	0.00	0.00	1,686,719.31	1,706,546.31	8,400.00	14,000.00
Revenues								
Revenues from operations (Risk remuneration, dividends, realized gains, fees, interests on loans)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net treasury result (including interest) (gains (+) / losses (-))	43,964.00	247,486.66	83,131.00	291,699.00	828,934.41	2,102,027.41	19,650.32	42,386.32
Net FX gains (+) / losses (-)	-7,390.00	-7,585.48	70,669.00	-24,755.34	-2,412,746.98	-1,494,843.98	0.00	0.00
Other revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	2025	2024	2025	2024	2025	2024	2025	2024
Risk exposure								
Maximum financial risk exposure	0.00	0.00	1,392,877.00	930,392.72	8,512,090.00	0.00	44,317.91	0.00
Value of equity investments	0.00	0.00	0.00	0.00	0.00	0.00	44,317.91	0.00
Value of loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial liabilities and provisions	0.00	0.00	507,385.00	606,904.90	1,245,404.00	0.00	0.00	0.00
Assets under treasury management								
Balance in the fiduciary bank account (including short term deposits <3months)	1,944,493.00	2,747,551.00	4,291,698.00	4,208,568.00	0.00	0.00	1,145,319.15	1,253,073.74
Other financial assets (including short term deposits >3months)	0.00	0.00	0.00	0.00	17,907,692.08	19,781,192.00	0.00	0.00

6.3 Latin America Investment Facility (LAIF) and Latin America and Caribbean Investment Facility (LACIF)

Description

Identification / Reference to the basic act			
Regulation (EU) No 233/2014 of the European Parliament and of the Council of 11 March 2014 establishing a financing instrument for development cooperation for the period 2014-2020. Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action. Regulation (EU) 2021/947 of the European Parliament and of the Council of 9 June 2021 establishing the Neighbourhood, Development and International Cooperation Instrument – Global Europe, amending and repealing Decision No 466/2014/EU of the European Parliament and of the Council and repealing Regulation (EU) 2017/1601 of the European Parliament and of the Council and Council Regulation (EC, Euratom) No 480/2009.			
Budget lines			
14.020140 (Latin America), 14.020141 (Caribe), 14.029902.01 (completion previous DCI)			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	12,802,000.00	179,000,000.00	59,000,000.00
Budgetary payment appropriations	3,631,085.71	38,951,183.00	39,518,502.02

Initial financial envelope:	EUR 180,400,000.00
Current financial envelope:	EUR 978,590,000.00
Overall financial envelope:	EUR 978,590,000.00

General description

A new investment facility was established under NDICI in 2021: the Latin America and Caribbean Investment Facility (LACIF). LACIF is a blending instrument designed to mobilise financing from development finance institutions and other partners for sustainable and inclusive infrastructure investments. Since 2023, it has been a key tool for implementing the EU-LAC Global Gateway Investment Agenda (GGIA). LACIF provides different forms of EU support, including technical assistance and investment grants, and, to a lesser extent, financial products such as equity, debt and guarantees.

Blending through LACIF is an important mechanism for operationalising EFSD+ under the Pan-American window, supporting priorities of the Americas and Caribbean Regional Multiannual Indicative Programme (MIP), country MIPs, and the EU-LAC GGIA. The Programme's design builds on a 16-years track record of previous facilities, namely the Latin America Investment Facility (LAIF) and the Caribbean Investment Facility (CIF)¹⁹³. The last LAIF contract was signed in 2021. As from 2022 operations have been signed under the LACIF facility. The expected results of the LAIF/LACIF are to have increased investment in key sectors contributing to:

- improved sustainable, resilient and inclusive infrastructures (energy, sustainable transport, water, sanitation, and/or other sustainable services and/or infrastructures in priority areas identified by the EU-LAC GGIA),
- enhanced digital connectivity, focussing on the last mile connectivity,

¹⁹³ The Caribbean Investment Facility (CIF) is part of the European Development Fund (EDF) therefore it will not be accounted in this report. LACIF is the merging of LAIF and CIF.

- enhanced climate change mitigation and adaptation efforts,
- SMEs and enhanced employability and employment offers.

Duration

Since its start of operations in 2009, LAIF has provided support to 60 projects. LACIF became operational in 2022 with a duration of 8 years, which was extended for five additional years. The implementation period is 15 years (180 months). In March 2026, the duration was extended by five additional years to 20 years.

Financial institutions involved in implementation

Individual projects financed under LAIF/LACIF are implemented through indirect management mode. This means that the Commission delegates budget implementation to eligible financial institutions, that are pillar assessed in accordance with the Financial Regulation.

Budget implementation tasks consist of concluding and managing the resulting contracts, execution of payments and monitor progress and expected results among others. The entrusted Member State agency or international financial organisation also monitors and evaluates daily operations of the project and is responsible for reporting to the European Union.

The main LAIF/LACIF partners regarding financial instruments are KfW and COFIDES. Other blending partners are: AFD, AECID/COFIDES, EIB, IDB, CABI and CAF.

Operational Performance

The EU established in 2009 the Latin America Investment Facility (LAIF) under the Development Cooperation Instrument (DCI), with a total EU contribution of EUR 180.4 million. From 2014 to 2021 EUR 360.2 million have been allocated to LAIF from the general budget of the Union. Up to 2021, in total 60 projects were contracted, with a LAIF EU contribution of EUR 522 million. These contributions are expected to leverage investments worth around EUR 15 billion. 39.5% of the facility contribution to the projects was made in the form of investment grant, 48.8% as technical assistance, 8.2% in the form of risk-sharing instruments and guarantees and 3.5% as fees.

A total of 24 projects have been signed over the period 2022-2025 under LACIF for a total EU contribution of EUR 158 million, aiming at mobilising a total investment of EUR 3.7 billion. In 2025, ten projects were signed under LACIF for a total EU contribution of EUR 53.31 million aiming to mobilise a total investment of EUR 1.47 billion.

Regarding sector contribution, the LACIF portfolio (2022-2025) focusses on climate and energy projects (66%), followed by digital (20%), transport (9%) and health (5%).

The final recipients are the citizens of Latin American and Caribbean countries foreseen in the NDICI Regulation. Other recipients, benefitting of the technical assistance that accompany many of the projects, are private sector operators and SMEs.

Financial instruments implemented under the facility.

1. Eco.business Fund for SME development in Latin America and the Caribbean – Investment Fund

The Eco.business Fund (EBF LAC) is a joint initiative of investors supporting the promotion of business and consumption practices that contribute to biodiversity conservation, the sustainable use of natural resources, climate change mitigation and adaptation and is implemented by KfW. The Eco.business Fund seeks investments that yield both financial and environmental returns. The financing can be provided directly or through local financial institutions. In addition, final recipients and local financial institutions benefit from technical assistance provided by the Eco-business Development Facility.

In Latin America and the Caribbean, the EBF LAC focuses on four target sectors: agriculture, forestry, aquaculture and fishery, and sustainable tourism.

The last available shareholder report (status December 2025) indicates that the EBF LAC Sub-Fund closed 2025 with a loan portfolio of EUR 584.77 million (USD 687 million), distributed across thirteen countries (Brazil, Dominican Republic, Paraguay, Colombia, Costa Rica, Ecuador, El Salvador, Nicaragua, Panama, Honduras, Mexico, Guatemala, and Peru) and 44 Partner Institutions. The end-borrowers are mainly engaged in the production and transformation of sugar cane, coffee, farmed shrimp, and banana. Additionally, financings to sub-borrowers engaged in flowers and food processing gained relevance within the sub-loan portfolio. Lastly, new crops like avocado or cassava were financed for the first time.

EBF LAC's Partner Institutions disbursed more than 5,000 sub-loans to end borrowers in 2024 (latest data available), amounting to a total of USD 419.7 million passed on to end borrowers. The EU contribution was fully disbursed in 2020. The project is accompanied by a yearly progress report.

The contribution agreement between the European Commission and KfW was signed on 14 July 2017, and its implementation period ends on 31 December 2033. The EU contribution is EUR 13 million for equity and EUR 3 million for TA activities. The EU contribution to the junior shares will have a duration of minimum 15 years. Due to the open-ended structure, the Fund is intended to remain as an established financial instrument in the region beyond the validity of the EU contribution.

The achieved leverage is 45 (EUR 585 million/ EUR 13 million).

2. Green Bonds Fund (LAGREEN)

LAGREEN is the first green bonds fund in Latin America and is implemented by KfW. Its main purpose is to finance climate- and resource-friendly investments and to mobilise local and international private capital towards the issuance of green bonds in Latin America. LAGREEN is structured as a public-private partnership. This blended finance model offers different capital tranches that provide multiple risk-return profiles. Public investors and development finance institutions invest in junior and senior shares. Subordinated notes are purchased by development finance institutions and institutional private investors. These contributions provide a risk cushion for senior notes, the most protected investment instrument of the fund, which are exclusively offered to private investors.

A Technical Assistance Facility (TAF), a separate vehicle created with funding from the EU and BMZ, provides support to issuers and promotes an overall conducive environment for green bonds. The Fund is managed by Finance in Motion, a Luxembourg SICAV. The specific objectives of this Fund are:

- to mobilise additional funding for Nationally Determined Contributions (NDC) implementation;
- to stimulate local capital market development towards a transition to sustainable finance – thereby fostering transparency and long-term commitments in financial and economic activity;
- to contribute to substantial greenhouse gas emissions mitigation and/or climate change adaption impact.

The LAGREEN fund was set up in 2020 and by end 2025, the Fund reached EUR 196.2 million in investment portfolio including the EU's EUR 13 million contribution. The Fund aims at reaching a volume of USD 500 million.

The Fund launched its second impact report (Impact Report (lagreen.lu)) in July 2025, highlighting the impact achievements, the Fund's impact ambition, impact management practices, and capacity building activities through technical assistance.

KfW reports that by end 2025, the total funding mobilised in LATAM capital markets by LAGREEN's anchor investments and TA reached USD 866 million. This figure includes USD 696 million (EUR 672 million) investments done by DFIs.

By December 2025, the Fund held a total of nineteen bonds, being present in nine countries namely, Brazil, Colombia, Costa Rica, Ecuador, El Salvador, Guatemala, Mexico, Panama, and Peru.

The issuers include banks, non-bank financial institutions and corporates. All investments of the Fund included both an innovative and a first-time component while targeting several sustainable development goals (SDGs), for example,

- The first blue bond issued in Colombia by BBVA Colombia, following IFC Blue Bond Guidelines;
- The first thematic bond issued in Guatemala by Banco Promerica Guatemala.

Advisory and capacity building project support has been delivered in 14 countries, with 27 projects approved. The Fund has been investing in coordination with the Inter-American Development Bank (IDB) and the International Finance Cooperation (IFC) (latest information available).

The contribution agreement between the European Commission and KfW was signed on 17 December 2020, and its implementation period ends on 17 December 2035. The EU contribution is EUR 13 million as financial instrument (junior shares) and EUR 2 million for technical assistance. The EU contribution will have a maturity which shall be aligned with the duration of the Action. During this period, the shares will be utilised and leveraged for investments. At the end of the implementation period, the shares will be repaid in cash. All junior shares have a maturity of minimum of 15 years with a notice for redemption of at least 10 years.

The leverage achieved is 13 (EUR 196.2 million / EUR15 million)¹⁹⁴.

3. Development Facility of the Green Micro, Small and Medium Enterprises (MSME) Initiative in Central America

The Green MSMEs Initiative aims at reducing carbon emissions in the Central American Region by ensuring the provision of financial and non-financial services to support renewable power generation and energy efficiency measures in Micro, Small and Medium Enterprises (MSMEs) and has three main components:

- Technical Assistance for MSMEs as well as Participating Financial Intermediaries;
- Partial Risk Guarantees for MSMEs;
- Financing (loans) for Environmental Investments for MSMEs.

This Initiative represents a continuation of the “Energy Efficiency and Renewable Energy programme for SME in Central America”. This programme has been successfully implemented and the achievements and lessons learnt constitute the basis for this initiative.

The start of implementation of the programme suffered some delays, mainly due to (a) CABEI’s reorganisation process as well as to (b) the implications of the COVID-19 pandemic with major challenges for CABEI and the region. Despite the challenges, CABEI was successful in setting up quickly a comprehensive Emergency and Economic Reactivation Program for Central America in response to the COVID-19 crisis.

In May 2020 an amendment was signed between the EU and KfW (and respectively between CABEI and KfW). By this amendment the “Green MSME Initiative” was included as part of the component 5 of the Emergency Program of CABEI. Component 5 of the Emergency Program is oriented towards supporting the financial sector and MSMEs affected by the COVID-19 pandemic and called “Financial Sector Support

¹⁹⁴ For this calculation the technical assistance (TA) is included in the EU contribution (as LAGREEN was signed under the new templates of CAFI); for EBF and Green MSME operations, the TA is not considered as the TA contribution was managed in a separate contract as was required in the previous MFF.

Facility for MSMEs Financing”. A second amendment was signed in November 2021 which included among others an extension to the implementation period of up to 10 years for component 2.

KfW reports following progress in 2024 (progress report issued in 2025, latest information available):

Component I - Technical Assistance: KfW, CABI and the consultant team (GPA) have worked closely to build up a pipeline of eligible projects and activities in all eligible countries. A total of 66 requests for technical assistance and visibility activities have been either executed or approved for a total value of USD 953,306 (EUR 811,324).

Component II - Partial Risk Guarantees for MSMEs: Because of the delays suffered under this Program, KfW/EU agreed to accept retroactive financing of guarantees for credits granted from the date of the creation of the Credit Guarantee Fund (August 2020) onwards. The pre-condition agreed is that the guarantees comply with the regulations of the Manual of Guarantees. Under this component (budget available: EUR 12 million), CABI has issued guarantees to 15 financial institutions (FIs) in 5 different countries for a total amount of USD 63,221,703 (EUR 53,805,704).

The contribution agreement between the European Commission and KfW was signed on 17 December 2018, and its implementation period ends in 2034. A total amount of EUR 10 million was disbursed in EU Contribution. The implementation period of the Partial Risk Guarantees is up to 15 years and defined as follows:

- Investment/execution period for 5 years.
- Revolving fund including fees: during the investment period, any funds previously allocated as PRGs, but not executed will be available to be allocated in new guarantees under the initiative.
- Repayment period for up to 10 years.

Achieved leverage: 5.38 (EUR 53.8 million / EUR 10 million EU contribution).

4. Kuali Fund

Kuali Fund aims to transform Latin America and the Caribbean and India in low-carbon and resilient economies by fostering systemic adoption of climate best practices by small financial institutions, including small banks, microfinance institutions, cooperatives, other non-bank financial institutions and fintech companies. Kuali Fund seeks to enable them to develop green financial products and technologies, benefiting SMEs and smallholder farmers. The Fund also supports companies with innovative climate solutions that could eventually be financed by the institutions mentioned above.

By mobilising private capital and fostering gender inclusion, Kuali Fund catalyses systemic change, driving sustainable economic growth and productivity and environmental stewardship across the region, increasing resilience through higher adaptation capacity. The Fund size is expected to reach EUR 300 million in investments, out of which EUR 216 million devoted to the LAC region, accompanied by a EUR 12.25 million Technical Assistance Facility. The Fund is expected to directly support over 491,000 smallholders (of which 30% will be women) and avoid 2.2 anticipated million tons of CO₂ equivalent in its 10 years expected lifetime in LAC alone.

The Kuali Fund is implemented by COFIDES, and the other anchor investors are AECID-FONPRODE (EUR 50 million in senior notes and EUR 2 million in TA) and the Green Climate Fund (EUR 25 million in equity and EUR 5 million in TA).

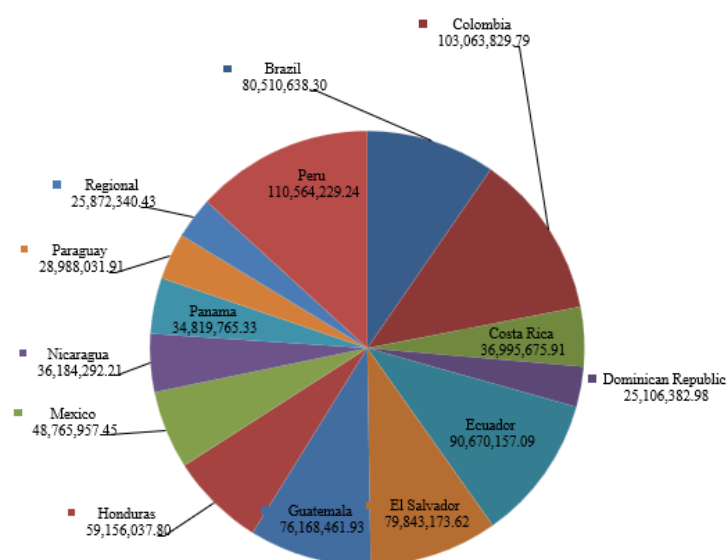
The contribution agreement between the European Commission and COFIDES was signed on 19 December 2024, and its implementation period ends on 18 December 2034. The EU provides EUR 12.8 million (EUR 8.4 million in equity and 3.8 million in TA). The term of the Kuali Fund will be 10 years from the date of the first closing, but it may be extended for 2 consecutive additional one-year periods subject to the approval of the Investors Advisory Committee. The investment period of the Fund is 5 years.

COFIDES reports that the Fund took 5 investment decision in 2025 for a total value of approximately EUR 1.98 million for financial institutions in Ecuador, Paraguay and Peru.

Achieved leverage: 0.17¹⁹⁵ (EUR 1.98 million / EUR 12.8 million EU Contribution)

Geographical diversification

The distribution of total project investments financed with the LAIF and LACIF facilities is as follows:



Main issues for the implementation

- The potential of regional projects in interconnection projects remains to be explored. Attention must be paid to aspects such as regional interconnectivity, as well as to the strengthening and capitalising on policy dialogue.
- A greater use of financial products such as equity and other risk-sharing instruments is often mentioned as an optimal way to crowd in private financing. Developing equity products for Critical Raw Materials (CRM) projects remain a challenge for European DFIs. The Commission is undertaking efforts to jointly, with the European DFIs, design adequate financial instruments for CRM.
- As from 2023 adherence to the Results Management Framework for blending operations is mandatory as well as reporting on the *logframe* in OPSYS. This requires an important shift in procedures and mindset from the implementing partners but will contribute to a better quality and homogeneous monitoring of blending instruments.
- Timelines for approval processes with the EU and DFIs are not always aligned, this poses a challenge for managing the blending pipelines and ensuring EU additionality. Similarly, long loan approval processes by national and subnational authorities can delay project start. A continuous dialogue with DFIs on the blending pipeline is warranted.

The following sections, Performance and Financial Information, present the implementation, in figures, of the four financial instruments under the LAIF/LACIF facilities, which take form of equity or bank guarantees and require opening a fiduciary account on behalf of the European Commission by a partner institution.

¹⁹⁵ The low leverage rate reflects the start of operations in 2025.

Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed	42,083,121.20	56,492,000.00
Leverage effect	19.88	15.02
Multiplier effect	118.55	49.23
Operations	133	115
Financing provided to final recipients	836,708,974.00	848,485,090.00
Number of final recipients	2,656,992	9,891,008
Investments made by final recipients due to the received financing	4,989,028,397.65	2,781,116,810.00

Financial Information

Financial Information (EUR)	LAIF & LACIF		
Type of instrument	Blending		
Year of inception	2017		
Implementing Partner	KfW, Cofides		
	Notes	2025	All years
EU Contribution			
Budgetary commitments		12,802,000.00	56,492,000.00
Budgetary payments		3,631,085.71	42,083,121.38
Reflows			
Total reflows entered into the budget, of which:		5,546,095.60	5,546,095.60
<i>to the general budget</i>		0.00	0.00
<i>returned to be used</i>		5,546,095.60	5,546,095.60
Losses from operations			
Guarantees			
Guarantees called		0.00	0.00
Guarantee calls recovered		0.00	0.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		115,217.82	645,774.63
Incentive fees		0.00	0.00
Treasury management fees		0.00	0.00
Other charges		307,744.09	1,318,237.90
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		0.00	0.00
Net treasury result (including interest) (gains (+) / losses (-))		137,417.23	321,060.73
Net FX gains (+) / losses (-)		-780,265.11	-348,129.46
Other revenues		0.00	3,723.92

	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		20,495,501.43	30,683,350.70
Value of equity investments		19,536,673.12	24,751,332.99
Value of loans		0.00	0.00
Financial liabilities and provisions		12,550.77	102,810.83
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		1,040,750.31	2,837,294.88
Other financial assets (including short term deposits >3months)		0.00	0.00

Notes to the financial information

N/A

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

Financial information per implementing partner and instrument

EUR

Implementing Partner		KfW	Cofides	TOTAL
Budgetary commitments	2025	-	12,802,000.00	12,802,000.00
	Aggregated	43,690,000.00	12,802,000.00	56,492,000.00
Budgetary payments	2025	336,000.00	3,295,085.71	3,631,085.71
	Aggregated	38,788,035.67	3,295,085.71	42,083,121.38
Amounts committed by the Implementing Partner	Grants (including TA)	2025	-	587,432.30
		Aggregated	587,432.30	3,317,432.30
	Financial instruments	2025	1,962,871.00	2,707,653.41
		Aggregated	35,096,577.00	2,707,653.41
	Own resources	2025	-	1,024,000.00
		Aggregated	123,499,779.38	1,024,000.00
	Management fees	2025	90,017.82	25,200.00
		Aggregated	620,574.63	25,200.00
Administrative expenditure	Other charges	2025	281,144.09	26,600.00
		Aggregated	1,291,637.90	26,600.00
	Total	2025	371,161.91	51,800.00
		Aggregated	1,912,212.53	51,800.00

Financial Information (EUR)	Green MSMEs KfW		Latin America Investment Facility Eco-Business Fund		Latin American Green Bond Funds		Kuali Fund - Multi Regional LAC	
Type of instrument	Guarantee & TA		Fund		Fund		Fund	
Year of inception	2019		2017		2020		2024	
Implementing Partner	KfW		KfW		KfW		Cofides	
	2025	All years	2025	All years	2025	All years	2025	All years
EU Contribution								
Budgetary commitments	0.00	14,380,000.00	0.00	13,260,000.00	0.00	16,050,000.00	12,802,000.00	12,802,000.00
Budgetary payments	336,000.00	10,416,000.00	0.00	13,032,757.49	0.00	15,339,278.18	3,295,085.71	3,295,085.71
Reflows								
Total reflows entered into the budget, of which:	5,546,095.60	5,546,095.60	0.00	0.00	0.00	0.00	0.00	0.00
<i>to the general budget</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>returned to be used</i>	5,546,095.60	5,546,095.60	0.00	0.00	0.00	0.00	0.00	0.00
Losses from operations								
Guarantees								
Guarantees called	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Guarantee calls recovered	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equities								
Realised losses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans								
Write offs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Management fees and other charges								
Administrative fees	13,333.33	81,111.76	16,684.49	140,245.45	60,000.00	399,217.42	25,200.00	25,200.00
Incentive fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Treasury management fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other charges	0.00	0.00	0.00	0.00	281,144.09	1,291,637.90	26,600.00	26,600.00
Revenues								
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net treasury result (including interest) (gains (+) / losses (-))	102,750.41	285,881.44	183.42	695.56	0.00	0.33	34,483.40	34,483.40
Net FX gains (+) / losses (-)	-649,106.55	-488,766.57	-535.55	-182.48	-130,623.01	140,819.59	0.00	0.00
Other revenues	0.00	0.00	0.00	3,723.92	0.00	0.00	0.00	0.00
	2025	2024	2025	2024	2025	2024	2025	2024
Risk exposure								
Maximum financial risk exposure	958,828.31	5,932,017.71	9,188,092.17	10,672,825.02	10,252,430.57	14,078,507.97	96,150.38	0.00
Value of equity investments	0.00	0.00	9,188,092.17	10,672,825.02	10,252,430.57	14,078,507.97	96,150.38	0.00
Value of loans	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial liabilities and provisions	12,550.77	102,810.83	0.00	0.00	0.00	0.00	0.00	0.00
Assets under treasury management								
Balance in the fiduciary bank account (including short term deposits <3months)	0.00	1,938,611.80	4,236.91	4,589.04	0.00	894,094.04	1,036,513.40	0.00
Other financial assets (including short term deposits >3months)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

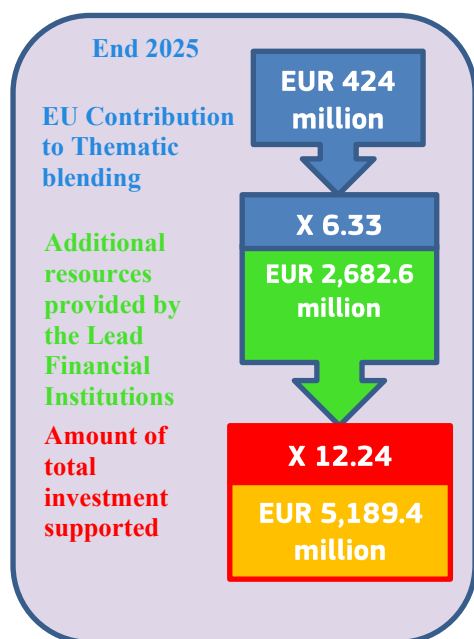
6.4 Thematic Blending (Energy, Food, Humanitarian, Environment)

Description

Identification / Reference to the basic act			
Regulation (EC) No 1905/2006 of the European Parliament and of the Council of 18 December 2006 establishing a financing instrument for development cooperation.			
Regulation (EU) No 233/2014 of the European Parliament and of the Council of 11 March 2014 establishing a financing instrument for development cooperation for the period 2014-2020.			
Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 laying down common rules and procedures for the implementation of the Union's instruments for financing external action.			
Budget lines			
BGUE-B2023-14.029902.05-C8-INTPA, BGUE-B2023-21.020704-C8-INTPA, BGUE-B2022-14.029902.07-C8-INTPA			
(EUR)	2025	2026	2027
Budgetary commitment appropriations	0.00	131,911,039.71	10,990,737.00
Budgetary payment appropriations	16,787,668.70	33,473,708.00	13,366,286.00

Initial financial envelope:	EUR 74,851,742.00
Current financial envelope:	EUR 574,744,946.00
Overall financial envelope:	EUR 574,744,946.00

General description



ENERGY (total funds: EUR 444.7 million):

The Energy Thematic blending is constituted of 8 different financial instruments, as detailed below.

ElectriFI Initiative: EUR 339.7 million

1. EDFI-ElectriFI Global Window

The EU contribution of EUR 125.9 million is dedicated to unlocking, accelerating and de-risking sustainable energy investments in partner countries, with a particular focus on rural, underserved areas in sub-Saharan Africa.

The financial instrument has been running since December 2015, when the Delegation Agreement with FMO was signed. It was completed by several top-ups.

The investment period for operations ended on 31/12/2025, while the contract end date of activities is the 31/12/2030.

The objective of ElectriFI is to accelerate the development of businesses providing and improving access to modern, affordable and renewable energy services to populations living in underserved areas, by de-risking and unlocking private sector investments.

ElectriFI addresses the existing lack of access to seed, mid- and long-term funding, by providing the missing capital to early-stage, higher-risk companies providing mini-grids, Solar Home Systems (SHSs), Captive

Power Plants (CPPs) or Independent Power Producers (IPPs). The involvement of the private sector in the electrification business, through bridging the financing gap, has an added value in attracting additional financing and enhancing the sustainability of investments and market expansion.

FMO is the entrusted entity for the financial instrument, which is implemented by EDFI Management Company on behalf of FMO.

Since the start of operations in 2017, ElectriFI has expanded rapidly and now includes 64 operations in Africa, Asia and the Caribbean, amounting to a total of EUR 106.3 million of investments, leveraging a total amount of EUR 454.1 million in investments from external investors.

At the end of its life, it is envisaged that ElectriFI Global Window will reach 64 operations, with a target of providing 33.5 million people with electricity, avoiding 2.5 million tons of CO₂ per year and adding 1.2 GWh per year.

The targeted leverage effect is 4. The achieved leverage is 3.4.

2. Africa Renewable Energy Scale Up Facility (ARESUF)

The ARE Scale Up Facility aims to foster renewable energy projects in Africa. It is managed by the AFD Group via two components (i) a Technical Assistance component, managed by AFD for a total amount EUR 16.3 million, and (ii) a Guarantee Fund managed by Proparco for a total amount of EUR 22.35 million. The EU contributes EUR 24.6 million to the Facility as a whole. The EU contribution includes up to EUR 12.35 million as financial instrument (of which EUR 10 million as an unfunded guarantee facility) dedicated to de-risking equity financing of pioneer renewable energy businesses in Africa.

The financial instrument has been running since December 2016, when the Delegation Agreement with Proparco was signed.

The investment period of the ARE Scale Up Facility ended in 26/06/2024, while the contract end date of activities is 27/12/2031.

By supporting renewable energy development in Africa and promoting private sector involvement in the field of access to modern energy services, the ARE Scale Up Facility contributes to the two main objectives of AREI: overall acceleration of access to energy for all and deployment of renewable energy on the African continent. The ARE Scale Up Facility supports investments in private companies active in the decentralised energy sector, including Solar Home Systems (SHS), off-grid, and mini-grid solutions. The guarantee provided by the EU helps catalyse funding from DFIs as well as private capital equity investments in these business models and contributes to bridging the financing gap of this sector, which is capital intensive. Cooperation among public and private investors helps ensure sufficient funding at scale.

Proparco is the entrusted entity for the implementation of the financial instrument.

Since the start of operations of the ARE Scale Up Facility a total of EUR 18.5 million have been invested as part of funding rounds totalling over EUR 162 million in 6 current operations while a first exit occurred in 2022.

The companies intend to provide 250 MW of renewable energy benefiting 250,000 people, creating 1,200 jobs and saving 420 thousand tons of CO₂eq per year.

The targeted leverage effect was 2. The achieved leverage is 2.

3. Climate Investor One (CIO) & CIO (EEI)

The total EU contribution to Climate Investor One (CIO) amounts to EUR 98.2 million (of which 10 million from EDF). CIO is dedicated to developing, constructing and operating renewable energy projects in emerging markets. CIO uses blended finance to catalyse private sector capital into developing markets.

The financial instrument has been running since December 2017, when the first Delegation Agreement was signed. The signature of any new operations would have to be finalised by 23/06/2032, while the contract end date of activities is the 23/06/2037.

CIO provides whole-of-life financing for renewable energy infrastructure in emerging markets with a primary focus on wind, solar and run-of-river hydro projects. CIO helps develop, construct and operate renewable energy projects in regions with significant power deficits, in a more expedient manner and at reduced cost. Together with other donor capital, the EU contribution helps reduce the risk profile of CIO projects, unlocking investment from mainstream commercial investors.

FMO is the entrusted entity for the implementation of the financial instrument. Climate Fund Managers (CFM) is the Fund Manager of Climate Investor One.

Of the 26 ongoing projects across Asia, Africa and Latin America, 13 are currently under development, and 13 in full or partial operation. Altogether, CIO operations are expected to help install 1.7 GW of renewable energy capacity, reaching 13 million people, catalysing EUR 3.8 billion in private sector funding and saving 2.2 million ton of CO₂eq each year. The initial EU contribution to CIO is EUR 30.7 million. In 2021, an additional EU contribution of EUR 57.5 million was made to Climate Investor One for an Energy Efficiency Initiative (CIO-EEI) to help unlock additional RE projects thanks to energy efficiency improvements of grid infrastructure and better integration of renewable energy. CIO-EEI provides development and construction stage financing to power system equipment with a view to reduce system losses of generated renewable energy and improve the utilisation of renewable energy generation facilities connected to the grid.

The targeted leverage effect is 9. The achieved leverage is 23.

4. Transferability and Convertibility Facility

The EU contribution of EUR 26.9 million is dedicated to cover transferability and convertibility risks for DFIs investing in Independent Power Producers (IPPs) in lower income countries particularly vulnerable for such risks. The Facility allows for the provision of a dedicated transfer and convertibility instrument for eligible Independent Power Producers (IPPs) during an inconvertibility and non-transferability event.

Transferability and convertibility risks represent a significant barrier to private financing of renewable energy projects as electricity is sold in local currency while power plants are typically financed in hard currency. During an inconvertibility or non-transferability event, IPPs might default on hard-currency payments because they are unable to convert local currency. The purpose of the facility is to mitigate these risks by financing a debt service reserve account available to lending DFIs to cover payment of scheduled interest and principal debt. The facility targets greenfield on-grid IPPs with a minimum installed capacity of 10 MW in regions eligible under the Development Cooperation Instrument (DCI).

The Delegation Agreement was signed in December 2017 and the financial instrument has been running since January 2018. The signature of operations ended on 27/12/2023, while the contract end date of activities is the 31/12/2029.

Proparco is the entrusted entity for the implementation of the financial instrument.

At the end of 2025, there were no operations signed. The Transferability and Convertibility Facility was terminated in December 2025. The Final Report detailing the costs will be received in 2026.

5. Facility for Energy Inclusion (FEI)

The EU contribution of EUR 40.2 million provides long-term debt through finance structures. It is a debt financing platform for small-scale renewable energy projects – off-grid solar, small scale IPPs and mini-grids – with the objectives of aggregating capital, structuring bankable projects and accelerating their delivery as to increase access to clean energy across Africa while supporting the transition to low-carbon development pathways. FEI has two investment windows with different added value:

- FEI off-grid window (OGEF): supports pay-as-you-go solar home system companies by offering a flexible, pragmatic and context driven approach to transaction structuring, provides local currency options to reduce risk for borrowers and their customers, and helps creating lasting local capital markets participation in the sector. OGEF also provides technical assistance to companies to support market development.
- FEI on-grid window (OGEN): supports small-scale Independent Power Producers (IPPs), mini-grids and captive power projects by providing various debt products, including corporate and project loans, construction/bridge loans and mezzanine finance, in both hard and local currencies. Focusing on smaller facilities it envisages bringing electricity to smaller countries or regions that are not adequately serviced by the main grid.

The Delegation Agreement was signed in December 2018 and the financial instrument has been running since January 2019 and the contract end date of activities is the 31/12/2034. FEI OGEF and FEI OGEN lifetime end in 2036.

The African Development Bank (AfDB) is the entrusted entity for the implementation of the financial instrument.

- FEI off-grid window (OGEF): pay-as-you-go solar home system companies (PAYGO) and other innovative energy access distribution companies through lending to corporates and SPVs. Short-tenor debt instruments of 2-5 years for working capital, consumer finance and securitisation. Debt instruments typically range from USD 2 million to USD 10 million in USD or local currency with foreign exchange risk hedging. The proposed facility life is up to 10 years with scope for two one-year extensions. This window also includes a TAF of EUR 1.6 million financed by the EU. Target number of covered operations 15-20 investments. Final close included USD 58.6 million in equity and USD 56.7 million in debt facilities. The EU provided an equity contribution of EUR 13 million.
- FEI on-grid window (OGEN): small-scale renewable IPPs, mini-grids and captive power projects (capital expenditures of less than USD 30 million and a capacity of <25MW). Project finance structures can access senior and mezzanine loans between USD 2 and USD 20 million in USD, EUR or local currency, and with a tenor up to 12-15 years. The life of the facility is 15 years, with a 7-year investment period. Target number of covered operations 20-30 investments. Final equity closing in 2020 included USD 145 million. In addition, the window raised USD 166 million in debt facilities. The EU provided an equity contribution of EUR 25 million.

The targeted leverage effect is 5. The achieved leverage is 14.39.

Some of the implementation challenges include finding deals that are fully compliant with the EU Financial Regulation (avoiding AML listed countries). Also, the COVID-19 pandemic challenged the implementation of the FEI OGEF fund.

6. Digital Energy Facility (DEF) for the promotion of energy transition and energy access

The DEF is dedicated to supporting the modernisation and digitalisation of the energy sector, encouraging innovative business models and the long-term sustainability of energy systems. The PAGODA FI signed in December 2019 focuses on contingent debt financing and related non autonomous technical assistance for a total of EUR 4.96 million. Thanks to the financing of digital innovation projects and products, the facility aims to support the integration of renewable energy sources into the grid, increasing energy access and improving the performance of power utilities.

The EUR 23.5 million investment for the DEF was reinforced in 2024 by an additional EUR 1.3 million through a component of the new Digital and Green Innovation (DGI) Action, a project in the Team Europe approach stemming from the D4D Hub Digital & Green Working Group. This brings the total EU

contribution for the DEF objectives to EUR 24.8 million. AFD/ADEME also provided an additional contribution of EUR 110,019 to the Digital Energy Challenge component.

The financial instrument is deployed through one financial intermediary, Investisseurs & Partenaires, selected by AFD to source eligible operations for contingent debt financing. Such financing, with a maximum investment per project of EUR 500,000 as per the last addendum of June 2024 (previously below EUR 300,000), will benefit more than 10 companies and will address the specific needs of energy access companies to experiment and scale up access to innovative energy services or products. Few financial institutions and accelerators cover the financial needs at this stage of development of innovations. The investment criteria address the potential impact on economic development, development stage of the access to energy concept and availability of co-financing, among others. Two operations were approved in 2023, and two additional operations were signed in 2024. In 2025, seven new operations were approved by the Investment Committee.

AFD is the entrusted entity for the implementation of the financial instrument.

The financial instrument has been running since December 2019, when the Delegation Agreement with AFD was signed. The end date of activities is 22/12/2034.

DEF altogether aims to reach up to 50 companies and public utilities, 10 MW of additional renewable energy capacity, 100,000 people with new or improved access to electricity and 30,000 tCO₂eq avoided every year, as per the updated logical framework of June 2024 (latest data available). The project started in 2020, and the financial instrument (contingent debt component) started to be deployed in 2023.

The targeted leverage effect is 0.81.

7. SPARK+ Africa Fund

The EU contribution of EUR 10.348 million is an investment into the Spark+ Africa Fund, the first impact investment fund dedicated to Clean Cooking. It is managed by Enabling Capital and the Netherlands-based foundation Stichting Modern Cooking (SMC), and supported by technical assistance of the Clean Cooking Alliance. The Fund finances clean, efficient, and modern cooking solutions in developing markets for rural, peri-urban and urban communities in Sub-Saharan Africa. The total Fund size is USD 64.8 million.

Access to clean cooking is a critical development milestone and can reduce preventable deaths, improve health and enhance quality of life for those at the bottom of the pyramid. Investments to achieve access to clean cooking solutions in Sub-Saharan Africa are generally managed by SMEs, which have been historically overlooked by traditional financiers, as they form the “missing middle”.

The Fund mainly invests in long-term debt instruments, and to a lesser degree in quasi-equity and equity instruments of USD 0.25-5 million in small and medium size enterprises active in the cooking energy value chain.

Impact Fund Denmark (IFDK, previously the Investment Fund for Developing Countries (IFU)) is the entrusted entity for the implementation of the financial instrument. The agreement was signed on 22 December 2021. IFDK invested DKK 33 million (approximately EUR 4.5 million) in Spark+ during the Fund’s first closing in the first quarter of 2021, which raised a total of EUR 36 million at that stage. While the investments of the Fund started straight after the first closing, the implementation period of the EU contribution started on 15/07/2022 and will conclude on 14/07/2029.

The envisaged tenor of the Fund in 2021 was seven years with the possibility of two one-year extensions, with an investment period of up to four years. The EU contribution to the Fund aims to improve the accessibility, availability, and affordability of clean cooking solutions in the underserved market. The Fund has by the end of Q4 2025 disbursed USD 65.6 million across 18 portfolio companies. During the Fund’s lifetime, the Action aims to support 30 companies, benefitting 11.2 million people, while saving nearly 16 million tCO₂eq emissions.

The targeted leverage effect is 5.63. The achieved leverage is 6.47.

Sustainable socio-economic development through clean and efficient energy solution initiatives: EUR 104.974 million

1. Demand side management, social infrastructure renewables and energy efficiency (DESIREE)

The main objective of the DESIREE programme, implemented by the European Investment Bank (EIB), is to foster sustainable and inclusive socio-economic growth in selected partner countries and develop sustainable business models for the provision of clean, climate-friendly and energy efficient solutions. The ambition is to deliver meaningful impact and progress (higher electrification rates, reduction of emissions, diversification of the energy mix, equal access to energy, efficient use of energy), showcase innovative and scalable solutions and demonstrate actual impact on the ground.

DESIREE aims to support the establishment and operationalisation of super energy service companies, to stimulate the uptake of demand side management measures through utility companies in order to implement domestic and commercial consumer energy efficiency measures, and to de-risk approaches and scale private sector business models for the sustainable electrification of social infrastructure. It intends to demonstrate innovative or sustainable approaches which can be scaled-up or replicated elsewhere in low and middle-income countries in Africa, Asia, and Latin America.

The contribution agreement was signed in December 2020 and amended in 2021. The end date of activities is 20/10/2029. The amendment included the Operational Guidelines for the Investment Grant Window. The Operational Guidelines for the Financial Instrument Window, on the other hand, were negotiated for a long time and are not finalised.

The total EU budget amounts to EUR 104.97 million, allocated across technical assistance, programme management, and a blend of investment grants and financial instruments. The EIB aims to blend the programme resources with its own financing contribution for EUR 200 million, mostly loans. An additional EUR 400 million financing from third parties is considered a reasonable estimate.

In absence of financial instruments, the programme has been running underpinned by the technical assistance and the investment grant components, blended with EIB loans and third party contributions. In March 2025, because the programme was suffering of meaningful delay, and anticipating complexities in finalising the long-time Financial Instrument Window negotiations, the financial structure was simplified. The funding initially allocated to the Financial Instrument Window was transferred to the Investment Grant Window. Hence, DESIREE has no financial instruments anymore and thus will no longer be reported. Noteworthy, the overall programme amount remains unchanged and the envisaged budget swap happens between existing modalities within the original contract, without limiting the preliminary indication of the bank contribution.

This shift simplified the programme's structure, expedited its implementation and ensures that the objectives are met more swiftly and effectively. Since then, as of end 2025, two new proposals have been approved totalling EUR 14 million in investment grants, EUR 1.5 million in technical assistance and EUR 51.5 million in EIB loans, enabling the mobilisation of over EUR 217 million in investment.

The initially envisaged targeted leverage effect of 6.9 will be reviewed considering the budget swap.

ENVIRONMENT (total funds: EUR 30.4 million)

Water for prosperity, regional stability, and resilient ecosystems initiative: EUR 30.4 million

1. Climate Investor 2 (CI2)

Climate Investor Two (CI2) is Climate Fund Managers (CFM) second blended finance facility, delivering water, sanitation, and oceans infrastructure projects in emerging markets. FMO is the entrusted entity for the implementation of the financial instrument. The agreement was signed in December 2020. The Government of the Netherlands, through the Dutch Fund for Climate and Development (DFCD), provided EUR 75

million in finance to anchor CI2. In 2022, the Green Climate Fund committed USD 145 million in donor funding to both Construction Equity Fund and Development Fund. The EU contributed with EUR 19.7 million in 2021 and an additional contribution of EUR 10.7 million in 2024, further enhancing efforts to increase climate resilience in the Philippines and solidifying CFM's relationship with the EU. The EU is currently the third largest donor of the Fund. The contract end date of activities is the 30/06/2041.

In March 2025, CI2 reached the final closing with USD 1.065 billion marking a significant milestone in the evolution of climate finance and highlighting the important role of blended finance in the journey toward sustainability. With new commitments of USD 190 million plus a EUR 205 million EFSD+ guarantee from the European Union, CI2 surpassed its initial USD 1 billion target, becoming the largest climate adaptation infrastructure fund at the time of final closing focused on emerging markets globally.

Having achieved proof of concept with CIO, CI2 opens the way for transformational impact in a sector dominated by public funding and frequently facing financing shortfalls. As a cradle-to-grave finance facility, CI2 seeks to mobilise blended finance provided by donors and the commercial sector with its additional recycling feature to maximise impact and reduce risk in markets where development is needed, and climate change solutions can have a significant and sustainable effect. CI2's overarching focus is to attract private finance for low and lower-middle income countries, on the back of enabling public sector funding. CI2's encompassing whole-of-life financing solution provides an attractive alternative to the current market practice of structuring project finance for water supply, sanitation, and oceans infrastructure projects. CI2's approach targets market failures through two key pillars: (i) speed of development, construction, and implementation, and (ii) innovation through market development where existing models do not include private finance.

CI2 final closing also marks the introduction of a pioneering Bridge-to-Bond mechanism as the facility's structure includes a bridge loan from Sanlam Alternative Investments, supported by a guarantee from the European Union. The bridge loan is envisaged to be taken out by a climate bond within a few years. This innovative mechanism creates a pathway for fixed income markets to access CI2's underlying asset base, representing a breakthrough for CFM in mobilising institutional bond investors for its funds.

CI2 fund structure is characterised by one Development Fund (DF) and a Construction Equity Fund (CEF). The Development Fund (DF) provides early-stage development funding to projects and the Construction Equity Fund (CEF) provides large-scale equity finance to construct projects and bring them into operations. Over the life of CI2, CFM expects to make an average of 30 investments in the following sectors: bulk water supply, water distribution, wastewater and ecosystems and oceans across Africa, Asia and Latin America.

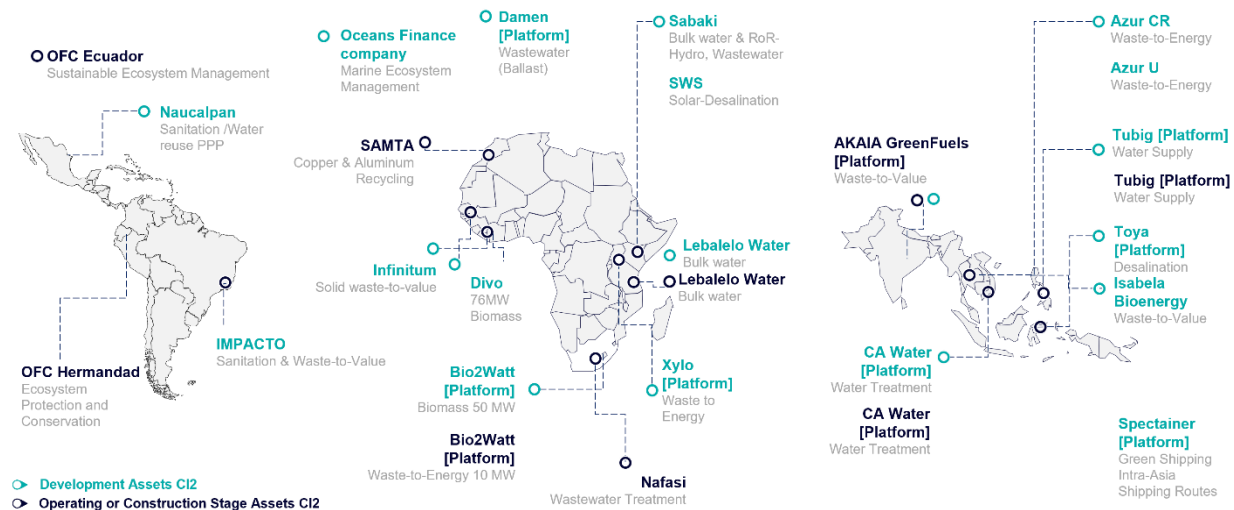
The implementation of CI2 continues to navigate a complex global environment characterised by geopolitical tensions, high inflation, and interest rate volatility, which have influenced investor sentiment and the availability of financing in key markets. Despite these challenges, CI2 has demonstrated resilience, successfully advancing its investment strategy with geographically and technologically diverse assets, which emphasises pipeline maturation and scaling.

As of end 2025, CI2 holds 9 assets under construction or (partial) operations and 18 development projects. During 2025, the CEF portfolio evolved from a small number of early construction assets into a more diversified, execution-led portfolio, with key assets progressing to financial close and construction (e.g., Nafasi), the approval of a large-scale bulk water programme (e.g., Lebalelo Water) and the addition of a new waste-to-value platform in India (Akaia GreenFuels), materially strengthening capital deployment capacity and long-term value creation.

Looking ahead, the DF portfolio comprises a broad and diversified pipeline of mid to late-stage projects across water, sanitation, oceans and waste-to-value, with a strong subset expected to transition to CEF in 2026.

The project's targeted leverage effect is 31.08, and the achieved leverage in this fourth year of implementation is 17.53.

Figure 1: CI2 Portfolio Overview in 2025



AGRICULTURE (total funds: EUR 89.6 million)

AgriFI initiative - Inclusive and sustainable value chains and food fortification: EUR 89.6 million

Under the AgriFI initiative, three blended finance instruments were contracted. All three of these seek to increase private investment in agriculture through the promotion of sustainable value chains, contributing to the sustainable growth of partner countries. The three instruments focus on different segments of the market.

1. African Agriculture Trade and Investment Fund (AATIF)

The EU contribution of EUR 30.6 million is dedicated to cover the first loss equity of the AATIF. Its duration is 10 years. This addresses the EUR 5-15 million investment bracket, through both direct and indirect investments, aimed at promoting smallholder livelihoods. The larger ticket size keeps transaction costs lower, and hence focusses on larger off-takers. AATIF is an innovative public-private partnership dedicated to uplifting Africa's agricultural potential for the benefit of the poor. The Fund aims at improving food security and providing additional employment and income to farmers, entrepreneurs, and labourers alike by investing patiently and responsibly in efficient local value chains.

The financial instrument has been running since December 2017, when the Delegation Agreement was signed. The contract end date of activities is 18/12/2027.

KfW is the entrusted entity for the implementation of the financial instrument.

There were a few changes to the capital structure of the AATIF. In Q3 2025, the final tranche of shares held by the Austrian Development Bank (OeEB) matured in September 2025 and has been fully redeemed. At the same time, AATIF received the positive decision from OeEB for a follow-on investment which has turned into a commitment agreement for USD 23 million during Q4 2025. The Fund has also initiated fundraising activities in anticipation of the continued growth of the portfolio.

In August 2024, Cygnum Capital took over as investment advisor. While the change initially saw a decline in the portfolio, disbursements have significantly picked up in 2025 and the gross portfolio reached USD 245 million, its highest value to date. A widening of the strategy has been initiated that encompasses climate adaptation as a cross-cutting theme by supporting investments that consider climate-resilient practices, such as smart agriculture and sustainable water management, to mitigate the adverse effects of climate change on agricultural systems.

The EU contribution has allowed the AATIF to mobilise further public and private sector contributions of 8 times the EU contribution to date. By the end of 2025, the AATIF portfolio had 21 active borrowers. The total principal outstanding was USD 241.7 million, and total committed for active portfolio was USD 328.2 million. The average post tax yield of the current portfolio stands at 7.9%, with an average post tax yield since fund inception of 7.4%.

During 2025, AATIF signed seven new investments, totalling USD 92 million, with Sucriviore (Ivory Coast), JKCC (Uganda), Access Bank Zambia, NMB Zimbabwe, Sunbeth Global (Nigeria), ETG (Zambia and Malawi) and Seba Foods Zambia. The Fund also disbursed toward existing commitments. Furthermore, the Technical Assistance Facility approved 3 new projects and 7 rapid appraisal studies in 2025, with a combined approved project budget of EUR 673,000. At the end of 2025, the TA Facility Manager continued to oversee 35 ongoing TA projects and rapid appraisal studies. Amongst others, these include capacity-building projects, such as supporting AATIF investee JKCC, a coffee processor in Uganda, to establish and consolidate a fully operational Social and Environmental Management System (SEMS). Furthermore, a project was launched to support the development of a comprehensive five-year 'TA Facility Strategy 2025-2029' to succeed the current 2021-2025 strategy.

The focus for the financial year 2026 will continue to be on agribusinesses involved in processing, which, despite the challenges they face, are still expanding, as well as on financial institutions that have existing outreach to agribusinesses and are interested in growing their agricultural footprint. Cygnum Capital has built a very strong pipeline and benefits from strong experience on the African continent with a very good presence on the ground and the majority of AATIF's investment staff based in Kenia and Abidjan, supporting business development and portfolio monitoring. The Fund offers tailor-made and flexible financing structures to its clients and benefits from a good speed of execution, adding to its competitive advantage. It uses its network of bank clients to acquire additional agricultural clients in the corporate segment. It faces limited competition from other debt funds focusing on agriculture as it usually works with larger clients, by enhancing capacities in E&S, certification, and product development, amongst others.

The targeted leverage effect is 5.10. The achieved leverage is 8.12.

2. HURUMA Fund

Huruma Fund is an impact investment fund set up with COFIDES as financial institution which aims to address the traditional constraints of agriculture finance and the financing needs of smallholders and underserved farmers. The Fund invests both in financial institutions that have an agricultural portfolio and in producer organisations and agriculture value chain SMEs that directly or indirectly work with excluded farmers. The total size of the Fund is EUR 120 million and consists of two classes of shares. A first loss class to which the EU contributes with EUR 10 million through a contract with COFIDES, and a senior class, in which private investors contribute with EUR 90 million (including EUR 1 million from COFIDES). AECID/FONPRODE is contributing with EUR 20 million through a side vehicle. The aim of Huruma Fund is to allow its investees to increase their agricultural portfolio and provide access to finance to more smallholders.

Along with the investment, the Fund will also support investees with technical assistance, focusing on different areas according to the specific partner institution. The EU is contributing to the technical assistance with up to EUR 8.6 million, alongside the Fund itself. In total, the EU contribution to the Fund amounts to EUR 19.3 million (including EUR 0.7 million in fees).

The financial instrument has been running since October 2019, when the Contribution Agreement was signed. The contract end date of activities is 30/10/2029. COFIDES is the entrusted entity for the implementation of the financial instrument.

The Fund provides debt financing (minimum 70% of the total size of the Fund) and equity investment (up to 30%). The ticket size ranges between EUR 1 and EUR 10 million. It has a global geographical scope, but focuses on Latin America, Asia, and Sub-Saharan Africa.

Until the end of 2025, the total outstanding portfolio amounted to EUR 82.77 million (58.8% of the approved portfolio, which is EUR 140.8 million) for a total of 38 deals with 18 investees in 10 countries (Bolivia, Brazil, Ecuador, India (equity investments), Mexico, Nigeria, Panama, Paraguay, Peru and Senegal).

At 31/12/2025 the financing mobilised from the private sector has been superior to what was initially expected, thereby increasing the multiplier effect to 8.41 (instead of the targeted 6.22). The targeted leverage effect is 1.61 and the achieved leverage is 2.08.

Regarding technical assistance, the Technical Assistance Facility (TAF) legal setup was completed in 2021 and the TA Steering Committee (a body created to provide strategic guidance for the implementation of the Facility) started its work in 2022. Since then, twelve TASC meetings have been held. To date, 18 technical assistance projects have been approved, of which three correspond to the project diagnosis. Five projects were concluded, another five are under implementation and one is being tendered and is expected to be awarded in 2026. Five others are under design. The total amount committed so far for technical assistance is EUR 696,240.

3. EDFI AgriFI Facility

The initial Global window was launched in 2018 with an initial budget of EUR 39 million and an initial duration of 12 years. The facility was extended to 15 years and the budget increased to EUR 39.7 million. Its geographical scope is global, but AgriFI invests predominantly in low and lower-middle income countries and has a specific but non-exclusive focus on Sub-Saharan Africa. The aim is to provide long-term finance and/or working capital needs in the form of debt or equity of between EUR 0.5-5 million, on commercially oriented terms, to MSMEs active in agri-food value chains and involving smallholder farmers. About EUR 2 million of technical assistance is included to be provided to final recipients to accompany the investment.

Following the success of the first Global window, four other specific windows were added in 2021 (amounting to EUR 80 million), thereby bringing AgriFI's total means available to EUR 120 million:

- A regional window for ACP countries (EUR 50 million from the 11th EDF Intra-ACP; Dec 2021-Feb 2037): focusing on 11 value chains, but not exclusively;
- A Ghana window (EUR 10 million from the 11th EDF; Jan 2021 – June 2034): focusing on the Upper-West region;
- A Sri Lanka window (EUR 8 million from the 11th EDF; Dec 2021-Dec 2035): focusing on organic farming (a high priority of the government) and on cold chains and other food processing solutions (to reduce post-harvest loss and food waste as part of the objective under the previous MFF agriculture modernisation and new MFF circular economy/waste management);
- A Tanzania window (EUR 12 million from the 11th EDF; Dec 2021-Sept 2033): focusing mainly on tea, coffee, and horticulture.

All those windows also include a technical assistance component.

The financial instrument for the Global window has been running since January 2018, when the Delegation Agreement was signed. The end date of operations for the initial Global window financial instrument is 31/12/2032.

The financial instrument is fully financed by the EU and managed by the EDFI Management Company (EDFI MC), which signed a sub-delegation agreement with FMO in September 2018.

Twenty-one investments to 26 counterparties have been made as of end of December 2025 (10 under the Global window, 10 under ACP, 2 under Ghana, 3 under Tanzania and 1 under Sri Lanka), representing EUR 60.8 million contractually committed.

The current committed portfolio of the Global window amounts to EUR 26.4 million and is composed of 10 long-term investments to 9 investees: 5 SMEs (Nigeria, Senegal, Tanzania, Kenya and Burkina Faso), 3 funds (multi-country) and 1 microfinance institution (Myanmar). The total capital mobilised with these investments reached EUR 84.8 million, out of which EUR 30.9 million from EDFIs. Therefore, the leverage is 3.2.

During 2025, no investment proposals were presented to the Investment Committee (IC) for the Global window. One investment proposal of EUR 2.6 million was approved by the IC in Q2 2025 but the deal is expected to be signed in 2026. By the end of 2026, all the funds foreseen for the Global window (EUR c. 29 million) will be fully committed, which will represent 11 investments in total. Investments for the other 4 windows will continue to be sourced.

Regarding technical assistance, AgriFI signed twelve new technical assistance (TA) projects for a total value of EUR 342,463: six for the investees of the Global window, three for the regional ACP window, two for the Ghana country window and one for the Sri Lanka country window. The largest share of resources is concentrated in Business Operations Support activities, which aim to provide general assistance to investee business operations. These TA interventions accounted for EUR 233,620, or approximately 68.2% of the total budget. Technical assistance focused on environmental and social compliance also represents a significant component of the portfolio, accounting for close to 17% of total TA funding. Lastly, training and capacity-building initiatives represented roughly 15% of the overall TA budget. Within the dominant Business Operations Support envelope, funding is relatively diversified across a range of operational and commercial support activities for TA final recipients. These interventions are designed to strengthen business performance, including support for relationships with outgrowers, feasibility studies linked to business expansion, and legal and financial advisory services to facilitate fundraising and investment readiness.

WOMEN'S ECONOMIC EMPOWERMENT (total funds: EUR 9 million)

Women's Economic Empowerment Initiative (WWE): EUR 9 million¹⁹⁶

1. Women's Financial Inclusion Facility (WFIF)

The Women's Financial Inclusion Facility (WFIF) consists of Women's World Banking Capital Partners II ("WWBCP II" or the "Fund II") and the Women's World Banking Technical Assistance Programme ("TAP"). The WFIF invests in emerging markets financial service providers that incorporate low-income women into their client base, expand gender diversity within their management teams, and utilise new technology solutions to enhance customer engagement. The EU funding will be used for investments in Sub-Saharan Africa. The Technical Assistance Programme is implemented as an independent action attached to WWBCP II.

The EU contribution of EUR 9 million is dedicated to a first-loss risk capital contribution, jointly with other development capital providers and private investors, and a technical assistance component.

The primary purpose of the EU contribution is to crowd commercial investors into the Fund by de-risking what might otherwise be unacceptable risks from two types of commercial investors:

- (i)** investors new to either gender-lens investing or inclusive finance investing, who would see the first-loss contribution as both an endorsement and risk mitigation, and
- (ii)** investors who would potentially invest in the Fund, but would restrict its ability to invest some portion of the Fund's capital in earlier-stage (e.g. "Series A" or "Series B") innovative solutions providers and/or World Bank-defined low-income countries, including fragile states.

¹⁹⁶ This amount does not include the additional EUR 1 million contribution to the Women's Economic Empowerment Initiative from an EU Parliament budget line.

The financial instrument has been running since 2018, when the Delegation Agreement was signed. The signature of any new operations under the Agreement had to be finalised by 27/03/2020, while the contract end date of activities is 26/09/2033.

KfW is the entrusted entity for the implementation of the financial instrument.

The WFIF is reaching low-income women with a wide range of products and services catered to women and as such, creating a new market for the investee financial institutions. The technical assistance is used to finance gender assessments conducted at the organisational level and market/customer level, which will result in a gender action plan for each investee financial institution to close the gap on gender equality among the company's clients and in its employee base.

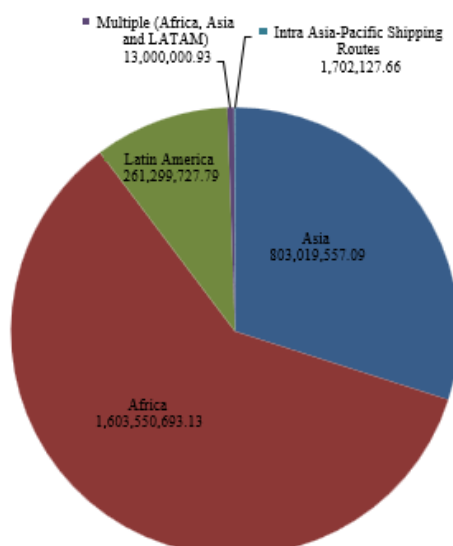
The Fund has invested into 12 financial institutions with potential and appetite to better reach and serve women across the pipeline countries. The Fund had its first closing in March 2020 at a size of USD 50 million and over the course of three subsequent closings, reached a total fund size of USD 103.5 million for its final closing in March 2022. The Fund has concluded investments into 12 local financial service providers.

These are for instance in housing finance in India, agricultural insurance in Sub-Saharan Africa (in particular Kenya, Nigeria and Zambia), microfinance in Colombia, peer-to-peer microfinance in Indonesia, rural microfinance in Uganda, fintech business providing SMEs with short term loans in South Africa and digital financial service company serving MSMEs in Ghana, Uganda and Kenya. The technical assistance has been used for conducting gender assessments for the investee companies and for creating gender action plans to improve their gender performance.

The EU participation as the anchor investor has been instrumental in leveraging important additional public and private investments to the Fund as well as for financing the technical assistance activities.

The targeted leverage effect is 7.25. The achieved leverage is 7.70.

Geographical diversification



Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed	423,959,398.56	574,744,946.00
Leverage effect	6.33	5.95
Multiplier effect	12.24	10.79
Operations	257	248
Financing provided to final recipients	2,682,572,106.60	3,419,993,720.31
Number of final recipients	339,841	181,126
Investments made by final recipients due to the received financing	5,189,428,209.75	6,203,687,456.00

Financial Information

Financial Information (EUR)	Thematic blending (ENERGY, FOOD, ENV, HUM)		
Type of instrument	Blending		
Year of inception	From 2016 onwards		
Implementing Partner	AFD, Cofides, FMO, KfW, Proparco, AfDB, IFDK ¹⁹⁷		
	Notes	2025	All years
EU Contribution			
Budgetary commitments		0.00	469,770,546.26
Budgetary payments		16,787,668.70	423,959,401.18
Reflows	(1)		
Total reflows entered into the budget, of which:		6,050,221.78	17,387,504.33
<i>to the general budget</i>		6,050,221.78	17,387,504.33
<i>returned to be used</i>		0.00	0.00
Losses from operations			
Guarantees			
Guarantees called		4,976.00	4,976.00
Guarantee calls recovered		0.00	0.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		1,896,236.04	8,546,309.84
Management fees and other charges			
Administrative fees		476,101.18	3,304,326.19
Incentive fees		0.00	3.00
Treasury management fees		0.00	0.00
Other charges		1,739,202.94	5,433,206.19
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		4,955,342.47	18,462,141.50

¹⁹⁷ IFU changed name to IFDK in 2025.

Net treasury result (including interest) (gains (+) / losses (-))		725,324.83	5,382,339.25
Net FX gains (+) / losses (-)		-6,148,968.10	-2,624,780.75
Other revenues		38,443.41	645,027.52
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		243,173,279.92	290,639,751.88
Value of equity investments		184,574,441.04	171,116,517.71
Value of loans		27,415,558.44	31,964,957.66
Financial liabilities and provisions		7,420,730.46	4,233,849.32
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		43,478,123.17	55,807,633.49
Other financial assets (including short term deposits >3months)		6,988,231.13	6,354,528.46

Notes to the financial information

- (1) The NDICI Regulation does not set out an assignment of the reflows from the predecessor instruments to NDICI. Consequently, these reflows stemming from pre-2021 financial instruments have been recovered and sent back to the general budget.

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

Financial information per implementing partner and instrument

EUR

Implementing Partner		AFD	AFDB	Cofides	FMO	IFDK	KfW	PROPARCO	TOTAL
Budgetary commitments	2025	-	-	-	-	-	-	-	-
	Aggregated	23,500,000.00	40,242,000.00	19,300,000.00	284,246,312.26	10,348,000.00	40,600,000.00	51,534,234.00	469,770,546.26
Budgetary payments	2025	2,984,202.00	5,200,000.00	1,319,660.28	6,283,806.42	-	1,000,000.00	-	16,787,668.70
	Aggregated	19,989,405.00	40,242,000.00	14,406,233.45	267,710,980.09	10,139,715.00	40,600,000.00	30,871,065.00	423,959,398.54
Amounts committed by the Implementing Partner	Grants (including TA)	2025	-	-	1,319,660.28	948,023.36	-	-	2,267,683.64
		Aggregated	13,544,978.00	612,000.00	3,763,925.87	6,606,388.75	-	3,000,000.00	27,527,292.62
	Financial instruments	2025	-	-	-	4,316,120.35	2,026,631.00	-	6,342,751.35
		Aggregated	3,400,000.00	29,867,554.71	10,000,000.00	243,503,521.98	10,000,000.00	37,600,000.00	334,371,076.69
	Own resources	2025	-	-	27,000.00	42,553,191.49	561,702.13	-	43,141,893.62
		Aggregated	110,019.00	57,975,134.29	1,000,000.00	70,571,153.19	4,255,319.15	99,500,000.00	233,411,625.63
Administrative expenditure	Management fees	2025	8,000.00	24,587.14	30,000.00	236,971.00	46,285.71	75,094.00	55,163.33
		Aggregated	48,666.67	172,764.70	182,500.00	1,659,444.48	186,067.76	600,242.00	454,643.58
	Other charges	2025	233,227.00	5,391.70	943,688.61	95,338.32	516.46	461,040.85	-
		Aggregated	514,266.00	8,976.80	2,740,779.86	1,026,477.90	583.51	1,142,122.12	-
	Total	2025	241,227.00	29,978.84	973,688.61	332,309.32	46,802.17	536,134.85	55,163.33
		Aggregated	562,932.67	181,741.50	2,923,279.86	2,685,922.38	186,651.27	1,742,364.12	454,643.58

Financial Information (EUR)	Africa Agriculture Trade and Investment Fund S.A. SICAF-SIV		Africa Renewable Energy Scale Up Facility - Guarantee Fund		Agriculture Financing Initiative		Climate Investor One		Climate Investor One - Energy Efficiency Initiative		Climate Investor Two		Digital Energy Facility (DEF) for the Promotion of Energy Transition and Energy Access - Seed Financing	
Type of instrument	Fund		Guarantee + TA		Equity & loans		Equity		Fund		Equity		Contingent debt + TA	
Year of inception	2018		2016		2017		2017		2021		2021		2019	
Implementing Partner	KfW		Proparco		FMO		FMO		FMO		FMO		AFD	
	2025	All years	2025	All years	2025	All years	2025	All years	2025	All years	2025	All years	2025	All years
EU Contribution														
Budgetary commitments	0.00	30,600,000.00	0.00	24,850,000.00	0.00	39,700,000.00	0.00	30,700,000.00	0.00	57,500,000.00	0.00	30,401,600.00	0.00	23,500,000.00
Budgetary payments	0.00	30,600,000.00	0.00	14,085,100.00	3,799,320.35	36,505,582.73	0.00	30,700,000.00	115,000.00	56,137,500.00	0.00	22,188,754.48	2,984,202.00	19,989,405.00
Reflows														
Total reflows entered into the budget, of which:	0.00	0.00	0.00	0.00	2,777,081.98	4,561,569.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>to the general budget</i>	0.00	0.00	0.00	0.00	2,777,081.98	4,561,569.58	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>returned to be used</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Losses from operations														
Guarantees														
Guarantees called	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Guarantee calls recovered	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equities														
Realised losses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans														
Write offs	0.00	0.00	0.00	0.00	1,461,311.23	1,461,311.23	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Management fees and other charges														
Administrative fees	60,000.00	485,000.00	13,333.33	120,000.32	35,692.00	330,153.59	0.00	0.00	115,000.00	609,999.82	45,369.00	173,831.39	8,000.00	48,666.67
Incentive fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Treasury management fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other charges	0.00	0.00	0.00	0.00	95,338.32	108,538.32	0.00	0.00	0.00	0.00	0.00	72.70	233,227.00	514,266.00
Revenues														
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)	0.00	0.00	0.00	0.00	843,460.00	4,158,628.89	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net treasury result (including interest) (gains (+) / losses (-))	11,972.84	282,275.25	0.00	0.00	-1,061.24	-83,580.52	622.00	359,190.07	724.00	739.00	66,037.00	66,043.00	0.00	0.00
Net FX gains (+) / losses (-)	-34,959.71	415,952.72	0.00	0.00	-1,309,805.54	-778,180.36	-126,704.00	-180,083.51	-1,374,299.00	-1,006,402.00	-1,561,332.00	-1,710,628.75	0.00	0.00
Other revenues	0.00	0.00	0.00	0.00	319.44	122,263.93	0.00	0.00	0.00	0.00	0.00	148.75	0.00	0.00
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Risk exposure														
Maximum financial risk exposure	26,068,539.68	29,301,989.35	370,000.00	6,501,187.12	16,525,376.94	20,413,966.16	30,550,303.09	34,552,513.09	51,405,315.00	58,139,614.00	17,459,973.00	18,377,594.00	3,402,491.00	1,175,000.00
Value of equity investments	26,068,539.68	29,301,989.35	0.00	0.00	4,548,721.39	4,976,907.93	30,480,961.09	31,106,078.09	42,647,531.00	32,291,703.00	10,481,576.00	8,250,122.00	0.00	0.00
Value of loans	0.00	0.00	0.00	0.00	11,976,655.55	14,465,095.81	0.00	0.00	0.00	0.00	0.00	0.00	2,356,086.00	545,000.00
Financial liabilities and provisions	0.00	0.00	5,951,784.01	2,320,731.87	-1.32	439,193.68	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assets under treasury management														
Balance in the fiduciary bank account (including short term deposits <3months)	276,585.78	299,572.65	0.00	0.00	7,228,917.05	4,053,090.32	26,696.00	29,525.00	1,164.00	523.00	2,210,921.00	3,799,613.00	499,897.00	3,183,406.00
Other financial assets (including short term deposits >3months)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Financial Information (EUR)	Electrification Financing Initiative		Facility for Energy Inclusion (FEI)		HURUMA Fund		The Spark+ Africa Fund		Transferability and Convertibility Facility		Women's Financial Inclusion Facility	
Type of instrument	Equity & loans		Fund		Fund		Fund		Guarantee		Fund + TAP	
Year of inception	2016		2018		2019		2022		2017		2018	
Implementing Partner	FMO		AfDB		Cofides		IFDK		Proparco		KfW	
	2025	All years	2025	All years	2025	All years	2025	All years	2025	All years	2025	All years
EU Contribution												
Budgetary commitments	0.00	125,944,712.26	0.00	40,242,000.00	0.00	19,300,000.00	0.00	10,348,000.00	0.00	26,884,234.00	0.00	10,000,000.00
Budgetary payments	2,369,486.07	122,179,145.52	5,200,000.00	40,242,000.00	1,319,660.28	14,406,233.45	0.00	10,139,715.00	0.00	16,785,965.00	1,000,000.00	10,000,000.00
Reflows												
Total reflows entered into the budget, of which:	3,273,139.80	12,825,934.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>to the general budget</i>	3,273,139.80	12,825,934.75	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>returned to be used</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Losses from operations												
Guarantees												
Guarantees called	4,976.00	4,976.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Guarantee calls recovered	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Equities												
Realised losses	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans												
Write offs	434,924.81	7,084,998.61	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Management fees and other charges												
Administrative fees	40,910.00	545,456.68	24,587.14	172,764.70	30,000.00	182,500.00	46,285.71	186,067.76	41,830.00	334,643.26	15,094.00	115,242.00
Incentive fees	0.00	3.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Treasury management fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other charges	0.00	917,866.88	5,391.70	8,976.80	943,688.61	2,740,779.86	516.46	583.51	0.00	0.00	461,040.85	1,142,122.12
Revenues												
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)	4,111,882.47	14,303,512.61	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Net treasury result (including interest) (gains (+) / losses (-))	-1,169.38	-1,781,473.00	167,000.00	4,325,303.93	32,291.86	46,611.67	41,103.03	322,632.21	368,300.86	1,444,901.65	39,503.86	399,695.99
Net FX gains (+) / losses (-)	-1,146,543.13	-692,241.07	0.00	1,835,084.69	0.00	0.00	0.00	0.00	0.00	0.00	-595,324.72	-508,282.47
Other revenues	38,123.97	116,327.84	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	406,287.00
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Risk exposure												
Maximum financial risk exposure	52,992,003.41	81,670,310.51	27,762,750.96	23,314,981.92	0.00	638,758.00	9,899,769.99	7,663,368.00	0.00	0.00	6,736,756.85	8,890,469.73
Value of equity investments	26,617,326.85	27,089,487.85	27,762,750.96	23,314,981.92	0.00	638,758.00	9,899,769.99	7,663,368.00	0.00	0.00	6,067,264.08	6,483,121.57
Value of loans	13,082,816.89	16,954,861.85	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Financial liabilities and provisions	1,468,947.77	1,473,923.77	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assets under treasury management												
Balance in the fiduciary bank account (including short term deposits <3months)	12,592,174.15	22,380,272.39	505,585.44	1,778,462.11	2,472,534.51	1,473,707.51	275,696.48	2,354,310.11	16,444,901.65	16,076,600.79	943,050.11	378,550.61
Other financial assets (including short term deposits >3months)	0.00	0.00	6,988,231.13	6,354,528.46	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

6.5 African Investment Platform (AIP)

Description

Identification / Reference to the basic act			
Regulation (EU) 2021/947 of the European Parliament and of the Council of 9 June 2021 establishing the Neighbourhood, Development and International Cooperation Instrument – Global Europe, amending and repealing Decision No 466/2014/EU of the European Parliament and of the Council and repealing Regulation (EU) 2017/1601 of the European Parliament and of the Council and Council Regulation (EC, Euratom) No 480/2009.			
Budget lines			
14.020120 (West Africa), 14.020121 (East and Central Africa) and 14.020122 (Southern Africa and Indian Ocean)			
(EUR)	2025	2026	2027
Budgetary commitment appropriations¹⁹⁸	577,856,000.00	1,013,752,000.00	625,300,000.00
Budgetary payment appropriations¹⁹⁹	340,279,884.00	949,733,400.00	812,380,000.00

Initial financial envelope ²⁰⁰ :	EUR 2,840,000,000.00
Current financial envelope ²⁰¹ :	EUR 1,475,000,000.00
Overall financial envelope ²⁰² :	EUR 3,520,000,000.00

General description

The legal basis of the blending platforms established is provided by the NDICI-Global Europe Regulation and the EU's Financial Regulation.

Through EU contributions, the EU aims to mobilise co-financing from other sources such as European development finance institutions, regional development finance institutions and other non-EU investors.

Until 2025, the operational Board of the African Investment Platform (AIP) approved 76 blending projects for a total amount of EUR 1.5 billion, funded by NDICI. The blending operations supported represent major instruments for implementing the EU Global Gateway strategy in all of its main sectors of intervention: climate and energy, transport, digital, health and education and research.

Financial institutions involved in implementation

As of end 2025, only one financial instrument was contracted through FMO. The other financial institutions which have been contracted to implement blending operations in Sub-Saharan Africa are AFD, AfDB, EBRD, EDFI MC, EIB, KfW.

¹⁹⁸ The reported amounts refer to AIP Board-approved operations, including SSA MIP and Country MIPs. The amount of year 2025 is final, while the amounts of years 2026 and 2027 are estimates based on expected Board submissions.

¹⁹⁹ This amount refers to blending operations contracted in year 2025, including SSA MIP and Country MIPs. The amounts of years 2026 and 2027 are estimates based on expected contract signatures, which remain subject to Board-approval and to possible delays in the contracting phase.

²⁰⁰ This amount represents an estimate based on the initial capacities for blending operations of the SSA Regional MIP (EUR 1.9 billion) and of the SSA Country MIPs (EUR 0.94 billion).

²⁰¹ This amount represents an estimate of the available amounts for blending operations under SSA Regional MIP (EUR 0.48 billion) and Country MIPs (EUR 0.99 billion), both net of contracted and Board-approved operations

²⁰² This amount represents an estimate of the capacities for blending operations of the SSA Regional MIP (EUR 1.89 billion) and of the SSA Country MIPs (EUR 1.63 billion).

Operational Performance

The following sections, present the financial instruments of the Platform, which take form of equity, loans or bank guarantees and which require opening a fiduciary account on behalf of the European Commission by a partner institution.

1. Climate Investor 3 (CI3)

The establishment of Climate Investor Three (CI3) creates a new tool for sustainable development in Southern Africa by increasing access to financing, as well as attracting the development and construction expertise necessary to realise Namibia's and South Africa's green hydrogen potential.

The initiative is an evolution from its predecessors, Climate Investor One (CIO) and Climate Investor Two (CI2)²⁰³, and is designed to harness the region's abundant solar and wind resources to establish a robust green hydrogen economy. Unlike its predecessors, which had a global emerging markets mandate, CI3 will initially concentrate on the promising Southern Africa green hydrogen hub, located in Namibia and South Africa. This potential hub benefits from low-cost renewable energy due to abundant sun and wind resources, established port infrastructure, country ownership of green hydrogen through supportive policy initiatives, and available land.

CI3's investment strategy is aligned with local economic and climate goals, fostering partnerships with key regional stakeholders, including the Environmental Investment Fund of Namibia and the Development Bank of South Africa. By conceptualising dedicated funds — 'CI3 Namibia' and 'CI3 South Africa' — in collaboration with local authorities, the initiative ensures that the green hydrogen industry's growth translates into tangible local benefits.

Moreover, CI3's innovative financial structure is designed to provide comprehensive life-cycle financing from project inception to completion, thereby promoting sustainable infrastructure development. By leveraging limited concessional financing, the Fund is structured to attract substantial commercial investment, amplifying the scale of social and developmental impact it can achieve over its 12-year life.

In summary, CI3 will contribute towards a climate-resilient economy, bolstering job creation, and enhancing energy security in Namibia and South Africa, while ensuring national ownership and local final recipients.

The contract was signed with FMO on 03/02/2025 for 144 months (12 years).

The EU contribution to the CI3 is EUR 50 million (EUR 25 million earmarked for Namibia and EUR 25 million for South Africa)²⁰⁴, whereas the total target of the Action is EUR 2 billion. The Action is lead by the Dutch Development Bank (FMO) as lead financial institution. Furthermore, the confirmed co-financiers of the Fund include the Dutch Government (via Invest International) alongside DBSA, IDC, development finance institutions, commercial and institutional investors, etc.

The EU funding will help address key market failures (such as a lack of access to finance in certain phases of a project lifecycle) by providing a whole-of-life cycle approach, bringing projects from development to operations. The EU contribution will increase the roll-out of the green hydrogen economy by (i) providing a source of funding for the development phase and (ii) by mobilising private sector capital at scale for the construction phase.

The EU has already provided EUR 26,065,000 which were used to contribute to 3 projects in Namibia and 1 in South Africa, namely:

²⁰³ Both financial instruments are reported under Chapter 6.4 Thematic Blending (Energy, Food, Humanitarian, Environment).

²⁰⁴ The total EU contribution includes an investment grant of EUR 50,000,000, which benefits the CI3 facility, and an additional amount of EUR 2,370,000 which covers the fees of the implementing DFI, FMO (4.7%).

- Hyphen (Namibia)

Located in the Tsau Khaeb National Park, close to Lüderitz and Aus, Hyphen supports the start of the scale-up of Namibia's green hydrogen industry targeting the production of 3 million tonnes per annum (MPTA) of green hydrogen. The project seeks to deliver impact in Namibia and its economy. The total project capital investment is over USD 10 billion. This project alone is expected to cut 5-6 million tonnes annually of global CO₂ emissions.

- HyIron (Namibia)

Located in Arandis, Erongo Region. The project is the first industrial production of iron at net zero emissions in Africa. In the first project phase an annual output of 15,000 tonnes DRI (Direct Reduced Iron) is planned. The plant will be one of the biggest primary production sites of green iron worldwide. Already at this stage, the project is expected to avoid 27,000 CO₂ emissions per year, equivalent to 50% of the CO₂ emissions of Namibia's power industry. This project at an annual production potential of 1 million tonnes iron per year is projected to avoid 1.8 million tonnes CO₂ emissions per year.

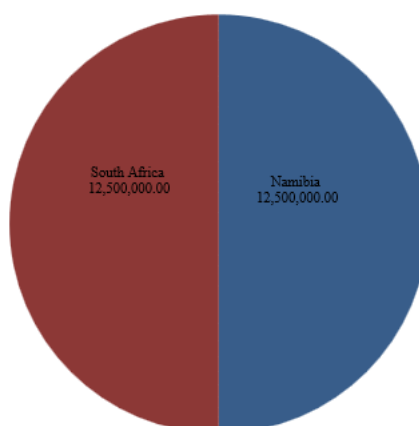
- Zhero (Namibia)

Located in Arandis, Erongo Region. The project will be an industrial-scale green ammonia plant with a planned production capacity of approximately 500,000 tonnes of green ammonia per annum. The project benefits from proximity to deep-water port infrastructure, reducing logistics requirements and supporting competitive export economics.

- Hive (South Africa)

Located in Coega, Eastern Cape. The project is developing a large-scale green ammonia production plant with a planned production of up to one million tonnes of green ammonia per annum. The project benefits from several key structural advantages which will enable least-cost green ammonia production including a strong renewable energy portfolio as well as a world-class port, grid, and associated infrastructure that significantly reduces the capital expenditure requirements versus similar projects globally.

Geographical diversification



Main issues for the implementation

The main issue related to the implementation has been the slowdown of the deployment of renewable hydrogen around the world. Hydrogen projects worldwide have scaled down their ambitions as off-take agreements seem to be harder to obtain with industrial players, which display difficulties to commit to renewable ammonia.

Performance, financing and investments

Key figures (EUR)	Actual	Target
EU Contribution committed	26,065,000.00	52,370,000.00
Leverage effect	0.96	64.29
Multiplier effect	2.61	64.29
Operations	4	N/A
Financing provided to final recipients	25,000,000.00	3,367,000,000.00
Number of final recipients	4	N/A
Investments made by final recipients due to the received financing	67,930,000.00	3,367,000,000.00

Financial Information

Financial Information (EUR)	African Investment Platform (AIP)		
Type of instrument	Blending		
Year of inception	2025		
Implementing Partner	FMO		
	Notes	2025	All years
EU Contribution			
Budgetary commitments		52,730,000.00	52,730,000.00
<i>of which from third countries</i>		0.00	0.00
<i>of which from reflows</i>		0.00	0.00
Budgetary payments		26,065,000.00	26,065,000.00
Reflows			
Revenues		0.00	0.00
Repayments		0.00	0.00
Total reflows entered into the budget, of which:		0.00	0.00
<i>to the general budget</i>		0.00	0.00
<i>returned to be used</i>		0.00	0.00
Losses from operations			
Guarantees			
Guarantees called		0.00	0.00
Guarantee calls recovered		0.00	0.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		265,000.00	265,000.00
Incentive fees		0.00	0.00
Treasury management fees		0.00	0.00
Other charges		40,354.00	40,354.00
Revenues			

Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		0.00	0.00
Net treasury result (including interest) (gains (+) / losses (-))		216,195.00	216,195.00
Net FX gains (+) / losses (-)		-1,220,508.00	-1,220,508.00
Other revenues		0.00	0.00
	Notes	2025	2024
Risk exposure			
Maximum financial risk exposure		9,180,001.00	0.00
Value of equity investments		9,180,001.00	0.00
<i>Investment at cost</i>		9,990,276.00	0.00
Value of loans		0.00	0.00
<i>Loans at cost</i>		0.00	0.00
Financial liabilities and provisions		0.00	0.00
Assets under treasury management			
Balance in the fiduciary bank account (including short term deposits <3months)		14,005,422.00	0.00
<i>in euro</i>		0.00	0.00
<i>in non-euro currencies</i>		14,005,422.00	0.00
Other financial assets (including short term deposits >3months)		0.00	0.00

Notes to the financial information

N/A

Average duration between the budgetary commitment to the financial instruments and the legal commitments for individual projects in the form of equity or debt, where this duration exceeds three years

N/A

Annexes – Detailed list of financial instruments and financial information summary tables

Annex I – Detailed list of financial instruments included in this report

LIST OF FINANCIAL INSTRUMENTS 41(4) FR REPORT			
	Chapter and Financial Instrument	IP/Managing Party	Policy Area
1.1	Connecting Europe Broadband Fund (CEBF) – CEF Equity Instrument	CUBE IM	Infrastructure & Climate Change
1.2	Connecting Europe Facility (CEF) – Debt Instrument	EIB	Infrastructure & Climate Change
1.3	Private Finance for Energy Efficiency Instrument (PF4EE)	EIB	Infrastructure & Climate Change
1.4	Natural Capital Financing Facility (NCFF)	EIB	Infrastructure & Climate Change
1.5	European Energy Efficiency Fund (EEEF)	Alter Domus / SUSI Partners	Infrastructure & Climate Change
1.6	2020 European Fund for Energy, Climate Change and Infrastructure (Marguerite Fund)	DG GROW	Infrastructure & Climate Change
2.1	Horizon 2020 Loan Services for R&I Facility (InnovFin Debt)	EIB	Research & Innovation
2.2	Risk-Sharing Finance Facility (RSFF)	EIB	Research & Innovation
3.1.a	Employment and Social Innovation Microfinance and Social Entrepreneurship Guarantee (EaSI-G)	EIF	Social & Education
3.1.b	Employment and Social Innovation Capacity Building Investments (EaSI CBI)	EIF	Social & Education
3.2	Employment and Social Innovation Sub-Fund (EaSI FIS)	EIF	Social & Education
3.3	Erasmus+ Student Loan Guarantee Facility (SLGF)	EIF	Social & Education
4.1	COSME Loan Guarantee Facility (LGF)	EIF	SMEs
4.2	COSME Equity Facility for Growth (EFG)	EIF	SMEs
4.3	Horizon 2020 SMEs & Small Midcaps R&I Loans Service (InnovFin SME Guarantee)	EIF	SMEs
4.4	Horizon 2020 Equity Facility for R&I (InnovFin Equity)	EIF	SMEs
4.5	European Innovation Council (EIC) Fund	EIB	SMEs
4.6	Cultural and Creative Sectors Guarantee Facility (CCS GF)	EIF	SMEs
4.7	SME Guarantee Facility under CIP (SMEG 2007)	EIF	SMEs
4.8	High Growth and Innovative SME Equity Facility under CIP (GIF)	EIF	SMEs
4.9	SME Initiative	EIF	SMEs
5.1	Enterprise Expansion Fund (ENEF) under the Western Balkans Enterprise Development and Innovation Facility	EIF	External Policies WBIF
5.1	Enterprise Expansion Fund II (ENEF II) under the Western Balkans Enterprise Development and Innovation Facility	EBRD	External Policies WBIF
5.1	Enterprise Innovation Fund (ENIF) under the Western Balkans Enterprise Development and Innovation Facility	EIF	External Policies WBIF
5.1	EU-KfW WB Guarantee Covid-19 Response - Supporting Entrepreneurs and MSMEs to Safeguard Employment	KfW	External Policies WBIF
5.1	European Fund for Southeast Europe (EFSE)	KfW	External Policies WBIF
5.1	Green for Growth Fund (GGF)	KfW	External Policies WBIF
5.1	Guarantee Facility I (GF I) under the Western Balkans Enterprise Development and Innovation Facility	EIF	External Policies WBIF
5.1	Guarantee Facility II (GF II) under Western Balkans Enterprise Development and Innovation Facility	EIF	External Policies WBIF
5.1	GGF II - Promoting Green Lending in the Western Balkans	KfW	External Policies WBIF
5.1	Sustainable Access to Finance for Entrepreneurship	CDP	External Policies WBIF
5.2	Global Energy Efficiency and Renewable Energy Fund (GEEREF)	EIF	External Policies
5.3	Facility for Euro-Mediterranean Investment and Partnership (FEMIP) – Debt Instrument	EIB	External Policies
5.4	ACP Trust Fund	EIB	External Policies

LIST OF FINANCIAL INSTRUMENTS 41(4) FR REPORT			
Chapter and Financial Instrument		IP/Managing Party	Policy Area
5.5	EFSE - Ukraine Sub Fund (top-up)	KfW	External Policies UIF
5.5	EU support to Ukrainian Micro, Small and Medium-Sized Enterprises (top-up)	BGK	External Policies UIF
5.5	EU4 Business Guarantee Facility Ukraine	EIB	External Policies UIF
5.5	Green for Growth - Promoting Green Lending in Ukraine (top-up)	KfW	External Policies UIF
6.1	EFSE - EU4Business: Local Currency Lending to SMEs in the Eastern Partnership	KfW	External Policies NIP EAST
6.1	EU4Business Guarantee Facility (previously EIB DCFTA PHASE II)	EIB	External Policies NIP EAST
6.1	EU Support for Ukrainian MSMEs	BGK	External Policies NIP EAST
6.1	EU4Business - the EU Local Currency Partnership Initiative: The European Fund for Southeast Europe (KfW)	KfW	External Policies NIP EAST
6.1	EU-EBRD Local currency	EBRD	External Policies NIP EAST
6.1	European Fund for Southeast Europe (KfW)	KfW	External Policies NIP EAST
6.1	Green for Growth Fund - Extension to Neighbourhood East II (for Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine)	KfW	External Policies NIP EAST
6.1	Green for Growth Fund to the Eastern Neighbourhood Region (EIB)	EIB	External Policies NIP EAST
6.1	Green for Growth Funds L-Shares Georgia (10 MEUR)	KfW	External Policies NIP EAST
6.1	NIP Armenia SME Finance and Advice Facility (EBRD)	EBRD	External Policies NIP EAST
6.1	NIP Deep and Comprehensive Free Trade Area (DCFTA) Facility (EBRD) EAST (MOL-GEO-UKR)	EBRD	External Policies NIP EAST
6.1	NIP Deep and Comprehensive Free Trade Area (DCFTA) Facility (EIB) EAST	EIB	External Policies NIP EAST
6.1	NIP Eastern Partnership SME Finance Facility Phase II (KfW)	KfW	External Policies NIP EAST
6.1	NIP Women in Business (EBRD)	EBRD	External Policies NIP EAST
6.1	NIP Women in Business in EaP Phase II	EBRD	External Policies NIP EAST
6.1	EU Trade and Competitiveness Programme for Egypt and Jordan	EBRD	External Policies NIP SOUTH
6.1	Green for Growth Fund (GGF) - COVID 19-RESPONSE in the Southern Neighbourhood (NIP GGF C-shares Southern Neighbourhood)	KfW	External Policies NIP SOUTH
6.1	Green Local Currency Lending in Tunisia TCX Fund (EBRD)	KfW	External Policies NIP SOUTH
6.1	MENA Fund for Micro, Small and Medium Enterprises III	KfW	External Policies NIP SOUTH
6.1	NIP EU Trade and Comp. Prog. in Morocco, Tunisia, Egypt & Jordan EIB	EIB	External Policies NIP SOUTH
6.1	NIP MENA Fund for Micro, Small and Medium Enterprises COVID-19 top-up	KfW	External Policies NIP SOUTH
6.1	NIP Risk Capital Facility for Southern Neighbourhood countries (EIB)	EIB	External Policies NIP SOUTH
6.1	NIP SEMED MSME Financial Inclusion Programme (EBRD) SOUTH	EBRD	External Policies NIP SOUTH
6.1	Participation in MENA Fund for Micro-, Small and Medium Enterprises (SANAD) (KfW)	KfW	External Policies NIP SOUTH
6.1	Participation in MENA Fund for Micro-, Small and Medium Enterprises (SANAD) II (KfW)	KfW	External Policies NIP SOUTH
6.1	Financial Inclusion Programme West Bank and Gaza Strip	EBRD	External Policies NIP SOUTH
6.1	Palestine Financial Sustainability Initiative Part 1	EIB	External Policies NIP SOUTH
6.1	Social Entrepreneurship Fund (SEF)	KfW	External Policies NIP SOUTH
6.2	AgriFI Country Window for Sri Lanka	FMO	External Policies IFCA & AIF & APIF
6.2	Building Crisis-Resilient SMEs in Mongolia post Covid-19	EBRD	External Policies IFCA & AIF & APIF
6.2	Microfinance Initiative for Asia Debt Fund	KfW	External Policies IFCA & AIF & APIF
6.2	Support for Mongolian Economic Diversification through SME	EBRD	External Policies IFCA & AIF & APIF
6.2	Sustainable private sector in Central Asia	EBRD	External Policies IFCA & AIF & APIF
6.2	The SME Finance Facility for Central Asia - Phase 2	EBRD	External Policies IFCA & AIF & APIF
6.2	Supporting green infrastructure under the ASEAN Catalytic Green Finance Facility (ACGF)	ADB	External Policies IFCA & AIF & APIF
6.2	Kuali Fund India	Cofides	External Policies IFCA & AIF & APIF
6.3	Green MSMEs KfW	KfW	External Policies LAIF & LACIF

LIST OF FINANCIAL INSTRUMENTS 41(4) FR REPORT			
Chapter and Financial Instrument		IP/Managing Party	Policy Area
6.3	Latin America Investment Facility Eco-Business Fund	KfW	External Policies LAIF & LACIF
6.3	Latin American Green Bond Funds	KfW	External Policies LAIF & LACIF
6.3	Kuali Fund- Multi Regional LAC	Cofides	External Policies LAIF & LACIF
6.4	Africa Agriculture Trade and Investment Fund S.A. SICAF-SIV	KfW	External Policies Thematic blending
6.4	Africa Renewable Energy Scale Up Facility - Guarantee Fund	Proparco	External Policies Thematic blending
6.4	Agriculture Financing Initiative	FMO	External Policies Thematic blending
6.4	Climate Investor One	FMO	External Policies Thematic blending
6.4	Climate Investor One - Energy Efficiency Initiative	FMO	External Policies Thematic blending
6.4	Climate Investor Two	FMO	External Policies Thematic blending
6.4	Digital Energy Facility (DEF) for the Promotion of Energy Transition and Energy Access - Seed Financing	AFD	External Policies Thematic blending
6.4	Electrification Financing Initiative	FMO	External Policies Thematic blending
6.4	Facility for Energy Inclusion (FEI)	AfDB	External Policies Thematic blending
6.4	HURUMA Fund	Cofides	External Policies Thematic blending
6.4	The Spark+ Africa Fund	IFDK	External Policies Thematic blending
6.4	Transferability and Convertibility Facility	Proparco	External Policies Thematic blending
6.4	Women's Financial Inclusion Facility	KfW	External Policies Thematic blending
6.5	Climate Investor Three	FMO	External Policies Thematic blending

Annex II – Summary table – all financial instruments

Financial Information (EUR)	All Financial Instruments	
Implementing Partner/Managing Party	All	
	2025	All years
EU Contribution		
Budgetary commitments	986,618,535.00	16,475,321,783.06
Budgetary payments	956,414,450.97	13,409,076,058.78
Reflows		
Total reflows entered into the budget, of which:	115,689,503.32	2,542,627,699.75
<i>to the general budget</i>	6,050,221.78	83,689,691.28
<i>returned to be used</i>	109,639,281.54	2,458,938,008.47
Losses from operations		
Guarantees		
Guarantees called	364,438,773.75	2,888,242,959.72
Guarantee calls recovered	44,387,074.48	303,513,315.12
Equities		
Realised losses	9,793,997.00	28,931,399.61
Loans		
Write offs	3,409,634.04	10,059,707.84
Management fees and other charges		
Administrative fees	34,515,380.35	444,472,971.38
Incentive fees	9,857,852.98	379,634,117.67
Treasury management fees	1,871,756.33	28,837,935.63
Other charges	22,207,883.99	261,295,682.76
Revenues		
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)	49,289,056.95	1,051,809,334.00
Net treasury result (including interest) (gains (+) / losses (-))	129,208,295.57	619,210,896.67
Net FX gains (+) / losses (-)	-30,472,451.39	-68,060,859.51
Other revenues	789,699.11	16,343,610.39
	2025	2024
Risk exposure		
Maximum financial risk exposure	7,944,916,151.00	7,933,633,992.53
Value of equity investments	3,471,472,972.12	2,996,452,232.83
Value of loans	87,850,732.63	73,431,963.09
Financial liabilities and provisions	542,408,488.09	696,502,700.17
Assets under treasury management		
Balance in the fiduciary bank account (including short term deposits <3months)	1,932,308,780.20	1,795,975,506.33
Other financial assets (including short term deposits >3months)	3,017,902,173.30	3,206,798,006.61

Annex III – Summary tables – financial instruments per Implementing Partner/Managing Party

EIB – European Investment Bank

Managing Party	Chapter	Financial Instrument	Policy Area
EIB	1.2	Connecting Europe Facility (CEF) – Debt Instrument	Infrastructure & climate change
	1.3	Private Finance for Energy Efficiency Instrument (PF4EE)	Infrastructure & climate change
	1.4	Natural Capital Financing Facility (NCFF)	Infrastructure & climate change
	2.1	Horizon 2020 Loan Services for R&I Facility (InnovFin Debt)	Research & Innovation
	2.2	Risk-Sharing Finance Facility (RSFF)	Research & Innovation
	4.5	European Innovation Council (EIC) Fund	SMEs
	5.3	Facility for Euro-Mediterranean Investment and Partnership (FEMIP) – Debt Instrument	External Policies
	5.4	ACP Trust Fund	External Policies
	5.5	EU4 Business Guarantee Facility Ukraine	External Policies UIF
	6.1	EU4Business Guarantee Facility (previously EIB DCFTA PHASE II)	External Policies NIP EAST
	6.1	Green for Growth Fund to the Eastern Neighbourhood Region (EIB)	External Policies NIP EAST
	6.1	NIP Deep and Comprehensive Free Trade Area (DCFTA) Facility (EIB) EAST	External Policies NIP EAST
	6.1	NIP EU Trade and Comp. Prog. in Morocco, Tunisia, Egypt & Jordan EIB	External Policies NIP SOUTH
	6.1	NIP Risk Capital Facility for Southern Neighbourhood countries (EIB)	External Policies NIP SOUTH
	6.1	Palestine Financial Sustainability Initiative Part 1	External Policies NIP SOUTH

Financial Information (EUR)			
Implementing Partner/Managing Party		EIB	
		2025	All years
EU Contribution			
Budgetary commitments		797,140,000.00	9,289,283,061.51
Budgetary payments		707,273,353.14	6,953,252,662.61
Reflows			
Total reflows entered into the budget, of which:		18,988,313.05	1,612,892,044.17
	<i>to the general budget</i>	0.00	38,513,578.67
	<i>returned to be used</i>	18,988,313.05	1,574,378,465.50
Losses from operations			
Guarantees			
Guarantees called		57,980,252.64	567,967,871.79
Guarantee calls recovered		2,271,475.17	68,936,132.66
Equities			
Realised losses		6,558,617.00	15,233,936.00
Loans			
Write offs		1,513,398.00	1,513,398.00
Management fees and other charges			
Administrative fees		31,337,793.57	234,373,220.47
Incentive fees		1,216,179.00	85,933,024.00
Treasury management fees		1,003,598.00	17,898,049.07

Other charges	11,606,284.00	201,322,118.55
Revenues		
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)	36,758,002.84	768,905,680.14
Net treasury result (including interest) (gains (+) / losses (-))	90,074,448.34	398,797,902.68
Net FX gains (+) / losses (-)	-11,396,071.10	-6,463,898.21
Other revenues	729,329.00	4,067,617.84
	2025	2024
Risk exposure		
Maximum financial risk exposure	4,468,790,007.32	4,213,570,015.43
Value of equity investments	1,342,183,338.64	960,779,502.11
Value of loans	26,021,758.00	7,124,877.00
Financial liabilities and provisions	101,397,155.54	94,116,210.48
Assets under treasury management		
Balance in the fiduciary bank account (including short term deposits <3months)	1,079,633,115.49	867,386,856.49
Other financial assets (including short term deposits >3months)	2,573,476,117.09	2,606,801,554.50

EIF – European Investment Fund

Managing party	Chapter	Financial Instrument	Policy Area
EIF	3.1.a	Employment and Social Innovation Microfinance and Social Entrepreneurship Guarantee (EaSI-G)	Social & Education
	3.1.b	Employment and Social Innovation Capacity Building Investments (EaSI CBI)	Social & Education
	3.2	Employment and Social Innovation Sub-Fund (EaSI FIS)	Social & Education
	3.3	Erasmus+ Student Loan Guarantee Facility (SLGF)	Social & Education
	4.1	COSME Loan Guarantee Facility (LGF)	SMEs
	4.2	COSME Equity Facility for Growth (EFG)	SMEs
	4.3	Horizon 2020 SMEs & Small Midcaps R&I Loans Service (InnovFin SME Guarantee)	SMEs
	4.4	Horizon 2020 Equity Facility for R&I (InnovFin Equity)	SMEs
	4.6	Cultural and Creative Sectors Guarantee Facility (CCS GF)	SMEs
	4.7	SME Guarantee Facility under CIP (SMEG 2007)	SMEs
	4.8	High Growth and Innovative SME Equity Facility under CIP (GIF)	SMEs
	4.9	SME Initiative	SMEs
	5.1	Enterprise Expansion Fund (ENEF) under the Western Balkans Enterprise Development and Innovation Facility	External Policies WBIF
	5.1	Enterprise Innovation Fund (ENIF) under the Western Balkans Enterprise Development and Innovation Facility	External Policies WBIF
	5.1	Guarantee Facility I (GF I) under the Western Balkans Enterprise Development and Innovation Facility	External Policies WBIF
	5.1	Guarantee Facility II (GF II) under Western Balkans Enterprise Development and Innovation Facility	External Policies WBIF
	5.2	Global Energy Efficiency and Renewable Energy Fund (GEEREF)	External Policies

Financial Information (EUR)			
Implementing Partner/Managing Party		EIF	
		2025	All years
EU Contribution			
Budgetary commitments		-3,691,008.20	5,406,900,932.49
Budgetary payments		67,635,235.21	5,089,348,635.33
Reflows			
Total reflows entered into the budget, of which:		83,527,408.11	810,752,488.21
<i>to the general budget</i>		0.00	25,040,605.85
<i>returned to be used</i>		83,527,408.11	785,711,882.36
Losses from operations			
Guarantees			
Guarantees called		306,328,358.11	2,317,804,011.68
Guarantee calls recovered		42,115,599.31	234,570,757.46
Equities			-
Realised losses		3,235,380.00	13,697,463.61
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		902,099.79	198,661,863.60
Incentive fees		8,571,249.98	290,653,006.67
Treasury management fees		868,158.33	10,939,886.56

Other charges	36,110.00	17,003,138.98
Revenues		
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)	5,813,071.36	237,611,083.79
Net treasury result (including interest) (gains (+) / losses (-))	35,842,394.47	207,837,264.55
Net FX gains (+) / losses (-)	-6,822,938.00	-55,911,618.29
Other revenues	3,678.70	7,972,236.96
	2025	2024
Risk exposure		
Maximum financial risk exposure	2,419,061,377.08	2,685,739,873.96
Value of equity investments	1,302,390,351.38	1,251,693,465.53
Value of loans	32,228,532.70	33,374,117.43
Financial liabilities and provisions	392,668,424.00	557,042,765.00
Assets under treasury management		
Balance in the fiduciary bank account (including short term deposits <3months)	616,240,699.32	784,131,818.67
Other financial assets (including short term deposits >3months)	419,530,133.00	573,860,731.65

EBRD – European Bank for Reconstruction and Development

Managing party	Chapter	Financial Instrument	Policy Area
EBRD	5.1	Enterprise Expansion Fund II (ENEF II) under the Western Balkans Enterprise Development and Innovation Facility	External Policies WBIF
	6.1	EU Trade and Competitiveness Programme for Egypt and Jordan	External Policies NIP SOUTH
	6.1	EU-EBRD Local currency	External Policies NIP EAST
	6.1	NIP Armenia SME Finance and Advice Facility (EBRD)	External Policies NIP EAST
	6.1	NIP Deep and Comprehensive Free Trade Area (DCFTA) Facility (EBRD) EAST (MOL-GEO-UKR)	External Policies NIP EAST
	6.1	NIP SEMED MSME Financial Inclusion Programme (EBRD) SOUTH	External Policies NIP SOUTH
	6.1	NIP Women in Business (EBRD)	External Policies NIP EAST
	6.1	NIP Women in Business in EaP Phase II	External Policies NIP EAST
	6.1	Financial Inclusion Programme West Bank and Gaza Strip	External Policies NIP SOUTH
	6.1	Green Local Currency Lending in Tunisia TCX Fund (EBRD)	External Policies NIP SOUTH
	6.2	Building Crisis-Resilient SMEs in Mongolia post Covid-19	External Policies IFCA & AIF & APIF
	6.2	Support for Mongolian Economic Diversification through SME	External Policies IFCA & AIF & APIF
	6.2	Sustainable private sector in Central Asia	External Policies IFCA & AIF & APIF
	6.2	The SME Finance Facility for Central Asia - Phase 2	External Policies IFCA & AIF & APIF

Financial Information (EUR)			
Implementing Partner/Managing Party		EBRD	
		2025	All years
EU Contribution			
Budgetary commitments		0.00	166,422,200.00
Budgetary payments		9,228,329.97	132,072,703.52
Reflows			
Total reflows entered into the budget, of which:		0.00	4,756,083.00
	<i>to the general budget</i>	0.00	0.00
	<i>returned to be used</i>	0.00	4,756,083.00
Losses from operations			
Guarantees			
Guarantees called		0.00	2,340,913.25
Guarantee calls recovered		0.00	6,425.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		159,182.81	2,144,991.72
Incentive fees		70,424.00	3,048,084.00
Treasury management fees		0.00	0.00
Other charges		3,226,136.19	19,406,779.77
Revenues			

Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)	0.00	0.00
Net treasury result (including interest) (gains (+) / losses (-))	1,072,321.00	4,013,876.47
Net FX gains (+) / losses (-)	-888,124.00	-768,093.94
Other revenues	18,248.00	3,619,291.89
	2025	2024
Risk exposure		
Maximum financial risk exposure	32,192,948.00	32,910,643.79
Value of equity investments	11,061,091.99	8,162,570.80
Value of loans	0.00	0.00
Financial liabilities and provisions	804,671.81	903,406.75
Assets under treasury management		
Balance in the fiduciary bank account (including short term deposits <3months)	57,379,730.46	54,447,882.66
Other financial assets (including short term deposits >3months)	0.00	0.00

KfW - Kreditanstalt für Wiederaufbau

Managing party	Chapter	Financial Instrument	Policy Area
KfW	5.1	EU-KfW WB Guarantee Covid-19 Response - Supporting Entrepreneurs and MSMEs to Safeguard Employment	External Policies WBIF
	5.1	Green for Growth Fund (GGF)	External Policies WBIF
	5.1	European Fund for Southeast Europe (EFSE)	External Policies WBIF
	5.1	GGF II - Promoting Green Lending in the Western Balkans	External Policies WBIF
	5.5	EFSE - Ukraine Sub Fund (top-up)	External Policies UIF
	5.5	Green for Growth - Promoting Green Lending in Ukraine (top-up)	External Policies UIF
	6.1	EFSE - EU4Business: Local Currency Lending to SMEs in the Eastern Partnership	External Policies NIP EAST
	6.1	EU4Business - the EU Local Currency Partnership Initiative: The European Fund for Southeast Europe (KfW)	External Policies NIP EAST
	6.1	European Fund for Southeast Europe (KfW)	External Policies NIP EAST
	6.1	Green for Growth Fund - Extension to Neighbourhood East II (for Armenia, Azerbaijan, Belarus, Georgia, Moldova, Ukraine)	External Policies NIP EAST
	6.1	Green for Growth Fund (GGF) - COVID 19-RESPONSE in the Southern Neighbourhood (NIP GGF C-shares Southern Neighbourhood)	External Policies NIP SOUTH
	6.1	Green for Growth Funds L-Shares Georgia (10 MEUR)	External Policies NIP EAST
	6.1	MENA Fund for Micro, Small and Medium Enterprises III	External Policies NIP SOUTH
	6.1	NIP Eastern Partnership SME Finance Facility Phase II (KfW)	External Policies NIP EAST
	6.1	NIP MENA Fund for Micro, Small and Medium Enterprises COVID-19 top-up	External Policies NIP SOUTH
	6.1	Participation in MENA Fund for Micro-, Small and Medium Enterprises (SANAD) (KfW)	External Policies NIP SOUTH
	6.1	Participation in MENA Fund for Micro-, Small and Medium Enterprises (SANAD) II (KfW)	External Policies NIP SOUTH
	6.1	Social Entrepreneurship Fund (SEF)	External Policies NIP SOUTH
	6.2	Microfinance Initiative for Asia Debt Fund	External Policies IFCA & AIF & APIF
	6.3	Green MSMEs KfW	External Policies LAIF & LACIF
	6.3	Latin America Investment Facility Eco-Business Fund	External Policies LAIF & LACIF
	6.3	Latin American Green Bond Funds	External Policies LAIF & LACIF
	6.4	Africa Agriculture Trade and Investment Fund S.A. SICAF-SIV	External Policies Thematic blending
	6.4	Women's Financial Inclusion Facility	External Policies Thematic blending

Financial Information (EUR)			
Implementing Partner/Managing Party		KfW	
		2025	All years
EU Contribution			
Budgetary commitments		118,210,000.00	724,743,985.34
Budgetary payments		116,654,453.36	526,442,804.57
Reflows			
Total reflows entered into the budget, of which:		5,546,095.60	7,546,095.60
	<i>to the general budget</i>	0.00	2,000,000.00
	<i>returned to be used</i>	5,546,095.60	5,546,095.60
Losses from operations			
Guarantees			
Guarantees called		125,187.00	125,187.00
Guarantee calls recovered		0.00	0.00
Equities			

Realised losses	0.00	0.00
Loans		
Write offs	0.00	0.00
Management fees and other charges		
Administrative fees	1,111,642.07	5,610,800.16
Incentive fees	0.00	0.00
Treasury management fees	0.00	0.00
Other charges	3,981,512.89	16,290,205.15
Revenues		
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)	0.00	0.00
Net treasury result (including interest) (gains (+) / losses (-))	225,840.99	966,140.24
Net FX gains (+) / losses (-)	-1,960,261.54	536,580.77
Other revenues	0.00	410,010.92
	2025	2024
Risk exposure		
Maximum financial risk exposure	576,699,451.54	519,931,824.29
Value of equity investments	524,887,614.46	511,467,272.00
Value of loans	0.00	0.00
Financial liabilities and provisions	937,435.77	227,997.11
Assets under treasury management		
Balance in the fiduciary bank account (including short term deposits <3months)	107,519,376.65	20,595,013.91
Other financial assets (including short term deposits >3months)	0.00	0.00

FMO - Entrepreneurial Development Bank

Managing party	Chapter	Financial Instrument	Policy Area
FMO	6.2	AgriFI Country Window for Sri Lanka	External Policies IFCA & AIF & APIF
	6.4	Agriculture Financing Initiative	External Policies Thematic blending
	6.4	Climate Investor One	External Policies Thematic blending
	6.4	Climate Investor One - Energy Efficiency Initiative	External Policies Thematic blending
	6.4	Climate Investor Two	External Policies Thematic blending
	6.4	Electrification Financing Initiative	External Policies Thematic blending
	6.5	Climate Investor Three	External Policies Thematic blending

Financial Information (EUR)			
Implementing Partner/Managing Party		FMO	
		2025	All years
EU Contribution			
Budgetary commitments		52,730,000.00	344,976,312.26
Budgetary payments		33,615,122.28	300,184,983.37
Reflows			
Total reflows entered into the budget, of which:		6,050,221.78	17,387,504.33
	<i>to the general budget</i>	6,050,221.78	17,387,504.33
	<i>returned to be used</i>	0.00	0.00
Losses from operations			
Guarantees			
Guarantees called		4,976.00	4,976.00
Guarantee calls recovered		0.00	0.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		1,896,236.04	8,546,309.84
Management fees and other charges			
Administrative fees		517,463.00	1,987,293.82
Incentive fees		0.00	3.00
Treasury management fees		0.00	0.00
Other charges		453,297.83	2,093,289.88
Revenues			
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)		5,140,517.97	18,709,938.50
Net treasury result (including interest) (gains (+) / losses (-))		280,785.89	-1,230,806.69
Net FX gains (+) / losses (-)		-6,992,309.77	-5,794,070.55
Other revenues		38,443.41	238,740.52
		2025	2024
Risk exposure			
Maximum financial risk exposure		180,297,855.93	215,565,843.59

Value of equity investments	123,956,117.33	103,714,298.87
Value of loans	27,244,355.93	32,387,968.66
Financial liabilities and provisions	1,468,945.96	2,418,459.96
Assets under treasury management		
Balance in the fiduciary bank account (including short term deposits <3months)	38,647,237.65	33,006,942.34
Other financial assets (including short term deposits >3months)	0.00	0.00

Other Implementing Partners/Managing Parties

Managing party	Chapter	Financial Instrument	Policy Area
CUBE IM	1.1	Connecting Europe Broadband Fund (CEBF) – CEF Equity Instrument	Infrastructure & climate change
Alter Domus / SUSI Partners	1.5	European Energy Efficiency Fund (EEEF)	Infrastructure & climate change
DG GROW	1.6	2020 European Fund for Energy, Climate Change and Infrastructure (Marguerite Fund)	Infrastructure & climate change
CDP	5.1	Sustainable Access to Finance for Entrepreneurship	External Policies WBIF
BGK	5.5	EU support to Ukrainian Micro, Small and Medium-Sized Enterprises (top-up)	External Policies UIF
BGK	6.1	EU Support for Ukrainian MSMEs	External Policies NIP EAST
ADB	6.2	Supporting green infrastructure under the ASEAN Catalytic Green Finance Facility (ACGF)	External Policies IFCA & AIF & APIF
Cofides	6.2	Kuali Fund India	External Policies IFCA & AIF & APIF
Cofides	6.3	Kuali Fund- Multi Regional LAC	External Policies LAIF & LACIF
AFD	6.4	Digital Energy Facility (DEF) for the Promotion of Energy Transition and Energy Access - Seed Financing	External Policies Thematic blending
AfDB	6.4	Facility for Energy Inclusion (FEI)	External Policies Thematic blending
Cofides	6.4	HURUMA Fund	External Policies Thematic blending
IFDK	6.4	The Spark+ Africa Fund	External Policies Thematic blending
Proparco	6.4	Africa Renewable Energy Scale Up Facility - Guarantee Fund	External Policies Thematic blending
Proparco	6.4	Transferability and Convertibility Facility	External Policies Thematic blending

Financial Information (EUR)			
Implementing Partner/Managing Party		Other	
		2025	All years
EU Contribution			
Budgetary commitments		22,229,543.20	542,995,291.46
Budgetary payments		22,007,957.01	407,774,269.38
Reflows			
Total reflows entered into the budget, of which:		1,577,464.78	89,293,484.44
	<i>to the general budget</i>	0.00	748,002.43
	<i>returned to be used</i>	1,577,464.78	88,545,482.01
Losses from operations			
Guarantees			
Guarantees called		0.00	0.00
Guarantee calls recovered		0.00	0.00
Equities			
Realised losses		0.00	0.00
Loans			
Write offs		0.00	0.00
Management fees and other charges			
Administrative fees		487,199.11	1,694,801.61
Incentive fees		0.00	0.00
Treasury management fees		0.00	0.00
Other charges		2,904,543.08	5,180,150.43
Revenues			

Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)	1,577,464.78	26,582,631.57
Net treasury result (including interest) (gains (+) / losses (-))	1,712,504.88	8,826,519.42
Net FX gains (+) / losses (-)	-2,412,746.98	340,240.71
Other revenues	0.00	35,712.26
	2025	2024
Risk exposure		
Maximum financial risk exposure	267,874,511.13	265,915,791.47
Value of equity investments	166,994,458.32	160,635,123.52
Value of loans	2,356,086.00	545,000.00
Financial liabilities and provisions	45,131,855.01	41,793,860.87
Assets under treasury management		
Balance in the fiduciary bank account (including short term deposits <3months)	32,888,620.63	36,406,992.26
Other financial assets (including short term deposits >3months)	24,895,923.21	26,135,720.46

Annex IV – Summary tables – financial instruments per policy area

Internal Policies

Financial Information (EUR)	Internal Policies	
Implementing Partner/Managing Party	EIB, EIF, DWS, CUBE IM, DG GROW	
	2025	All years
EU Contribution		
Budgetary commitments	725,308,991.80	13,835,232,083.02
<i>of which from third countries</i>	104,092,672.00	516,217,575.12
<i>of which from reflows</i>	0.00	1,558,160,193.69
Budgetary payments	760,623,204.23	11,541,183,105.48
Reflows		
Revenues	75,144,193.79	880,837,963.72
Repayments	28,346,202.69	1,729,606,088.21
Total reflows entered into the budget, of which:	103,490,396.48	2,432,860,924.95
<i>to the general budget</i>	0.00	27,695,687.92
<i>returned to be used</i>	103,490,396.48	2,405,165,237.03
Losses from operations		
Guarantees		
Guarantees called	357,490,652.32	2,865,489,184.98
Guarantee calls recovered	43,998,929.82	299,684,583.23
Equities		
Realised losses	3,235,380.00	13,697,463.61
Loans		
Write offs	0.00	0.00
Management fees and other charges		
Administrative fees	27,212,331.00	393,507,415.74
Incentive fees	9,307,428.98	374,288,530.67
Treasury management fees	1,853,226.00	28,526,426.07
Other charges	11,252,113.00	162,090,418.32
Revenues		
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)	39,092,399.61	1,003,330,367.93
Net treasury result (including interest) (gains (+) / losses (-))	118,675,539.58	584,977,066.37
Net FX gains (+) / losses (-)	-7,403,705.00	-55,815,025.86
Other revenues	732,865.70	11,006,915.79
	2025	2024
Risk exposure		
Maximum financial risk exposure	6,646,835,532.80	6,688,473,710.96
Value of equity investments	2,626,757,519.29	2,183,172,517.38
<i>Investment at cost</i>	2,572,185,668.47	2,052,879,393.89
Value of loans	32,228,532.70	33,374,117.43
<i>Loans at cost</i>	33,588,139.22	34,723,849.44

Financial liabilities and provisions	423,994,995.47	609,977,828.40
Assets under treasury management		
Balance in the fiduciary bank account (including short term deposits <3months)	1,440,333,679.71	1,375,761,325.39
<i>in euro</i>	1,081,938,809.00	876,310,086.44
<i>in non-euro currencies</i>	358,394,871.00	499,451,240.00
Other financial assets (including short term deposits >3months)	2,983,479,199.21	3,170,910,050.15

Infrastructure & Climate Change (Internal Policies)

Financial Information (EUR)	Infrastructure & Climate change	
Implementing Partner/Managing Party	EIB, DWS, CUBE IM, DG GROW	
	2025	All years
EU Contribution		
Budgetary commitments	0.00	1,187,426,432.57
<i>of which from third countries</i>	0.00	0.00
<i>of which from reflows</i>	0.00	6,882,828.95
Budgetary payments	11,009,009.02	1,089,291,126.80
Reflows		
Revenues	6,378,768.41	92,002,607.42
Repayments	0.00	62,675,711.61
Total reflows entered into the budget, of which:	6,378,768.41	154,584,612.03
<i>to the general budget</i>	0.00	2,776,735.65
<i>returned to be used</i>	6,378,768.41	151,807,876.38
Losses from operations		
Guarantees		
Guarantees called	5,818,636.46	8,590,156.46
Guarantee calls recovered	468,985.00	529,322.00
Equities		
Realised losses	0.00	0.00
Loans		
Write offs	0.00	0.00
Management fees and other charges		
Administrative fees	0.00	22,812,812.13
Incentive fees	0.00	15,807,340.00
Treasury management fees	388,558.00	5,459,633.27
Other charges	933,952.00	60,545,926.30
Revenues		
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)	6,226,262.87	139,536,960.52
Net treasury result (including interest) (gains (+) / losses (-))	19,667,256.00	60,084,565.72
Net FX gains (+) / losses (-)	212,422.00	941,949.90
Other revenues	0.00	55,748.66
	2025	2024
Risk exposure		
Maximum financial risk exposure	909,043,530.89	923,771,696.75
Value of equity investments	129,191,469.08	129,018,015.60
<i>Investment at cost</i>	166,586,348.44	157,577,339.42
Value of loans	0.00	0.00
<i>Loans at cost</i>	0.00	0.00
Financial liabilities and provisions	28,969,076.48	38,925,922.40
Assets under treasury management		

Balance in the fiduciary bank account (including short term deposits <3months)	66,146,820.00	67,389,503.00
<i>in euro</i>	49,381,423.00	50,740,180.00
<i>in non-euro currencies</i>	16,765,397.00	16,649,323.00
Other financial assets (including short term deposits >3months)	682,399,058.21	714,921,047.21

Research & Innovation (Internal Policies)

Financial Information (EUR)	Research & Innovation	
Implementing Partner/Managing Party	EIB	
	2025	All years
EU Contribution		
Budgetary commitments	0.00	3,191,830,000.00
<i>of which from third countries</i>	0.00	9,405,382.00
<i>of which from reflows</i>	0.00	1,132,969,862.65
Budgetary payments	0.00	3,191,830,000.00
Reflows		
Revenues	1,762,338.94	326,500,923.94
Repayments	12,424,670.48	1,146,046,427.15
Total reflows entered into the budget, of which:	14,187,009.42	1,472,547,351.09
<i>to the general budget</i>	0.00	0.00
<i>returned to be used</i>	14,187,009.42	1,472,547,351.09
Losses from operations		
Guarantees		
Guarantees called	49,907,263.00	551,975,715.00
Guarantee calls recovered	1,538,095.63	67,296,727.63
Equities		
Realised losses	0.00	0.00
Loans		
Write offs	0.00	0.00
Management fees and other charges		
Administrative fees	0.00	83,639,447.25
Incentive fees	1,216,179.00	70,125,684.00
Treasury management fees	615,040.00	12,313,415.80
Other charges	10,480.00	52,004,360.00
Revenues		
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)	18,012,490.86	621,288,573.01
Net treasury result (including interest) (gains (+) / losses (-))	48,070,098.47	282,838,229.02
Net FX gains (+) / losses (-)	0.00	-110,683.90
Other revenues	0.00	27,923.43
	2025	2024
Risk exposure		
Maximum financial risk exposure	1,666,019,832.00	1,695,399,916.00
Value of equity investments	0.00	0.00
<i>Investment at cost</i>	0.00	0.00
Value of loans	0.00	0.00
<i>Loans at cost</i>	0.00	0.00
Financial liabilities and provisions	24,164,810.99	38,830,137.00
Assets under treasury management		

Balance in the fiduciary bank account (including short term deposits <3months)	2,232.00	9,484,274.00
<i>in euro</i>	2,232.00	9,484,274.00
<i>in non-euro currencies</i>	0.00	0.00
Other financial assets (including short term deposits >3months)	1,804,505,307.00	1,807,063,233.29

Social & Education (Internal Policies)

Financial Information (EUR)	Social & Education	
Implementing Partner/Managing Party	EIF	
	2025	All years
EU Contribution		
Budgetary commitments	0.00	256,711,503.00
<i>of which from third countries</i>	0.00	123,818.00
<i>of which from reflows</i>	0.00	68,852,830.70
Budgetary payments	0.00	253,719,121.00
Reflows		
Revenues	5,666,882.12	17,027,458.71
Repayments	918,944.32	9,901,386.72
Total reflows entered into the budget, of which:	6,585,826.44	26,928,845.43
<i>to the general budget</i>	0.00	1,938,109.27
<i>returned to be used</i>	6,585,826.44	24,990,736.16
Losses from operations		
Guarantees		
Guarantees called	1,994,885.86	119,339,422.67
Guarantee calls recovered	400.19	1,355,419.81
Equities		
Realised losses	0.00	0.00
Loans		
Write offs	0.00	0.00
Management fees and other charges		
Administrative fees	0.00	16,600,649.89
Incentive fees	0.00	4,949,184.00
Treasury management fees	5,328.00	506,107.00
Other charges	894.00	409,442.17
Revenues		
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)	1,763,897.88	8,756,450.26
Net treasury result (including interest) (gains (+) / losses (-))	1,130,864.11	16,475,362.93
Net FX gains (+) / losses (-)	124,783.00	-5,031,377.86
Other revenues	0.00	75,240.00
	2025	2024
Risk exposure		
Maximum financial risk exposure	102,536,834.70	105,874,477.43
Value of equity investments	68,861,671.00	69,664,993.00
<i>Investment at cost</i>	72,137,567.00	72,137,567.00
Value of loans	32,228,532.70	33,374,117.43
<i>Loans at cost</i>	33,588,139.22	34,723,849.44
Financial liabilities and provisions	235,310.00	1,592,088.00
Assets under treasury management		

Balance in the fiduciary bank account (including short term deposits <3months)	69,342,288.00	72,742,016.10
<i>in euro</i>	12,797,284.00	7,415,328.00
<i>in non-euro currencies</i>	56,545,004.00	65,326,688.00
Other financial assets (including short term deposits >3months)	1,098,988.00	2,680,347.00

SMEs (Internal Policies)

Financial Information (EUR)	SMEs	
Implementing Partner/Managing Party	EIB, EIF	
	2025	All years
EU Contribution		
Budgetary commitments	725,308,991.80	9,199,264,147.45
<i>of which from third countries</i>	104,092,672.00	506,688,375.12
<i>of which from reflows</i>	0.00	349,454,671.39
Budgetary payments	749,614,195.21	7,006,342,857.68
Reflows		
Revenues	61,336,204.32	445,306,973.65
Repayments	15,002,587.89	510,982,562.73
Total reflows entered into the budget, of which:	76,338,792.21	778,800,116.40
<i>to the general budget</i>	0.00	22,980,843.00
<i>returned to be used</i>	76,338,792.21	755,819,273.40
Losses from operations		
Guarantees		
Guarantees called	299,769,867.00	2,185,583,890.85
Guarantee calls recovered	41,991,449.00	230,503,113.79
Equities		
Realised losses	3,235,380.00	13,697,463.61
Loans		
Write offs	0.00	0.00
Management fees and other charges		
Administrative fees	27,212,331.00	270,454,506.47
Incentive fees	8,091,249.98	283,406,322.67
Treasury management fees	844,300.00	10,247,270.00
Other charges	10,306,787.00	49,130,689.85
Revenues		
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)	13,089,748.00	233,748,384.14
Net treasury result (including interest) (gains (+) / losses (-))	49,807,321.00	225,578,908.70
Net FX gains (+) / losses (-)	-7,740,910.00	-51,614,914.00
Other revenues	732,865.70	10,848,003.70
	2025	2024
Risk exposure		
Maximum financial risk exposure	3,969,235,335.21	3,963,427,620.78
Value of equity investments	2,428,704,379.21	1,984,489,508.78
<i>Investment at cost</i>	2,333,461,753.03	1,823,164,487.47
Value of loans	0.00	0.00
<i>Loans at cost</i>	0.00	0.00
Financial liabilities and provisions	370,625,798.00	530,629,681.00
Assets under treasury management		

Balance in the fiduciary bank account (including short term deposits <3months)	1,304,842,339.71	1,226,145,532.29
<i>in euro</i>	1,019,757,870.00	808,670,304.44
<i>in non-euro currencies</i>	285,084,470.00	417,475,229.00
Other financial assets (including short term deposits >3months)	495,475,846.00	646,245,422.65

External Policies

Financial Information (EUR)		
Implementing Partner/Managing Party	EIB, EIF, EBRD, KfW, BGK, AFD, AfDB, Cofides, FMO, Proparco, IFDK, ADB	
	2025	All years
EU Contribution		
Budgetary commitments	261,309,543.20	2,640,089,700.04
Budgetary payments	195,791,246.74	1,867,892,953.30
Reflows		
Total reflows entered into the budget, of which:	12,199,106.84	109,766,774.80
<i>to the general budget</i>	6,050,221.78	55,994,003.36
<i>returned to be used</i>	6,148,885.06	53,772,771.44
Losses from operations		
Guarantees		
Guarantees called	6,948,121.43	22,753,774.74
Guarantee calls recovered	388,144.66	3,828,731.89
Equities		
Realised losses	6,558,617.00	15,233,936.00
Loans		
Write offs	3,409,634.04	10,059,707.84
Management fees and other charges		
Administrative fees	7,303,049.35	50,965,555.64
Incentive fees	550,424.00	5,345,587.00
Treasury management fees	18,530.33	311,509.56
Other charges	10,955,770.99	99,205,264.44
Revenues		
Revenues from operations (Risk remuneration, dividends, realised gains, fees, interests on loans)	10,196,657.34	48,478,966.07
Net treasury result (including interest) (gains (+) / losses (-))	10,532,755.99	34,233,830.30
Net FX gains (+) / losses (-)	-23,068,746.39	-12,245,833.65
Other revenues	56,833.41	5,336,694.60
	2025	2024
Risk exposure		
Maximum financial risk exposure	1,298,080,618.20	1,245,160,281.57
Value of equity investments	844,715,452.83	813,279,715.45
Value of loans	55,622,199.93	40,057,845.66
Financial liabilities and provisions	118,413,492.62	86,524,871.77
Assets under treasury management		
Balance in the fiduciary bank account (including short term deposits <3months)	491,975,100.49	420,214,180.94
Other financial assets (including short term deposits >3months)	34,422,974.09	35,887,956.46

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