



# **Call for Expression of Interest (“CEoI”) to select Financial Intermediaries under the Innovation Romania Holding Fund**

**Reference number: Call for EoI IRHF - 2025/01**

## **Introduction**

The objective of this Call for Expression of Interest (the “CEoI” or “Call”), launched by the European Investment Fund (“EIF”), is to select Financial Intermediaries under the Innovation Romania Holding Fund, as further described below. All applications submitted to the EIF should conform to the CEoI.

## **1. Definitions**

In this CEoI, capitalised terms and expressions shall have the meaning attributed to them below, unless otherwise defined above or the context requires otherwise.

<b>Applicant</b>	means an entity or group of entities applying to this Call to become a Financial Intermediary for the Innovation Romania Holding Fund;
<b>Business Day</b>	means a day during which EIF Luxembourg office is open, and banks are open for general business in Romania and Luxembourg;
<b>CEoI or Call</b>	has the meaning set forth in the introduction;



<b>CPR</b>	means the Common Provisions Regulation (EU) No 2021/1060 of 24 June 2021 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy;
<b>Deadline</b>	means <b><u>15 November 2025</u></b> ;
<b>EIF</b>	has the meaning set forth in the introduction;
<b>EIB Group</b>	means the European Investment Bank (EIB) and the European Investment Fund (EIF);
<b>Eligibility Period</b>	means, save as otherwise expressly provided, the period until (and including) 31 December 2029;
<b>ERDF Regulation</b>	means Regulation (EU) 2021/1058 of the European Parliament and of the Council of 24 June 2021 on the European Regional Development Fund and on the Cohesion Fund;
<b>Expression of Interest</b>	means a proposal sent by an Applicant in response to this CEoI, within the Deadline, to be drafted in accordance with the template attached hereto;
<b>Final Recipient</b>	means a legal person receiving financial support from a Specific Fund under a Final Recipient Transaction;
<b>Final Recipient Transaction</b>	means an equity or quasi-equity transaction to be entered into between a Specific Fund and a Final Recipient;
<b>Financial Intermediary or Fund Manager</b>	means a financial institution, fund management company or other legal entity managing or advising a Specific Fund responsible for providing the resources made available from the Holding Fund to Final Recipients;



<b>Financial Instrument</b>	means, in accordance with art. 2(16) of the CPR, a form of support delivered via a structure (including the HF and Specific Funds) through which financial products - as defined in art. 2(17) of the CPR - are provided to Final Recipients;
<b>Holding Fund (HF)</b>	means a fund set up by under the responsibility of the Government of Romania and implemented by EIF, as a separate block of finance and/or fiduciary accounts, to implement one or more Specific Funds pursuant to art. 2(20) of the CPR;
<b>Irregularity</b>	means, in accordance with art. 2(31) of the CPR, any breach of applicable law, resulting from an act or omission by an economic operator involved in the implementation of the Funds, which has, or would have, the effect of prejudicing the budget of the EU by charging unjustified expenditure to that budget;
<b>Non-Compliant Jurisdictions (NCJ)</b>	<p>means a jurisdiction:</p> <ul style="list-style-type: none"> <li>a) listed in Annex I of the European Council conclusions on the revised EU list of non-cooperative jurisdictions for tax purposes;</li> <li>b) included in the OECD/G20 list of jurisdictions that have not satisfactorily implemented the tax transparency standards;</li> <li>c) listed in the Annex of the Commission Delegated Regulation (EU) 2016/1675 of 14 July 2016 supplementing Directive (EU) 2015/849 of the European Parliament and of the Council by identifying high-risk third countries with strategic deficiencies;</li> <li>d) rated as “partially compliant” or “non-compliant”, including corresponding provisional ratings, by the Organisation for Economic Cooperation and Development and its Global Forum on Transparency and Exchange of Information for Tax Purposes against the international standard on exchange of information on request;</li> <li>e) included in the Financial Action Task Force statement “High risk Jurisdictions subject to a Call for Action”; and/or</li> </ul>



	<p>f) included in the Financial Action Task Force statement “Jurisdictions under Increased Monitoring”,</p> <p>in each case as such statement, list, directive, or annex may be amended and/or supplemented from time to time.</p> <p>Please refer to the EIB’s website<sup>1</sup> for a FAQ containing the most updated reference lists of NCJs or enquire with the EIF for confirmation of NCJ status.</p> <p>The Financial Intermediary shall not be established in a NCJ, unless the operation is physically implemented in the relevant NCJ and does not present any indication that it supports actions that contribute to Targeted Activities under the EIB Group NCJ Policy;</p>
<b>Operational Agreement(s)</b>	means the agreement(s) (including, without limitation, the side letter) to be entered into by the EIF with the Specific Fund(s) and/or the Financial Intermediaries, as applicable, in order to provide them with funding under the Innovation Romania Holding Fund and to determine the terms and conditions of such investments, on the basis of this CEoI, the selection process and in accordance with the CPR;
<b>Programme or PoCIDIF</b>	means the Operational Programme for Smart Growth, Digitalisation and Financial Instruments 2021-2027 approved by European Commission Implementing Decision CCI2021RO16RFPR001, as amended, and/or supplemented from time to time;
<b>Quality Assessment Criteria</b>	means the quality assessment criteria applied by EIF at the sole discretion of EIF to aid the assessment of the suitability of the Applicant and/or the proposed Specific Fund(s) according to the business standards of EIF and which are listed in Annex II;
<b>Selection Criteria</b>	means the selection criteria set out in Annex II;
<b>Small and Medium-sized Enterprises or SMEs</b>	means a micro (including individual entrepreneurs and self-employed persons), small or medium-sized enterprise as defined in the Commission Recommendation 2003/361/EC of 6 May

<sup>1</sup> <https://www.eib.org/en/about/compliance/tax-good-governance/faq>



	2003 concerning the definition of micro, small and medium-sized enterprises, or as may be subsequently amended or substituted;
<b>Small Mid-cap</b>	means an enterprise as defined in Article 5.2(c) of Regulation (EU) 2021/1058 by reference to point (6) of Article 2 of Regulation (EU) 2015/1017, that is an entity which (i) has up to 499 employees and (ii) is not a SME;
<b>Specific Fund</b>	means a fund, as defined in art. 2(21) of the CPR, through which the HF provides financial products to Final Recipients;
<b>State Aid</b>	means State aid as described in Articles 107 and 108 of the Treaty on the Functioning of the European Union together with all other rules or regulations relating to the provision of State aid as adopted from time to time by the European Union or, as the case may be, communicated by the Government of Romania through the EIF; a summary of the relevant options (which can be combined) is described in Annex VII;
<b>Union Funds</b>	means funds implemented under shared management, consisting of the European Regional Development Fund (“ERDF”), the European Social Fund Plus (“ESF+”), the Cohesion Fund, the Just Transition Fund (“JTF”), the European Maritime, Fisheries and Aquaculture Fund (“EMFAF”), the Asylum and Migration Fund (“AMIF”), the Internal Security Fund (“ISF”) and the Border Management and Visa Instrument (“BMVI”).



## 2. Innovation Romania Holding Fund

The Government of Romania, represented by the Ministry of Investments and European Projects, has entrusted the EIF with the management of a Holding Fund, hereinafter **Innovation Romania Holding Fund** (the “Holding Fund” or the “HF”), in accordance with the provisions of a funding agreement entered into on 12 December 2024 between the Government of Romania and EIF (the “Funding Agreement”) and approved by Government Decision HG 439 / 2025.

The HF is financed from the Operational Programme “Smart Growth, Digitalization and Financial Instruments” 2021-2027, action 1.5.2. “Smart Development of Enterprises - new models for business development and retechnologisation” and is envisaged to continue to be financed in the next programming period, in line with the provisions of Article 68(2) of the CPR.

## 3. Eligible Financial Intermediaries

The EIF will implement the HF according to an intermediated model, entailing investments in or alongside selected Specific Fund(s), as further detailed in Annexes III, IV and V.

This Call for Expression of Interest (“CEoI”) is addressed and restricted to interested parties, including, but not limited to, venture capital funds in any form that undertake long term risk capital investments, but excluding entities targeting buy-out (or replacement capital) intended for asset stripping. Such parties may qualify to become Specific Fund(s) as further specified in the Annexes III, IV and V to this CEoI.

In order to be considered for selection under this CEoI, all Specific Funds and Financial Intermediaries shall:

- a) represent that **they are not in any of the Exclusion Situations**, as further described in the relevant Annexes;
- b) **comply with relevant international and EU standards and legislation**, as applicable, on the prevention of money laundering, the fight against terrorism, tax fraud, tax evasion and artificial arrangements aiming at tax avoidance and shall not perform any illegal activities;
- c) **not be established in a Non-Compliant Jurisdiction** unless the operation is physically implemented in the relevant Non-Compliant Jurisdiction and does not present any indication that it supports actions that contribute to Targeted Activities under the EIB Group NCJ Policy<sup>2</sup>; and
- d) not be subject to Restrictive Measures as defined in the relevant Annexes<sup>3</sup>.

<sup>2</sup> Targeted Activities under the EIB Group NCJ Policy, which means (i) criminal activities such as money laundering, financing of terrorism, tax crimes (i.e. tax fraud and tax evasion) and (ii) tax avoidance practices (i.e. wholly artificial arrangements aimed at tax avoidance).

<sup>3</sup> As part of its due diligence process, EIF will analyse and exclude any Applicant if it or any of its key persons, including ultimate beneficial owners, are subject to EU/UN/US/UK restrictive measures (sanctions), including but not limited to sanctions related to the Russian military aggression against Ukraine.



## 4. Description of the Innovation Romania HF

Under the HF, up to **EUR 100 million** shall be allocated to Specific Funds. The Specific Funds targeted shall be grouped under three windows:

- i. **Technology Transfer Window**
- ii. **Accelerator Window**
- iii. **Co-investment Window**

The scope of each of the windows is further analysed in Annexes III, IV and V of the CEoI.

Financial Intermediaries may express their interest **for a contribution under one or more of the above-mentioned windows**. There is no pre-defined allocation of budget between the windows.

The exact number of Specific Funds to be supported under each window as well as cumulatively under the Call will be a function of the quality of applications received and the budget available.

## 5. Compliance and integrity principles

### *Policies and guidelines to consider when submitting an application*

The EIB Group Anti-Fraud Policy<sup>4</sup>, the EIB Group Policy towards Weakly Regulated, Non-transparent and Non-cooperative Jurisdictions and Tax Good Governance<sup>5</sup> (EIB Group NCJ Policy), the EIB Group Anti-Money Laundering and Combating Financing of Terrorism Policy<sup>6</sup> (EIB Group AML-CFT Policy), the EIF Transparency Policy<sup>7</sup>, EIF Policy on Exclusions and Restrictions<sup>8</sup>, the EIF Environmental, Social and Corporate Governance (ESG) Principles<sup>9</sup> and the EIB Group Whistleblowing Policy<sup>10</sup>, shall apply to the investments made in the context of this CEoI.

The EIF, as part of the EIB Group, is committed to continue maintaining a stringent policy against tax fraud, tax evasion, tax avoidance as well as money laundering and terrorism financing.

All EIF Operations are assessed in line with the standards of the due diligence process promoted

<sup>4</sup> <https://www.eib.org/en/publications/anti-fraud-policy>

<sup>5</sup> <https://www.eib.org/en/publications/eib-policy-towards-weakly-regulated-non-transparent-and-uncooperative-jurisdictions>

<sup>6</sup> <https://www.eib.org/en/publications/eib-group-anti-money-laundering-and-combatting-the-financing-of-terrorism-policy>

<sup>7</sup> [https://www.eif.org/who\\_we\\_are/accountability-and-transparency/transparency-policy/en-eif-transparency-policy.pdf](https://www.eif.org/who_we_are/accountability-and-transparency/transparency-policy/en-eif-transparency-policy.pdf)

<sup>8</sup> [https://www.eif.org/news\\_centre/publications/eif-policy-on-exclusions-and-restrictions.pdf](https://www.eif.org/news_centre/publications/eif-policy-on-exclusions-and-restrictions.pdf)

<sup>9</sup> [https://www.eif.org/news\\_centre/publications/esg-principles.htm](https://www.eif.org/news_centre/publications/esg-principles.htm)

<sup>10</sup> <https://www.eib.org/en/publications/eib-group-whistleblowing-policy>



by the EIB Group AML-CFT Policy and the EIB Group NCJ Policy. Operations with NCJ links are subject to enhanced due diligence to determine whether:

- (i) the levels of transparency and integrity of the relevant operation are satisfactory to the EIB Group (in particular the contracting counterparty/ies and their beneficial owners must be clearly identified),
- (ii) the contracting counterparty/ies can provide plausible justifications for the NCJ location link, or
- (iii) there is a risk that the operation is (or may be) misused for Targeted Activities under the EIB Group NCJ Policy<sup>11</sup>.

The enhanced due diligence may consider, on a risk-sensitive basis and as applicable, relevant elements of the Anti-Tax Avoidance Toolbox in Appendix 1 to the EIB Group NCJ Policy.

All Applicants are therefore hereby notified that in the course of the EIF tax integrity due diligence process, information on contracting counterparty's full ownership diagram, including all direct/indirect 10% (or more) Ultimate Beneficial Owners (or deemed controlling), may be requested and that additional questions may arise as part of this process.

For more information, please refer to the FAQ on the EIB Group NCJ Policy<sup>12</sup>.

## 6. Key terms for the selected Financial Intermediaries

Annexes III, IV and V set out in detail the key terms and requirements of the Specific Funds.

The selected Financial Intermediary/-ies will be expected to be registered and/or authorised as applicable by a recognised supervisory body and must comply with laws and regulations concerning the management of its investment vehicle(s) and operations. At all times, they are expected to apply and adhere to professional market standards. For the avoidance of doubt, the intended Specific Fund structure and all related entities (such as but without limitation, the general partner, the carried vehicle (if any), the investment advisor or the investment manager) must be described (i.e. legal structure, governing laws and whether regulated or not), but not necessarily established, at the point of submission of the Expression of Interest. Establishment of the Financial Intermediary and the Specific Fund will be expected at the time of execution by the EIF of the Operational Agreement.

<sup>11</sup> *EIB Group Policy towards weakly regulated, non-transparent and non-cooperative jurisdictions and tax good governance*

<sup>12</sup> <https://www.eib.org/en/about/compliance/tax-good-governance/faq>





All operations concerning the Financial Intermediary, the Specific Fund and the Final Recipients shall be constantly recorded and monitored to enable regular reporting to investors to market standards. This may be through a combination of in-house expertise or third-party support. Regular monitoring and subsequent reporting to investors shall provide accurate and up to date information.

Investors in the Specific Funds are not responsible for any underlying investment decisions or ongoing management of the Final Recipients. An advisory committee representing investors is typically set-up and convened to oversee operations of the Financial Intermediary and the Specific Fund and opine on specific matters requiring advice or consent (e.g. conflicts of interest, cause events, key person events etc.).

The indicative capital allocated to the Specific Funds, may be changed as necessary, at EIF's sole discretion subject to applicable approvals, particularly if the funding available changes during the implementation process or the demand for the Specific Funds so requires. With a view to maximising the efficient use of available resources, EIF shall have sole discretion to allocate any available amounts to Financial Intermediary/-ies that out-perform initial expectations on the build-up of the relevant portfolio of the Specific Fund. For the avoidance of doubt, any committed capital to the Specific Fund shall be governed by the terms of the relevant Operational Agreement.

## 7. Application process

Interested Applicants shall submit an Expression of Interest from the date of publication of this CEoI until the day of the Deadline by 18:00 CET to [innovation-romania@eif.org](mailto:innovation-romania@eif.org), stating in the subject of the email: **"Call for EoI - IRHF-2025/01: [name of the Applicant]"**.

The application period applies to the reception of the application by the EIF. For the avoidance of doubt, applications will solely be submitted by e-mail; the EIF does not accept paper applications.

The Expression of Interest shall include the Applicant's identification, the Business Plan, the supporting identification documents and the Declaration of Honour. A template for the Expression of Interest is attached hereto as Annex I.

The Expression of Interest, including the submitted documents, shall be in English only.

Requests for clarification shall be submitted in English at [innovation-romania@eif.org](mailto:innovation-romania@eif.org), no later than five (5) Business Days before the Deadline.

Prior to the Deadline and in the same manner as specified above, the Applicants may change or amend their Expressions of Interest by clearly indicating the parts that have been changed or amended (including a table with history of changes).



EIF will, in principle, not contact any Applicant prior to the Deadline, unless it considers it necessary to clarify issues of a mere technical nature. However, should EIF discover any errors, inaccuracies, omissions or any other type of clerical defect in the text of the Call for Expression of Interest before the Deadline, EIF will correct the text and inform accordingly.

An acknowledgement of receipt shall be sent to the relevant Applicant by the EIF, which shall confirm whether the Expression of Interest was received by the Deadline. Such acknowledgement of receipt shall not be construed as a declaration of completeness of the Expression of Interest and the documents submitted therewith, nor any kind of assessment or acceptance of the same.

The Applicants may withdraw their expression of interest at any stage of the selection process by sending an email to [innovation-romania@eif.org](mailto:innovation-romania@eif.org).

The EIF reserves the right at any time to request clarifications or the submission of additional or supplementary information in respect of an application, verify with any Applicant or with a third party any information set out in any submission.

The EIF reserves the right, at any time to:

- make changes to the CEoI, the selection process or associated terms, dates and deadlines,
- replace the CEoI with another call for expression of interest, or
- cancel the CEoI in its entirety.

EIF, under its sole discretion, reserves the right to launch any number of subsequent calls for expression of interest that are in line with the objectives of this Call.

## **8. Selection process**

The Financial Intermediaries shall be selected on the basis of EIF's policies, rules, procedures and statutes, and in conformity with best business and market practices with an open, transparent, proportionate, equal treatment, non-discriminatory and objective selection procedure, avoiding conflicts of interest, ensuring the criteria laid down in the CPR and the experience and financial capacity of the Applicants.

In addition, the Expressions of Interest will be examined by the EIF on a comparative basis, using professional analysis and judgment, based on the terms set out in this CEoI and its Annexes, including the Selection Criteria.



Following the receipt of the Expression of Interest, EIF shall assess the application(s) pursuant to the selection process outlined herewith. This process comprises:

1. Pre-selection;
2. Due diligence;
3. Selection.

Each of these three steps is described in more detail below from section 8.1 to section 8.3.

The Financial Intermediaries will be selected in due consideration of the general principles of transparency, equal treatment and non-discrimination, in compliance with EIF's policies, rules, procedures and statute and in conformity with best business and market practices.

The contractual negotiation process may not be considered concluded prior to the signature of the Operational Agreement in accordance with EIF's internal rules and procedures, and until EIF and the Applicants have agreed on all relevant terms and conditions.

Applicants who are not initially considered for contractual negotiations may, subject to the EIF's discretion, be included on a reserve list, which unless cancelled or extended in writing by EIF shall be valid for a year, following the notification of inclusion in the reserve list (hereinafter, the "Reserve List").

In any phase of the selection process before entering into an Operational Agreement with an Applicant, EIF reserves full discretion over the selection process (and participating entities, in case of joint Expressions of Interest), and no Applicant or participating entity may have any claim or other right or may expect to be ultimately selected as Financial Intermediary. The start of a due diligence process or the negotiation of terms and conditions does not entail any obligation for EIF to enter into an agreement with the relevant Applicant. The selection of an Applicant will depend, inter alia, on the budget available and other considerations made by EIF such as, without limitation, the outcome of the due diligence and the result of negotiations with the Applicant.

Those Applicants whose Expression of Interest is rejected shall have the right to submit a written complaint by e-mail to [complaints@eib.org](mailto:complaints@eib.org), within the timeline provisioned within the relevant EIB Group complaints policy. Any complaints will be dealt within the framework of and in accordance with the EIB Group complaints Mechanism Policy<sup>13</sup>.

Any personal data provided by the Applicants shall be processed by the EIF in compliance with its Data Protection Statement (EIF statement on the processing operations of Applicants and investment funds' personal data, as published on the EIF's website) and Regulation (EU)

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<sup>13</sup> [EIB Group Complaints Mechanism Policy](#)



2018/1725 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, as amended from time to time. For further information, visit [Data Protection Statement](#)<sup>14</sup>.

## 8.1. Pre-selection

Expressions of Interest will be assessed by the EIF on a comparative basis. When assessing the Expressions of Interest, EIF will use its professional analysis and judgment.

The pre-selection comprises:

Pre-selection stage 1: Eligibility assessment of the Expressions of Interest;

Pre-selection stage 2: Quality assessment of the Expressions of Interest.

### 8.1.1. Eligibility assessment of the Expressions of Interest

EIF will assess whether the Expressions of Interest for the Specific Fund(s) have been prepared in accordance with the provisions of this Call and comply with Eligibility Criteria, as described in Annex II.

The Expressions of Interest that do not comply with the Eligibility Criteria will be rejected. Applicants whose application is rejected because of non-compliance with any of the elements reflected in the Declaration of Honour (Appendix 4 to the Expression of Interest), may not present themselves for consideration in subsequent Calls for Expression of Interest, unless it is specifically evidenced that the reason for the exclusion no longer exists.

### 8.1.2. Quality assessment of the Expressions of Interest

After completing the assessment of the Eligibility Criteria, and after having obtained any additional information or clarifications from Applicants, if and as needed, the EIF will perform the quality assessment of the Expressions of Interest according to the Quality Assessment Criteria as defined in Annex II. The assessment of Expressions of Interest at this stage will be conducted under competitive terms. A minimum score of 50 points is required.

<sup>14</sup> [http://www.eif.org/attachments/eif\\_data\\_protection\\_statement\\_financial\\_intermediaries\\_due\\_diligence\\_en.pdf](http://www.eif.org/attachments/eif_data_protection_statement_financial_intermediaries_due_diligence_en.pdf)



## **8.2. Due diligence**

Top-ranked pre-selected Expressions of Interest may be followed up with the due diligence process, carried out in accordance with the EIF's internal rules and procedures, where financial and operational matters relating to the financial instrument implementation shall be analysed in more detail.

The aim of the due diligence is to assess, inter alia, the ability to generate a qualitative deal flow, undertake an appropriate and relevant investment/divestment strategy, and comply with the reporting requirements, as well as the commitment, experience and operational capability of the Applicant. The due diligence normally comprises an on-site visit or video conference call, which shall be at the discretion of the EIF. The due diligence process does not comprise formal legal negotiations while it will typically discuss and explain certain terms and conditions.

## **8.3. Selection**

Based on the pre-selection outcome and the outcome obtained following the due diligence, the EIF will decide either:

1. To select the Applicant;
2. To put the Applicant into a Reserve List;
3. To reject the proposal from the Applicant.

Subject to satisfactory outcome of the due diligence, EIF may request its Board's approval to enter into an Operational Agreement with the selected Financial Intermediary and the Specific Fund. EIF has no obligation to enter into an Operational Agreement with the selected Applicant that will ultimately be subject to agreeable commercial and legal negotiations and conditions.

## **9. Publishing of information on the Financial Intermediaries**

Within the spirit of the EIF Transparency Policy and in line with EIF's transparency obligations, the EIF shall publish on its website each year a list of Financial Intermediaries and Final Recipients supported by this CEoI, which shall include for each Financial Intermediary, the name, address, and the financing form.



Publication shall not be required if any Financial Intermediary, prior to signing the fund agreement, declares in writing to the EIF or to the Financial Intermediary as applicable (including by a representation in the relevant agreement) that the publication requirements set out in this section risk harming its commercial interests or risk threatening the rights and freedoms of the persons or entities concerned as protected by the Charter of Fundamental Rights of the European Union.

In addition, such publication shall not be required if it would be illegal under the applicable laws and regulations. As far as natural persons are concerned, the publication shall comply with the requirements set out in Articles 4 and 5 of Regulation (EU) 2018/1725, as amended from time to time.

## 10. Terms of Confidentiality

In the context of this Call, certain Financial Intermediaries applying for the CEoI and the EIF will make available certain information of a non-public, confidential and proprietary nature to one another. This paragraph (the “Terms of Confidentiality”) sets out how Confidential Information provided in this context will be dealt with by each of the EIF and the Financial Intermediaries applying for the CEoI (as applicable).

1. Confidentiality undertaking – each Financial Intermediary and the EIF will:
  - a) keep the Confidential Information confidential and not disclose it to anyone except as provided for by paragraph 2 below and ensure that such Confidential Information is protected with security measures and a degree of care that would apply to its own confidential information;
  - b) use the Confidential Information only for the Permitted Purpose; and
  - c) use all reasonable endeavours to ensure that any person to whom they pass any Confidential Information (unless disclosed under paragraph 2(b), (c), (d) or (f) below) acknowledges and complies with the provisions of these Terms of Confidentiality as if that person was subject to these Terms of Confidentiality.
2. Permitted disclosure – each party may, however, disclose Confidential Information:
  - a) to its managing bodies, affiliates, officers, directors, employees, representatives, professional advisers, and (with respect to disclosure by the EIF) service providers and the investment committees, to the extent necessary for, or in connection with, the Permitted Purpose and to its auditors;
  - b) with respect to disclosure by the EIF, to the European Commission, the European Investment Bank, the European Court of Auditors, the European Public Prosecutor’s



Office and/or the European Anti-Fraud Office (OLAF) and to their respective affiliates, officers, directors, employees and professional advisers to the extent necessary for the Permitted Purpose and to their respective auditors;

- c) with respect to disclosure by the EIF, to the European Investment Bank and to its respective affiliates, officers, directors, employees and professional advisers, to the extent that any such Confidential Information is relevant in the context of any current or future know-your-customer controls, verifications or activities under the EIB Group Anti-Money Laundering and Combatting the Financing of Terrorism Policy (the “EIB Group AML-CFT Policy”) , whether or not related to the Proposed Transaction;
- d) (i) where requested or required by any court of competent jurisdiction or any competent judicial, governmental, supervisory or regulatory body or administrative order, (ii) where required by its statutory documents, internal policies and procedures or in accordance with the relevant treaties or (iii) where required by the laws or regulations of any country with jurisdiction over its affairs; (iv) where required in connection with and for the purposes of any litigation, arbitration, administrative or other investigations, proceedings or disputes or in order to protect its interests in the course of any legal or arbitration proceedings;
- e) with the other party’s prior written consent, not to be unreasonably withheld; or
- f) with respect to disclosure by the EIF, within the framework of the EIF’s Transparency Policy pursuant to which EIF may publish on its website the minutes of its Board of Directors (including a summary indicating the project name, the nature of the operation, the geographical focus and the relevant EIF-managed resources of the Proposed Transaction), unless the Financial Intermediary has specifically objected to such disclosure as set out in the Call.

The party disclosing any information shall have the onus to prove that the disclosure of such information is permitted under this Terms of Confidentiality.

3. Notification of Required or Unauthorised Disclosure – the disclosing party will (to the extent permitted by law and by its statutory documents) inform the other party of the full circumstances of any disclosure under paragraph 2(d) or upon becoming aware that Confidential Information has been disclosed in breach of the Terms of Confidentiality.
4. Termination – The Terms of Confidentiality will cease to apply to Confidential Information on the earlier of (a) the date of the signature of the Proposed Transaction containing a confidentiality undertaking in the same or similar terms as the Terms of Confidentiality, and (b) two years following the date on which such Confidential Information was provided.





## 5. Definitions – In these Terms of Confidentiality:

**“Confidential Information”** means any information marked as confidential relating to the EIF, the Financial Intermediary and the Proposed Transaction, provided to a party by the other party or any of its affiliates or advisers, in whatever form, and includes any document, electronic file or any other way of representing or recording information which contains or is derived or copied from such information but excludes information that:

- a) is or becomes public knowledge (other than as a result of any breach by a party of the Terms of Confidentiality), or
- b) in relation to information regarding the Financial Intermediary only, is not marked as confidential by such Financial Intermediary at the time of delivery, or
- c) in relation to information regarding the Financial Intermediary only, is known by the EIF before the date the information is disclosed to EIF by such Financial Intermediary or any of its affiliates or advisers, or
- d) in relation to information regarding the Financial Intermediary only, is lawfully obtained by EIF, other than from a source which is connected with such Financial Intermediary and which, in either case, as far as EIF is aware, has not been obtained in violation of, and is not otherwise subject to, any obligation of confidentiality;

**“Permitted Purpose”** means (a) (with respect to disclosure by the EIF) considering and assessing whether or not to enter into the Proposed Transaction or another transaction with the same Financial Intermediary, (b) any related legal or regulatory or (with respect to disclosure by the EIF) rating review and/or related reporting obligations, and/or (c) (with respect to disclosure by the EIF) any internal procedure of EIF or the European Investment Bank, including but not limited to, any current or future know-your-customer controls, verifications or activities under the EIB Group AML-CFT Policy (regardless of whether or not such procedures are related to the Proposed Transaction); and

**“Proposed Transaction”** means an agreement between the EIF and the Financial Intermediary.

- ## 6. Governing law and jurisdiction - The Terms of Confidentiality, and any non-contractual obligations arising out of or in connection with them, shall be governed by, and construed in accordance with, Luxembourgish law. Any disputes arising out of or in connection with the Terms of Confidentiality will be subject to the jurisdiction of the courts of Luxembourg City.





## **11. Annexes**

Annex I. Expression of Interest and relevant Appendices templates

Annex II. Selection Criteria

Annex III. Specific Fund Term Sheet for the Technology Transfer Window

Annex IV. Specific Fund Term Sheet for the Accelerator Window

Annex V. Specific Fund Term Sheet for the Co-investment Window

Annex VI. Exclusions and Restrictions

Annex VII. State Aid framework



## **ANNEX I – Expression of Interest and relevant Appendices templates**

**To: European Investment Fund**

**Re: Innovation Romania Holding Fund**

**Call for EoI IRHF - 2025/01**

**Attn: Mandate Origination & Relationship Management - CEE**

**Email: [innovation-romania@eif.org](mailto:innovation-romania@eif.org)**

*(no paper applications are accepted)*

**Call for Expression of Interest No.:**

**Call for EoI IRHF - 2025/01**

**Deadline for the submission of the  
Expression of Interest:**

**15 November 2025**

**Expression of Interest for Financial  
Instrument:**

**Innovation Romania Holding Fund**

**+**

**Call Window (at least one to designate)**

**Applicant submitting the Expression of  
Interest:**

\_\_\_\_\_, \_\_\_\_\_

**(company name, registration number /  
standard identification code, if applicable)**

Dear Sir or Madam,

Herewith we are submitting our Expression of Interest on behalf of (Applicant) in response to the Call for Expression of Interest IRHF-2025/01 in the framework of the Innovation Romania HF implemented by EIF acting as agent of the Government of Romania. Capitalised expressions utilised herein shall have the meaning attributed to them in the above-mentioned Call for Expression of Interest.



The undersigned, duly authorised to represent the (Applicant), by signing this form certifies and declares that the information contained in this Expression of Interest and its Appendices is complete and correct in all its elements.

The undersigned, duly authorised to represent the (Applicant), by signing this form certifies and declares to have read the EIF Anti-Fraud Policy<sup>15</sup> and declares not to have made nor to make any offer of any type whatsoever from which an advantage can be derived under this CEoI and not to have granted nor to grant, not to have sought nor to seek, not to have attempted nor to attempt to obtain, and not to have accepted nor to accept, any advantage, financial or in kind, to or from any party whatsoever, constituting an illegal practice or involving corruption, either directly or indirectly, as an incentive or reward relating to signing of a Commitment Agreement. The (Applicant) acknowledges and agrees, if selected, to be audited by Member State audit bodies and, potentially, other audit bodies.

The undersigned, has read the EIB Group Statement on Tax Fraud, Tax Evasion, Tax Avoidance, Aggressive Tax Planning, Money Laundering and Financing of Terrorism<sup>16</sup>.

The undersigned, duly authorized to represent the (Applicant), by signing this form certifies and declares that the (Applicant) does not perform illegal activities according to the applicable legislation in the countries of establishment.

Yours sincerely,

**Signature(s):**

**Stamp of the Applicant (if applicable):**

**Name and position in capitals:**

**Applicant's name:**

**Place:**

**Date (day/month/year):**

**Appendices to be submitted with the Expression of Interest:**

- Applicant Identification (Appendix 1)
- Business Plan (based on elements listed in Appendix 2 and consistent with the Specific Fund Term Sheets (Annexes III/IV/V))
- Applicant KYC Documents (listed in Appendix 3)
- Declaration of Honour (based on the template in Appendix 4)

<sup>15</sup> <https://www.eib.org/en/publications/anti-fraud-policy>

<sup>16</sup> <https://www.eib.org/en/about/compliance/tax-good-governance/index.htm>

## Appendix 1 to EXPRESSION OF INTEREST

### APPLICANT IDENTIFICATION

#### 1.1. Applicant identification

INFORMATION REQUIRED	
APPLICANT NAME	
CONTACT DETAILS	<b>Address:</b>  <b>Telephone:</b>  <b>E-mail:</b>
LEGAL FORM	
REGISTRATION DETAILS	<b>Denomination of register:</b>  <b>Date of registration:</b>  <b>Country of registration:</b>  <b>Standard identification code / registration number, if applicable:</b>

#### 1.2. Person authorised to submit the Expression of Interest on behalf of the Applicant and appropriate evidence of such authorisation

INFORMATION REQUIRED	
TITLE	Mr/Ms/Dr/other (delete or complete as appropriate)
NAME	<b>Surname:</b>  <b>Forename(s):</b>
FUNCTION	
CONTACT DETAILS	<b>Address:</b>  <b>Telephone:</b>  <b>Fax:</b>  <b>E-mail:</b>



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European  
Investment Fund

### 1.3. Contact person (if different from 1.2)

<b>TITLE</b>	<b>Mr/Ms/Dr/other (delete or complete as appropriate)</b>
<b>NAME</b>	<b>Surname:</b>  <b>Forename(s):</b>
<b>FUNCTION</b>	
<b>CONTACT DETAILS</b>	<b>Address:</b>  <b>Telephone:</b>  <b>Fax:</b>  <b>E-mail:</b>



## Appendix 2 to EXPRESSION OF INTEREST

### BUSINESS PLAN

Applicants are asked to provide an outline investment proposal (“Business Plan”) in relation to the Specific Fund. The Business Plan shall provide concise information on the following items:

#### Market

Detailed description of the targeted market segment, including:

- Targeted market segment(s) and market needs;
- Feasibility of origination, and strategy given track record;
- Competitors in targeted market segment(s), including other sources of financing;
- Differentiation vis-à-vis competitors and unique selling proposition.

#### Investment strategy

- Minimum/Target/Maximum fund size, including rationale for it.
- Fund focus, including product (minority/majority equity, mezzanine, hybrid, etc.), stage and sector, geographical focus, number of deals/ticket sizes at various fund sizes and targeted returns;
- Expected portfolio models (including number and amount of investments, timing and expected size (volume and reserve) of follow-on investments) at minimum, target and maximum fund size (including assessment of equity stakes to be held and the assumptions identified for exit valuations of companies);
- Strategy for generation of deal flow, post-investment adding-value to investee companies strategy and exit strategy;
- Detailed description of existing pipeline of investment opportunities in Romania;
- Co-operation with main participants in the relevant market segments (including, if relevant, universities, science hubs, business incubators, business angels networks, and entrepreneurship initiatives);
- Appropriateness of the investment strategy to the market, including the average holding period; appropriateness of strategy for the relevant window(s) of the Call.
- Risk management methodology;



## Fundraising

- Expected timing for first and final closings;
- Description (detailed list of names, amounts if available and stage of discussion) of other investors envisaged and strategy of attracting co-investors, including potential letters of intent (even if unbinding) from such investors, if any;
- Details of any sponsor or potential investor receiving any special right with regard to the Specific Fund or the Financial Intermediary (economic or related to governance), if any.

## Management

- Financial Intermediary team profile (current composition and expansion plans at various fund sizes), detailing who would be full-time dedicated to the fund and who would be part-time (describing side activities for the part-time team members);
- Details of current and former team members, including their date of arrival/departure, position at arrival and current title;
- Relevant team members' CVs (outlining for example main academic, professional and other relevant experience, and in particular experience in investing in early stage companies, if any);
- List all board seats (if any) of the team members and how current activities will impact the operation of the fund;
- Planned location of team members and their ability to communicate in English and Romanian;
- Timeline for finalization of team and establishment in Romania;
- Description of governance and legal structure for all fund related entities foreseen (incl. governing laws);
- Information on members of the investment and advisory committees to be established (including, inter alia, involvement and decision-making procedure). It is expected that the core investment team members are the ones responsible for decisions at every stage of investment through to exit; at no time should individuals or entities outside the management team have a veto power on investment decisions, unless fully justified;
- Details of the shareholder base/ownership of the Applicant and the envisaged shareholder base for the fund management company, if it is planned to set up a new entity as a fund manager;
- Details of the carried interest allocation;
- Details on how the Specific Fund's financial and reporting operations, including financial accounting, will be managed (e.g. through a recognized fund service provider or internally; in the latter case detailed explanations on how financial accounting and fund reports, including



inter alia, commitment and drawdown balances, hurdle rate and carried interest calculations etc. shall be provided).

- Details of the history of the Applicant and its previous/existing business activities, particularly describing any activity having potential of conflicts of interest with the planned fund;
- Description of any linkages, sponsorship or ownership restricting full independence of the management team and fund manager;
- Description of measures proposed to deal with potential conflicts of interest;
- Provide at least three to four references (including telephone numbers) for each team member (including where possible related to transactions relevant to the proposed strategy: CEOs of investees, co-investors, other).

## Investment track record

- Please provide, as of 31/12/2024 and per team member(s) involved, a split in two sections - realised and unrealised: name of investee company, country, date of entry/exit, invested amount, ownership, proceeds received to date, entry/exit multiple, current valuation, multiple of cost, gross IRR, role of team member in transaction (e.g. lead, co-investment, advisor etc.).
- Where the track record involves formal funds, in addition to individual transaction information, net fund level returns should be included.
- Describe relevance with the fund strategy and provide references;



Track record  
template.xlsx

## Terms and conditions

- Main economic terms, including management costs and fees (base remuneration - operational budget of the fund; fee offset policy) and incentive structure (performance-based remuneration) proposed;
- Indicative investment from fund management company and/or the management team into the Specific Fund;
- Indicative investment requested under this Call;
- Legal and tax structure of the Specific Fund and related entities (including the Applicant, if applicable).





- Winding-up provisions of the Specific Fund, including the return of resources from the Specific Fund to the EIF.

The Business Plan should be consistent with the indicative Term Sheet(s) of the relevant Specific Fund (Annex III/IV/V) and Selection Criteria (Annex II).

There is no set expectation on the document's length, but the Applicants are encouraged to be concise.



## Appendix 3 to EXPRESSION OF INTEREST

### LIST OF APPLICANT DOCUMENTS TO ATTACH - Know Your Customer (“KYC”)

The EIB Group has in place a counterparty due diligence process<sup>17</sup> which takes into account, among others, factors including the type of counterparty (including sector), business relationship, product, service or transaction and country(ies) of operation. Through the EIB Group NCJ Policy<sup>18</sup> and its implementing procedures, the EIB Group takes into consideration jurisdictions classified by one or more Lead Organisations for not having made sufficient progress towards satisfactory implementation of EU and/or internationally agreed standards in connection with AML-CFT and/or tax transparency/tax good governance standards. The EIB Group entities apply the counterparty due diligence measures to an extent determined on a risk-sensitive basis.

Please attach, as part of the initial counterparty due diligence (or “KYC”) measures (to be completed later during the application process), the following documents with your application:

1. An excel and pdf-copy of the signed and dated Integrity Questionnaire (including ownership structure) in the form below



2. Copy of extract of commercial register or equivalent, if applicable;
3. Copy of extract of beneficial ownership (“UBO”) register or equivalent, if applicable.

<sup>17</sup> EIB Group Anti-Money Laundering and Combatting the Financing of Terrorism Policy

<sup>18</sup> EIB Group Policy towards weakly regulated, non-transparent and non-cooperative jurisdictions and tax good governance



## Appendix 4 to EXPRESSION OF INTEREST

### Declaration of Honour

The undersigned [name of the signatory(ies) of this Declaration], representing the following legal person: [name of the Applicant] (the “Financial Intermediary”)

**Full official name:**

**Official legal form:**

**Full official address:**

**VAT registration number:**

HEREBY DECLARES that:

1. The Applicant is not in any of the situations below:

- it is bankrupt, subject to insolvency or winding-up procedures, its assets are being administered by a liquidator or by a court, it is in an arrangement with creditors, its business activities are suspended, or it is in any analogous situation arising from a similar procedure provided for under Union or national law;
- it has been established by a final judgment or a final administrative decision that it is in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the applicable law;
- it has been established by a final judgment or a final administrative decision that it is guilty of grave professional misconduct by having violated applicable laws or regulations or ethical standards of the profession to which it belongs, or by having engaged in any wrongful conduct which has an impact on its professional credibility where such conduct denotes wrongful intent or gross negligence, including, in particular, any of the following:
  - i. fraudulently or negligently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of eligibility or selection criteria or in the implementation of the legal commitment;
  - ii. entering into agreement with other persons or entities with the aim of distorting competition;
  - iii. violating intellectual property rights;
  - iv. attempting to influence the decision-making of the authorising officer responsible during the award procedure;
  - v. attempting to obtain confidential information that may confer upon it undue advantages in the award procedure;
- it has been established by a final judgment that it is guilty of any of the following:

- i. fraud, within the meaning of Article 3 of Directive (EU) 2017/1371 of the European Parliament and of the Council (44) and Article 1 of the Convention on the protection of the European Communities' financial interests, drawn up by the Council Act of 26 July 1995 (45);
    - ii. corruption, as defined in Article 4(2) of Directive (EU) 2017/1371 or active corruption within the meaning of Article 3 of the Convention on the fight against corruption involving officials of the European Communities or officials of Member States of the European Union, drawn up by the Council Act of 26 May 1997 (46), or conduct referred to in Article 2(1) of Council Framework Decision 2003/568/JHA (47), or corruption as defined in other applicable laws;
    - iii. conduct related to a criminal organisation as referred to in Article 2 of Council Framework Decision 2008/841/JHA (48);
    - iv. money laundering or terrorist financing within the meaning of Article 1(3), (4) and (5) of Directive (EU) 2015/849 of the European Parliament and of the Council (49);
    - v. terrorist offences or offences linked to terrorist activities, as defined in Articles 1 and 3 of Council Framework Decision 2002/475/JHA (50), respectively, or inciting, aiding, abetting or attempting to commit such offences, as referred to in Article 4 of that Decision;
    - vi. child labour or other offences concerning trafficking in human beings as referred to in Article 2 of Directive 2011/36/EU of the European Parliament and of the Council (51);
  - it has shown significant deficiencies in complying with main obligations in the implementation of a legal commitment financed by the budget which has:
    - i. led to the early termination of a legal commitment;
    - ii. led to the application of liquidated damages or other contractual penalties; or
    - iii. been discovered by an authorising officer, OLAF or the Court of Auditors following checks, audits or investigations;
  - it has been established by a final judgment or final administrative decision that it has committed an irregularity within the meaning of Article 1(2) of Council Regulation (EC, Euratom) No 2988/95 (52);
  - it has been established by a final judgment or final administrative decision that it has created an entity in a different jurisdiction with the intent to circumvent fiscal, social or any other legal obligations in the jurisdiction of its registered office, central administration or principal place of business; or it has been established by a final judgment or final administrative decision that it has been created with such intent.
2. The Applicant is duly authorised – if applicable - to carry out financing activities in accordance with applicable laws and regulations;



3. The Applicant does not perform activities, which are illegal according to the applicable legislation;
4. The Applicant complies with relevant international and EU standards and legislation, as applicable, on the prevention of money laundering, the fight against terrorism, tax fraud, tax evasion and artificial arrangements aiming at tax avoidance.
5. The Applicant is not subject to Restrictive Measures<sup>19</sup>.

For the purpose of the EIF Transparency Policy, as further specified in Appendix 5 below, and subject to the approval of the relevant operation by the EIF, the [Applicant], by signing this form:

*[Please tick as appropriate]*

- ☐ confirms that the Applicant agrees with the disclosure of summary information relevant to this transaction (the project name, the nature of the operation, the geographical focus and the relevant EIF-managed resources) in accordance with the EIF Transparency Policy, listed in Appendix 4;

OR

- ☐ declares that (i) the Applicant requests the non-disclosure of summary information relevant to this transaction (the project name, the nature of the operation, the geographical focus and the relevant EIF-managed resources) and (ii) such disclosure would undermine the protection of commercial interests relevant to the operation.

and,

- ☐ acknowledges and agrees (i) to the terms of the Terms of Confidentiality as provided in the Call, and (ii) that each of the Applicant and the EIF shall process Confidential Information (as defined under the Terms of Confidentiality) in accordance with the terms thereunder.

**Full name**

**Date (day/month/year):**

**Signature(s)**

<sup>19</sup> As part of its due diligence process, EIF will analyse and exclude any Applicant if it or any of its key persons, including ultimate beneficial owners, are subject to EU/UN/US/UK restrictive measures (sanctions), including but not limited to sanctions related to the Russian military aggression against Ukraine.



## Appendix 5 EIF Transparency Policy

Within the spirit of the EIF's Transparency Policy<sup>20</sup> (the "EIF Transparency Policy") and in line with EIF's transparency obligations, EIF is committed to the guiding principle of promoting transparency with respect to its operational and institutional activities.

Pursuant to this guiding principle, and in accordance with the EIB Group approach and undertakings to promote transparency and good administrative practice, EIF has adopted the practice of publishing the minutes of the Board of Directors ("Board minutes") on its website, following their approval and signature.

The published Board minutes only indicate those operations presented for decision which have been approved and, as a general rule, contain a summary indicating the project name, the nature of the operation, the geographical focus and the relevant EIF-managed resources.

The EIF Transparency Policy also recognises the need for EIF to balance transparency with confidentiality undertakings and the protection of commercially sensitive or personal data, with a view to EIF satisfying its legal obligations to, and maintaining the confidence and trust of, its business partners, investors and third parties.

Consequently, should an application receive the relevant EIF internal authorisation for submission to EIF's Board of Directors and be approved by the Board thereafter, and should an Applicant deem that the publication of such a summary would expose sensitive or confidential information, for which there would be a compelling reason not to disclose, the Applicant shall make a declaration to that effect in the submission of the Expression of Interest resulting in the information in question being edited out of the published Board minutes and, subject to any applicable confidentiality undertakings, only being made public in connection with the signature of the operation in question.

If the EIF has not received such declaration confirming that an Applicant does not agree to the publication of the aforementioned operational overview, EIF will consider that publication is acceptable to the Applicant, if applicable, and will proceed with publication.

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<sup>20</sup> [en-eif-transparency-policy.pdf](#)



## ANNEX II - Selection Criteria

### Part I: Description

Capitalised expressions utilised herein shall have the meaning attributed to them in the above-mentioned Call for Expression of Interest, unless otherwise defined below or the context requires otherwise. Unless the contrary intention appears, words in the singular include the plural and words in the plural include the singular.

The purpose of the Call is to identify (a) Financial Intermediary (-ies) and its / their Specific Fund(s) that will support Final Recipients by providing funding in the form of either equity or quasi-equity in Romania.

### Part II: SELECTION CRITERIA

1.	ELIGIBILITY CRITERIA	System of appraisal
		Yes/ No
1.1.	The Expression of Interest is submitted within the Deadline	
1.2.	The Expression of Interest is submitted by e-mail	
1.3.	The Expression of Interest is completed and submitted in English	
1.4.	The Expression of Interest is duly signed	
1.5.	The Expression of Interest is prepared substantially in accordance with Annex I to the Call for Expression of Interest. All necessary supporting documents are provided	
1.6.	Applicant's compliance with the requirements listed in the Declaration of Honour (Appendix 4 to Expression of Interest)	
1.7.	Applicant's commitment for own investment in the Specific Fund(s) as requested in the Description of the Financial Instrument	
1.8.	Applicant is or will be entitled to carry out relevant implementation tasks under European Union and national law	



1.9.	Applicant has adequate economic and financial viability	
1.10.	Applicant has adequate capacity to implement the Specific Fund, including organisational structure and governance framework	
1.11.	Applicant has or adequately demonstrates that it will establish accounting system providing accurate, complete and reliable information in a timely manner	

2.	QUALITY ASSESSMENT CRITERIA	WEIGHTING
2.1.	<p><b>Project Relevance, Quality and Coherence</b></p> <p>2.1.1. Evaluation of the Specific Fund's focus and proposed investment strategy, including viability of Specific Fund's size;</p> <p>2.1.2. Evaluation of the Financial Intermediary's team profile, stability and ability to implement the Financial Instrument;</p> <p>2.1.3. Assessment of operational, financial, technical and early-stage investment competences;</p> <p>2.1.4. Track record of the team of the Financial Intermediary;</p> <p>2.1.5. Capability as members of boards and/or committees of an investment and/or advisory nature;</p> <p>2.1.6. Evaluation of Applicant's investment processes, including deal flow generation, ability to invest, ability to build companies and add value and exit strategy;</p> <p>2.1.7. Ability to demonstrate additional activity in comparison to present activity (only applicable to existing teams).</p>	<b>60 points</b>
2.2.	<p><b>Project Maturity</b></p> <p>2.2.1. Applicant's own investment in the Specific Fund;</p> <p>2.2.2. Demonstration of ability to source deals in Romania;</p> <p>2.2.3. Demonstration of ability to raise private financing.</p>	<b>20 points</b>





2.3.	<p><b>Institutional Capacity &amp; Sustainability</b></p> <p>2.3.1. Financial Intermediary's long-term viability;</p> <p>2.3.2. Assessment of the robustness and credibility of the envisaged methodology/procedures for identifying and appraising investees;</p> <p>2.3.3. Assessment of the investees' advisers / pool of experts' structure to be put in place;</p> <p>2.3.4. Assessment of legal structures and independence;</p> <p>2.3.5. Terms and conditions applicable to the Financial Intermediary and the Specific Fund, including management costs and fees, establishment and operational expenses, and incentive structure/profit share calculation methodology proposed;</p> <p>2.3.6. Assessment of the alignment of interests between the Financial Intermediary and the Specific Fund, and of the measures to mitigate possible conflicts of interest;</p> <p>2.3.7. Assessment of reporting procedures;</p> <p>2.3.8. Terms and conditions applied in relation to financing provided to Final Recipients, including pricing / valuation.</p>	<b>20 points</b>
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**Applications which shall not obtain a minimum score of 50 points according to the Quality Assessment Criteria shall be rejected.**



## ANNEX III – Specific Fund Term Sheet for the Technology Transfer Window

Capitalised expressions utilised herein shall have the meaning attributed to them in the Call for Expression of Interest (“CEoI”), unless otherwise defined below or the context requires otherwise. Unless the contrary intention appears, words in the singular include the plural and words in the plural include the singular.

This summary Term Sheet is for information purposes only. This document is an outline of the principal terms and conditions for the product described herein, which are subject to change and non-exhaustive.

Applicants are advised that any reference to legal and regulatory framework, notably State Aid, shall be to the applicable version as amended, supplemented or replaced from time to time.

### Policy Objective

The scope of the Technology Transfer Specific Fund(s) is to address the technology transfer gap in Romania, with the Specific Fund(s) and the respective Financial Intermediary(ies) being expected to be thoroughly involved in the process and assist in addressing current issues related to IP transfer aspects or valuation, among others. The Specific Fund(s) is/are expected to be connected to a consortium of universities and/or research institutes (without geographical limitation) and to target primarily, but not exclusively, spin-offs.

Technology Transfer (“TT”) refers to activities carried out by private entities, universities or other higher education institutes performing research and other research organisations aiming at (a) converting research, development, skills, knowledge, technologies or innovations into commercial applications, products, processes or services; and/or (b) fostering the application of existing technology to develop innovative products, processes or services for existing and new markets. Such activities may take any of the following forms: (i) demonstration and commercialisation (including, but not limited to, proof of concept, technology validation, technology demonstration, prototyping, market development, scaling up); and (ii) IP out-licensing, IP in-licensing, cross-licensing activities (including via project financing), sale of patents and/or other IP assets.

The applicable State Aid regime will ultimately depend on the investment strategy proposed by the selected Financial Intermediaries and their ability to source private financing (which is part of the commercial assessment criteria of Applicants as outlined in Annex II to the Call).

### Terms of Reference

<b>Financial Instrument</b>	Innovation Romania HF – <i>Technology Transfer Window</i>
<b>Specific Funds or Funds</b>	<p>The investment funds and investment vehicles that are set up and managed by the Financial Intermediaries to provide financing to Final Recipients.</p> <p>The duration of Specific Funds shall typically be at least 10 years, extendable by a number of additional years (with extensions being subject to Fund’s investors or advisory committee prior approval), taking into account the typically longer duration of TT funds as compared to other types of equity funds.</p>
<b>Specific Technology Transfer strategy</b>	The investment strategy of the Specific Fund will target technology transfer, meaning activities carried out at universities or other higher education institutes performing research and other research organisations, including private entities, aiming at:



	<ul style="list-style-type: none"> <li>• converting research, development, skills, knowledge, technologies or innovations into commercial applications, products, processes or services; and/or</li> <li>• fostering the application of existing technology to develop innovative products, processes or services for existing and new markets.</li> </ul> <p>Such technology transfer activities may take any of the following forms:</p> <ul style="list-style-type: none"> <li>• demonstration and commercialisation (including, but not limited to, proof of concept, technology validation, technology demonstration, prototyping, market development, scaling up),</li> <li>• IP out-licensing, IP in-licensing, cross-licensing activities (including via project financing), sale of patents and/or other IP assets,</li> <li>• creation and support of new companies, including spin-offs and joint ventures, building strategic alliances with other organisations.</li> </ul> <p>The Specific Fund is expected to primarily, but not exclusively, target projects and spin-off companies.</p>
<b>Cooperation Agreement(s)</b>	<p>Pursuing its investment strategy, the Fund Manager and the Specific Fund are expected to enter in a cooperation agreement(s) with multiple Romanian and other private entities, universities, higher education institutes and research organisations, gaining priority access to deal flow from these institutions in exchange for its commitment to assist in the technology transfer process, in the incubation of projects towards higher technology readiness level / spin-off readiness and in the business development of the spin-offs. The principles of such cooperation agreement may typically include, inter alia:</p> <ul style="list-style-type: none"> <li>• its validity throughout the duration of the Specific Fund (with selected terms limited to the duration of the Specific Fund's investment period) and consequences of breach by either party;</li> <li>• in addition to the time-limited privileged access to deal flow/ right of first review accompanied by a possible requirement to match better terms offered by other investors, pro rata rights to participate in all investments for which the Specific Fund matches such better terms;</li> <li>• a predefined and streamlined technology transfer process which may include standardised valuation terms, standardised licensing agreement, rate for sharing proceeds from an investment originated from a partnering university, flat rate for direct stakes by originating universities in their spin-offs, and/or other terms and conditions, including appropriate financial incentives for the originating researchers;</li> <li>• the establishment of a consultative body composed of representatives of the partnering universities, which may, for example, review and provide non-binding opinions on the Specific Fund's proposed investments and other matters, such as whether the Specific Fund is meeting its obligations with respect to minimum allocations;</li> <li>• possible enhanced cooperation between the Financial Intermediary, the Specific Fund and partnering universities through the provision of additional</li> </ul>



	services by the latter such as technical due diligence on all of the Specific Fund's investments.
<b>Financial Intermediary or Fund Manager</b>	<p>The EIF will aim to select Financial Intermediaries that are in a position to take the management and investment decisions independently, in particular without the influence of investors, sponsors or any other third party which is not integrated in the structure. In any case, the EIF can deviate from this condition on a case-by-case basis at its own discretion.</p> <p>The Financial Intermediary will typically be comprised of a team of experienced professionals, acting with the diligence of a professional manager and in good faith, operating according to best industry practices, complying with professional standards issued by Invest Europe, ILPA or other equivalent organisation.</p> <p>The selected Financial Intermediary(ies) will be expected to draw on their networks of relevant industry and market contacts to aid the development of their Final Recipients. For example, while not a pre-requisite, the selected Financial Intermediary(ies) may establish a formal or informal structure from which relevant industry experts could be engaged on an ad hoc basis by the Final Recipients (the form, size, industry concentration, commitment and incentivisation scheme of the structure would remain at the full discretion of the Financial Intermediary).</p> <p>EIF, in its sole discretion, may select one or more Financial Intermediaries (which in turn will set up and manage the selected Specific Funds) as a result of the Call and subsequent selection process.</p> <p>There is no requirement to domicile either the Specific Fund or the Financial Intermediary in Romania; however, local presence is expected.</p>
<b>Financial Intermediary's commitment</b>	<p>The Financial Intermediary and/or the management team shall contribute an adequate minimum percentage of the total size of the Specific Fund (i.e. its total commitments). The required commitment size will be assessed against, and aligned with, the Specific Fund economics and the broader financial position of the management team to provide a relevant alignment of financial interest with investors.</p>
<b>Specific Fund manager's due diligence before investments into Final Recipient(s)</b>	<p>The Financial Intermediary will make investment decisions aimed at profit-making, based on the Specific Fund's commercial investment strategy, each investment's business plan, which should contain product description, turnover and profitability calculations and forecasts, previous assessment of project viability, as well as each investment's clear and real exit strategy and other necessary points (such as potential conflict of interest).</p>
<b>Management fee and establishment costs cap</b>	<p>The management fee is typically paid on the total commitments of the Specific Fund during the investment period and on the invested capital (acquisition cost of the active portfolio of the Specific Fund reduced by the acquisition costs of the Specific Fund's investments that have been sold, written-off or written-down) thereafter. Alternatively, a fixed fee for the post investment period could be considered.</p> <p>The management fee and establishment costs cap shall be deemed to include any fees, expenses and costs necessary to set up, manage and wind-up the Specific Fund including transaction costs, as applicable.</p>

	The management fees to be paid will be negotiated with the EIF after analysis of Financial Intermediary's budget and should be proportional to the operational requirements of the Specific Fund and the investment strategy.
<b>Additional features of the Financial Intermediary</b>	<p>The Financial Intermediary will manage the Specific Fund based on commercial principles.</p> <p>Investors' representatives shall be appointed on appropriate advisory committee structures to review, inter alia, conflicts of interest.</p> <p>In the management of the Specific Fund, the Financial Intermediary is expected to apply best practices, inter alia considering guidelines developed by Invest Europe and ILPA, and is expected to perform controls as required by the public nature of the Specific Fund's investment.</p>
<b>Type of financing</b>	<p>Investments shall be in the form of equity or quasi-equity investments, as defined below:</p> <ul style="list-style-type: none"> <li>• "equity investment" means the provision of capital to an undertaking, invested directly or indirectly in return for the ownership of a corresponding share of that undertaking;</li> <li>• "quasi-equity investment" means a type of financing that ranks between equity and debt, having a higher risk than senior debt and a lower risk than common equity and whose return for the holder is predominantly based on the profits or losses of the underlying target undertaking and which are unsecured in the event of default. Quasi-equity investments can be structured as debt, unsecured and subordinated, including mezzanine debt, and in some cases convertible into equity, or as preferred equity.</li> </ul> <p>Replacement capital, i.e. the purchase of existing shares in a company from an earlier investor or shareholder (excluding strategies intended for asset stripping) may also be permitted (limitations apply, as per the State Aid framework described in principle in Annex VII and which shall be set out in the State Aid schemes).</p>
<b>Final Recipient eligibility criteria</b>	<p>Each Specific Fund shall exclusively invest in Final Recipients that comply, at the time of each investment by the Specific Fund, with the following eligibility criteria:</p> <p>(a) the Final Recipient:</p> <p>(i) has an establishment in Romania, i.e., either headquarters or branch where the financed activity is undertaken, and</p> <p>(ii) has its main activities (i.e., the main portion of its activities based on headcount, assets or turnover of the Final Recipient's business activities) in Romania or is planning to expand the operations into Romania. For Final Recipients with expansion plans and early-stage Final Recipients with insignificant operations, the assessment of their main activities shall be based on the Final Recipient's business plan at the time of the first investment by the Specific Fund</p> <p><b>AND</b></p>



	<p>(b) it is potentially financially viable (as assessed by the Financial Intermediary in accordance with its internal procedures);</p> <p><b>AND</b></p> <p>(c) it qualifies as one of the following:</p> <ul style="list-style-type: none"> <li>(i) an SME; or</li> <li>(ii) a Small Midcap.</li> </ul>
<b>Geographical distribution</b>	<p>At the end of the investment period and fund term, the proportion of the amounts invested into Final Recipients complying with criteria (a)(i) and (a)(ii) in the Final Recipients eligibility criteria paragraph with reference to the Bucuresti-Ilfov Region shall not exceed 22% of the portfolio of each Specific Fund.</p> <p>Bucuresti-Ilfov Region means a NUTS-2 region of Romania, comprising the NUTS-3 regions of Bucuresti and Ilfov, as defined through Regulation (EC) No 1059/2003 of the European Parliament and of the Council of 26 May 2003 on the establishment of a common classification of territorial units for statistics (NUTS).</p>
<b>Final Recipient Transaction (Investment) - Innovation eligibility criteria</b>	<p>Each Final Recipient Transaction shall be an equity and/or quasi-equity investment provided for the purpose of innovation, as to be assessed by the Financial Intermediary on the basis of the following criteria that shall be fulfilled/demonstrated at the time of each investment by the Specific Fund in each Final Recipient:</p> <p>a) The Final Recipient declares to use the investment for producing, developing or implementing new or substantially improved:</p> <ul style="list-style-type: none"> <li>i. products, processes or services, <i>or</i></li> <li>ii. production or delivery methods, <i>or</i></li> <li>iii. organisational or process innovation including business models that are innovative and where there is a risk of technological or industrial or business failure.</li> </ul> <p><b>OR</b></p> <p>b) The Final Recipient confirms that it has a significant innovation potential or be an “R&amp;I-intensive enterprise”, by satisfying <u>at least one of the following conditions</u>:</p> <ul style="list-style-type: none"> <li>i. The Final Recipient’s R&amp;I annual expenses are equal or exceed 20% of the Final Recipient Transaction amount as per the Final Recipient’s latest approved statutory financial statements, under the condition that the Final Recipient undertakes to increase its R&amp;I expenses for an amount at least equal to the Final Recipient Transaction amount;</li> <li>ii. The Final Recipient undertakes to spend an amount at least equal to 80% of the Final Recipient Transaction amount on R&amp;I activities as indicated in its business plan and the remainder on costs necessary to enable such activities;</li> <li>iii. The Final Recipient has been formally awarded grants, loans or guarantees from European R&amp;I support schemes or through their funding</li> </ul>



	<p>instruments over the last 36 months, under the condition that the Final Recipient Transaction is not covering the same expense;</p> <p>iv. The Final Recipient has been awarded over the last 36 months a Research and Development or Innovation prize provided by an EU institution or an EU body;</p> <p>v. The Final Recipient has registered at least one technology right without geographical restriction (such as patent, utility model, design right, topography of semiconductor products, supplementary protection certificate for medicinal products or other products for which such supplementary protection certificates may be obtained, plant breeder's certificate or software copyright) in the last 36 months, and the Final Recipient Transaction purpose is to enable, directly or indirectly, the use of this technology right; and/or</p> <p>vi. The Final Recipient's R&amp;I costs represent at least 10% of its total operating costs in at least one of the three years preceding the Final Recipient's application for the Final Recipient Transaction, or in the case of an enterprise without any financial history, as per its business plan.</p> <p>No Financial Intermediary shall be entitled to issue any drawdown notice relating to an investment that is not a Final Recipient Transaction.</p>
<b>Final Recipient Transaction (Investment) - general eligibility criteria</b>	<p>The Final Recipient Transaction shall also comply with the following criteria at the time of each investment by the Specific Fund in the Final Recipient:</p> <p>i. The Final Recipient Transaction(s) shall be newly originated;</p> <p>ii. The Final Recipient Transaction shall not refinance or restructure existing loans and/or leases;</p> <p>iii. The purpose of the Final Recipient Transaction shall be: (1) investment in tangible or intangible assets, and/or (2) investment in working capital; for the avoidance of doubt and considering the equity nature and investment strategy of the Financial Instruments, the aforementioned purpose shall be deemed fulfilled in respect of the equity or quasi-equity investments in Final Recipients by the Financial Intermediaries implementing the Financial Instruments via Specific Funds as contemplated under this Agreement;</p> <p>iv. The investments to be supported by the Final Recipient Transaction shall be expected to be financially viable (as assessed by the Financial Intermediary in accordance with its internal procedures) and shall not have been physically completed or fully implemented as at the date of the Final Recipient Transaction approval by the Financial Intermediary;</p> <p>v. The amount of the Final Recipient Transaction that is dedicated to the purchase of land cannot exceed 10% of the initial principal amount of the Final Recipient Transaction;</p> <p>vi. The Final Recipient Transaction shall not finance pure financial activities or real estate development when undertaken as a financial investment activity and shall not finance the provision of consumer finance;</p> <p>vii. The Final Recipient Transaction shall not be affected by an Irregularity or fraud as defined under applicable law;</p>

	<p>viii. With respect to an expenditure item financed by the Final Recipient Transaction, Final Recipients may receive assistance from other Union Funds provided that:</p> <ul style="list-style-type: none"> <li>o such combination is in line with applicable EU State Aid rules;</li> <li>o separate records are maintained for each source of assistance;</li> <li>o the eligible expenditure item financed by the Final Recipient Transaction is distinct from expenditure items financed by other sources of assistance; and</li> <li>o if the other sources of assistance cover the same eligible expenditure item, the sum of all sources of support combined does not exceed the total amount of the expenditure item concerned.</li> </ul> <p>ix. Final Recipient Transactions shall not be used to pre-finance grants;</p> <p>The Financial Intermediary shall be entitled to rely, for the assessment of the compliance with eligibility criteria above, on the documents provided by the Final Recipients as well as their declarations. Ad-hoc checks will be performed on these by EIF on a sample basis during monitoring visits.</p>
<b>Data Protection Statement</b>	Means EIF's Data Protection Statement on the processing of personal data of Applicants and Financial Intermediaries, as published on the EIF website: <a href="#"><u><i>EIF data protection statement financial intermediaries due diligence en.pdf</i></u></a>
<b>Targeted Activities under the EIB Group NCJ Policy</b>	Means (i) criminal activities such as money laundering, financing of terrorism, tax crimes (i.e. tax fraud and tax evasion) and (ii) tax avoidance practices (i.e. wholly artificial arrangements aimed at tax avoidance).
<b>Restrictive Measures</b>	Means, without limitation, restrictive measures adopted pursuant to the Treaty on European Union (TEU) or to the Treaty on the Functioning of the European Union (TFEU).
<b>Reporting</b>	<p>The Financial Intermediary shall provide EIF with quarterly information in a standardised form and scope as per Invest Europe guidelines for reporting to be specified in the Operational Agreement.</p> <p>The Financial Intermediary may also be requested to collect and / or send information on the entity that receive equity financing (Ultimate Beneficial Owners information), notably in order to comply with the reporting requirements under national Regulation; details will be defined in the Operational Agreement(s).</p> <p>The Financial Intermediary will take all the measure for avoidance of double funding.</p> <p>Finally, it is important to note that CPR, ERDF and State Aid reporting rules may require Financial Intermediaries to provide new data points which typically are not being tracked and a higher granularity of data. Furthermore, the Financial Intermediary should report any additional data that may derive from future changes to the Union Funds or State Aid regulations. More detailed reporting requirements will be set out in the Operational Agreement(s).</p>



<b>Monitoring and Audit</b>	<p>The Financial Intermediaries and the Final Recipients shall agree to keep records and to allow and provide access to documents related to the Financial Instrument for the representatives of the European Commission, the European Anti-Fraud Office (OLAF), the European Court of Auditors (ECA), the European Public Prosecutor's Office, the EIF, the EIB, the Government of Romania and any other authorised bodies duly empowered by applicable law to carry out audit and/or control activities. The Financial Intermediary and the Final Recipients shall enable these bodies to discharge their duties with respect to monitoring, control and auditing of the correct use of the Investments. These controls may include on-the-spot controls of the Financial Intermediaries and the Final Recipients. To that effect, appropriate provisions shall be included in each Operational Agreement.</p>
<b>Visibility</b>	<p>The Financial Intermediary, in line with applicable law and Union Funds rules, shall carry out adequate marketing and publicity campaigns aimed at making the public contribution known, as to be specified through the Operational Agreement. To this respect, the Financial Intermediary shall:</p> <ul style="list-style-type: none"> <li>i. explicitly inform the Final Recipients that financing is made possible through the support of the Specific Fund with the financial backing of the Government of Romania through the Operational Programme. Such information needs to be prominently included either in the contractual documentation and/or in an accompanying cover letter;</li> <li>ii. ensure the visibility of European Union funding, by informing Final Recipients and the public of the support received from the Union Funds and by displaying in Operational Agreements and relevant publicity materials, if applicable, (brochures, website, banners, social media, billboards, posters etc.) as well as on the Final Recipient's website, the European Union flag and the statement "Co-funded by the European Union", and other publicity obligations, in accordance with a text to be included in the Operational Agreement;</li> <li>iii. include in any press release or other marketing action that the Financial Intermediary may choose to make with regard to the operation that the Financial Intermediary has benefited from the support of Innovation Romania HF.</li> </ul> <p>More detailed visibility requirements will be set out in the Operational Agreement(s).</p>
<b>Transfer</b>	<p>Under the Funding Agreement, EIF may be substituted in its role as the Innovation Romania HF manager. In the event of such substitution, the Government of Romania, or the entity appointed by the Government of Romania as new Innovation Romania HF manager, will assume the full discretion and responsibility to perform the tasks of the Innovation Romania HF and to implement its operations in Romania, and may take over the Financial Instrument(s). The Operational Agreement will provide for the possible substitution of EIF, in order to allow the transfer of the Operational Agreements to the successor entity.</p>
<b>General requirements</b>	<p>The Financial Intermediary shall ensure compliance with applicable law, including but without limitation rules covering the Union funds and all relevant national law and regulations, State Aid and money laundering, the fight against terrorism and tax fraud,</p>



as applicable. The Financial Intermediary, may, in line with its internal rules and procedures and particularly in the cases where fraudulent behaviour is suspected, be required to perform monitoring checks at the level of the Final Recipients.

The Operational Agreement(s) may also include provisions in terms of the Specific Fund's cash flow management, as deemed necessary.

The Specific Fund shall not be established in a NCJ unless the operation is physically implemented in the relevant NCJ and does not present any indication that it supports actions that contribute to Targeted Activities under the EIB Group NCJ Policy<sup>21</sup>.

The Operational Agreements will include provisions, the objective of which will be to provide appropriate remedies for protecting EIF's and Innovation Romania HF's interest in Specific Funds in case an investment does not comply with the agreed eligibility criteria. The Specific Fund may be required to return amounts invested in Final Recipients which do not meet the eligibility criteria and/or which are found to be in an exclusion situation not duly disclosed or supervened (in the event that cannot be cured). In these cases, the Specific Fund may be required to apply all applicable contractual and legal measures with due diligence for the purpose of recovering the relevant amounts.

Financial Intermediaries and Final Recipients:

- shall not use any investment under the Innovation Romania HF to support any of the restricted or excluded activities as described in Part III of this document,
- shall not be established in a NCJ unless the operation is physically implemented in the relevant NCJ and does not present any indication that it supports actions that contribute to Targeted Activities under the EIB Group NCJ Policy<sup>21</sup>,
- shall undertake to comply with all applicable laws and regulations and the relevant applicable international and European Union standards and legislation on the prevention of money laundering, the fight against terrorism, tax fraud, tax evasion and artificial arrangements aimed at tax avoidance; and, therefore, not support actions that contribute to tax evasion or finance artificial arrangements aimed at tax avoidance,
- shall acknowledge the EIB Group Anti-Fraud Policy<sup>22</sup> which sets out the policy of EIF for preventing and deterring corruption, fraud, collusion, coercion, obstruction, money laundering and terrorist financing as amended from time to time, and shall take appropriate measures (as may be further specified in the relevant agreement) to (i) facilitate implementation of such policy as well as to (ii) undertake to support investigations performed by the EIF or the European Investment Bank, the European Public Prosecutor's Office (EPPO), or the European Anti-Fraud Office (OLAF), or the European

<sup>21</sup> Targeted Activities under the EIB Group NCJ Policy, which means (i) criminal activities such as money laundering, financing of terrorism, tax crimes (i.e. tax fraud and tax evasion) and (ii) tax avoidance practices (i.e. wholly artificial arrangements aimed at tax avoidance)

<sup>22</sup> EIB Group Anti-Fraud Policy



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	<p>Court of Auditors (ECA) in connection with actual or suspected prohibited conduct,</p> <ul style="list-style-type: none"> <li>• shall ensure via contractual provisions that no funds or economic resources are made available directly or indirectly to, or for the benefit of, persons or entities designated by Restrictive Measures<sup>23</sup>.</li> </ul>
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<sup>23</sup> As part of its due diligence process, EIF will analyse and exclude any Applicant if it or any of its key persons, including ultimate beneficial owners, are subject to EU/UN/US/UK restrictive measures (sanctions), including but not limited to sanctions related to the Russian military aggression against Ukraine.



## ANNEX IV – Specific Fund Term Sheet for the Accelerator Window

Capitalised expressions utilised herein shall have the meaning attributed to them in the Call for Expression of Interest (“CEoI”), unless otherwise defined below or the context requires otherwise. Unless the contrary intention appears, words in the singular include the plural and words in the plural include the singular.

This summary Term Sheet is for information purposes only. This document is an outline of the principal terms and conditions for the product described herein, which are subject to change and non-exhaustive.

Applicants are advised that any reference to legal and regulatory framework, notably State Aid, shall be to the applicable version as amended, supplemented or replaced from time to time.

### Policy Objective

The equity funds financed from the Competitiveness OP 2014-2020 included successful acceleration sub-windows. To continue with the ecosystem development of the previous initiatives, the Accelerator Window will select a Financial Intermediary (or more) with underlying investments into early-stage companies (e.g. proof of concept, start-up, seed).

The Accelerator Fund(s) will provide initial financing to emerging entrepreneurs to research, assess and develop an initial concept.

The applicable State Aid regime will ultimately depend on the investment strategy proposed by the selected Financial Intermediaries and their ability to source private financing (which is part of the commercial assessment criteria of Applicants as outlined in Annex II to the Call).

### Terms of Reference

<b>Financial Instrument</b>	Innovation Romania HF – <i>Accelerator Window</i>
<b>Accelerator features</b>	<p>A specific feature of accelerators consists in the mentorship and advice structure and the potential collaboration with similar structures abroad, thus catalysing product development, management coaching and market networking - to support emerging entrepreneurs from idea to commercialization.</p> <p>In order to attract a critical mass of eligible applications for receiving financing, the Financial Intermediary can envisage holding competitive application rounds. Upon closure of any such procedures, approved applicants (according to pre-defined eligibility and quality assessment criteria by the Financial Intermediary) could receive initial financing.</p> <p>The Financial Intermediary should also consider the amount for follow-on investments, compatible with the investment strategy.</p>
<b>Specific Funds or Funds</b>	<p>The investment funds and investment vehicles that are set up and managed by the Financial Intermediaries to provide financing to Final Recipients.</p> <p>The duration of Specific Funds shall typically be 10 + 1 + 1 years (with extensions being subject to Funds’ investors or advisory committee prior approval).</p>



<b>Financial Intermediary or Fund Manager</b>	<p>The EIF will aim to select Financial Intermediaries that are in a position to take the management and investment decisions independently, in particular without the influence of investors, sponsors or any other third party which is not integrated in the structure. In any case, the EIF can deviate from this condition on a case-by-case basis at its own discretion.</p> <p>The Financial Intermediary will typically be comprised of a team of experienced professionals, acting with the diligence of a professional manager and in good faith, operating according to best industry practices, complying with professional standards issued by Invest Europe, ILPA or other equivalent organisation.</p> <p>The selected Financial Intermediary(ies) will be expected to draw on their networks of relevant industry and market contacts to aid the development of their Final Recipients. For example, while not a pre-requisite, the selected Financial Intermediary(ies) may establish a formal or informal structure from which relevant industry experts could be engaged on an ad hoc basis by the Final Recipients (the form, size, industry concentration, commitment and incentivisation scheme of the structure would remain at the full discretion of the Financial Intermediary).</p> <p>EIF, in its sole discretion, may select one or more Financial Intermediaries (which in turn will set up and manage the selected Specific Funds) as a result of the Call and subsequent selection process.</p> <p>There is no requirement to domicile either the Specific Fund or the Financial Intermediary in Romania; however, local presence is expected.</p>
<b>Fund Manager's commitment</b>	<p>The Financial Intermediary shall contribute an adequate minimum percentage of the total size of the Specific Fund (i.e. its total commitments). The required commitment size will be assessed against, and aligned with, the Specific Fund economics and the broader financial position of the management team to provide a relevant alignment of financial interest with investors.</p>
<b>Specific Fund manager's due diligence before investments into Final Recipient(s)</b>	<p>The Financial Intermediary and/or the management team will make investment decisions aimed at profit-making, based on the Specific Fund's commercial investment strategy, each investment's business plan, which should contain product description, turnover and profitability calculations and forecasts, previous assessment of project viability, as well as each investment's clear and real exit strategy and other necessary points (such as potential conflict of interest).</p>
<b>Management fee and establishment costs cap</b>	<p>The management fee is typically paid on the total commitments of the Specific Fund during the investment period and on the invested capital (acquisition cost of the active portfolio of the Specific Fund reduced by the acquisition costs of the Specific Fund's investments that have been sold, written-off or written-down) thereafter. Alternatively, a fixed fee for the post investment period could be considered.</p> <p>The management fee and establishment costs cap shall be deemed to include any fees, expenses and costs necessary to set up, manage and wind-up the Specific Fund including transaction costs, as applicable.</p> <p>The management fees to be paid will be negotiated with the EIF after analysis of Financial Intermediary's budget and should be proportional to the operational requirements of the Specific Fund and the investment strategy.</p>



<b>Additional features of the Fund Manager</b>	<p>The Financial Intermediary will manage the Specific Fund based on commercial principles.</p> <p>Investors' representatives shall be appointed on appropriate advisory committee structures to review, inter alia, conflicts of interest.</p> <p>In the management of the Specific Fund, the Financial Intermediary is expected to apply best practices, inter alia considering guidelines developed by Invest Europe and ILPA, and is expected to perform controls as required by the public nature of the Specific Fund's investment.</p>
<b>Type of financing</b>	<p>Investments shall be in the form of equity or quasi-equity investments, as defined below:</p> <ul style="list-style-type: none"> <li>• "equity investment" means the provision of capital to an undertaking, invested directly or indirectly in return for the ownership of a corresponding share of that undertaking;</li> <li>• "quasi-equity investment" means a type of financing that ranks between equity and debt, having a higher risk than senior debt and a lower risk than common equity and whose return for the holder is predominantly based on the profits or losses of the underlying target undertaking and which are unsecured in the event of default. Quasi-equity investments can be structured as debt, unsecured and subordinated, including mezzanine debt, and in some cases convertible into equity, or as preferred equity.</li> </ul> <p>Replacement capital, i.e. the purchase of existing shares in a company from an earlier investor or shareholder (excluding strategies intended for asset stripping) may also be permitted (limitations apply, as per the State Aid framework described in Annex VII).</p>
<b>Final Recipient eligibility criteria</b>	<p>Each Specific Fund shall exclusively invest in Final Recipient that comply, at the time of each investment by the Specific Fund, with the following eligibility criteria:</p> <p>(a) the Final Recipient:</p> <p>(i) has an establishment in Romania, i.e. either headquarters or branch where the financed activity is undertaken, AND</p> <p>(ii) has its main activities (i.e., the main portion of its activities based on headcount, assets or turnover of the Final Recipient's business activities) in Romania or is planning to expand the operations into Romania. For Final Recipients with expansion plans and early stage Final Recipients with insignificant operations, the assessment of their main activities shall be based on the Final Recipient's business plan at the time of the first investment by the Specific Fund</p> <p><b>AND</b></p> <p>(b) it is potentially financially viable (as assessed by the Financial Intermediary in accordance with its internal procedures);</p> <p><b>AND</b></p> <p>(c) it qualifies as one of the following:</p>



	<p>(i) an SME; <i>or</i></p> <p>(ii) a Small Midcap.</p>
<b>Geographical distribution</b>	<p>At the end of the investment period and fund term, the proportion of the amounts invested into Final Recipients complying with criteria (a)(i) and (a)(ii) in the Final Recipients eligibility criteria paragraph with reference to the Bucuresti-Ilfov Region shall not exceed 22% of the portfolio of each Specific Fund.</p> <p>Bucuresti-Ilfov Region means a NUTS-2 region of Romania, comprising the NUTS-3 regions of Bucuresti and Ilfov, as defined through Regulation (EC) No 1059/2003 of the European Parliament and of the Council of 26 May 2003 on the establishment of a common classification of territorial units for statistics (NUTS).</p>
<b>Final Recipient Transaction (Investment) - Innovation eligibility criteria</b>	<p>Each Final Recipient Transaction shall be an equity and/or quasi-equity investment provided for the purpose of innovation, as to be assessed by the Financial Intermediary on the basis of the following criteria that shall be fulfilled/demonstrated at the time of each investment by the Specific Fund in each Final Recipient:</p> <p>a) The Final Recipient declares to use the investment for producing, developing or implementing new or substantially improved:</p> <ul style="list-style-type: none"> <li>i. products, processes or services, <i>or</i></li> <li>ii. production or delivery methods, <i>or</i></li> <li>iii. organisational or process innovation including business models that are innovative and where there is a risk of technological or industrial or business failure.</li> </ul> <p><b>OR</b></p> <p>b) The Final Recipient confirms that it has a significant innovation potential or be an “R&amp;I-intensive enterprise”, by satisfying <u>at least one of the following conditions</u>:</p> <ul style="list-style-type: none"> <li>i. The Final Recipient’s R&amp;I annual expenses are equal or exceed 20% of the Final Recipient Transaction amount as per the Final Recipient’s latest approved statutory financial statements, under the condition that the Final Recipient undertakes to increase its R&amp;I expenses for an amount at least equal to the Final Recipient Transaction amount;</li> <li>ii. The Final Recipient undertakes to spend an amount at least equal to 80% of the Final Recipient Transaction amount on R&amp;I activities as indicated in its business plan and the remainder on costs necessary to enable such activities;</li> <li>iii. The Final Recipient has been formally awarded grants, loans or guarantees from European R&amp;I support schemes or through their funding instruments over the last 36 months, under the condition that the Final Recipient Transaction is not covering the same expense;</li> <li>iv. The Final Recipient has been awarded over the last 36 months a Research and Development or Innovation prize provided by an EU institution or an EU body;</li> </ul>





	<p>v. The Final Recipient has registered at least one technology right without geographical restriction (such as patent, utility model, design right, topography of semiconductor products, supplementary protection certificate for medicinal products or other products for which such supplementary protection certificates may be obtained, plant breeder's certificate or software copyright) in the last 36 months, and the Final Recipient Transaction purpose is to enable, directly or indirectly, the use of this technology right; and/or</p> <p>vi. The Final Recipient's R&amp;I costs represent at least 10% of its total operating costs in at least one of the three years preceding the Final Recipient's application for the Final Recipient Transaction, or in the case of an enterprise without any financial history, as per its business plan.</p> <p>No Financial Intermediary shall be entitled to issue any drawdown notice relating to an investment that is not a Final Recipient Transaction.</p>
<b>Final Recipient Transaction (Investment) - general eligibility criteria</b>	<p>The Final Recipient Transaction shall also comply with the following criteria at the time of each investment by the Specific Fund in the Final Recipient:</p> <p>i. The Final Recipient Transaction(s) shall be newly originated;</p> <p>ii. The Final Recipient Transaction shall not refinance or restructure existing loans and/or leases;</p> <p>iii. The purpose of the Final Recipient Transaction shall be: (1) investment in tangible or intangible assets, and/or (2) investment in working capital; for the avoidance of doubt and considering the equity nature and investment strategy of the Financial Instruments, the aforementioned purpose shall be deemed fulfilled in respect of the equity or quasi-equity investments in Final Recipients by the Financial Intermediaries implementing the Financial Instruments via Specific Funds as contemplated under this Agreement;</p> <p>iv. The investments to be supported by the Final Recipient Transaction shall be expected to be financially viable (as assessed by the Financial Intermediary in accordance with its internal procedures) and shall not have been physically completed or fully implemented as at the date of the Final Recipient Transaction approval by the Financial Intermediary;</p> <p>v. The amount of the Final Recipient Transaction that is dedicated to the purchase of land cannot exceed 10% of the initial principal amount of the Final Recipient Transaction;</p> <p>vi. The Final Recipient Transaction shall not finance pure financial activities or real estate development when undertaken as a financial investment activity and shall not finance the provision of consumer finance;</p> <p>vii. The Final Recipient Transaction shall not be affected by an Irregularity or fraud as defined under applicable law;</p> <p>viii. With respect to an expenditure item financed by the Final Recipient Transaction, Final Recipients may receive assistance from other Union Funds provided that:</p> <p style="padding-left: 40px;">o such combination is in line with applicable EU State Aid rules;</p>



	<ul style="list-style-type: none"> <li>o separate records are maintained for each source of assistance;</li> <li>o the eligible expenditure item financed by the Final Recipient Transaction is distinct from expenditure items financed by other sources of assistance; and</li> <li>o if the other sources of assistance cover the same eligible expenditure item, the sum of all sources of support combined does not exceed the total amount of the expenditure item concerned.</li> </ul> <p>ix. Final Recipient Transactions shall not be used to pre-finance grants;</p> <p>The Financial Intermediary shall be entitled to rely, for the assessment of the compliance with eligibility criteria above, on the documents provided by the Final Recipients as well as their declarations. Ad-hoc checks will be performed on these by EIF on a sample basis during monitoring visits.</p>
<b>Data Protection Statement</b>	Means EIF's Data Protection Statement on the processing of personal data of Applicants and Financial Intermediaries, as published on the EIF website: <a href="#"><i>EIF data protection statement financial intermediaries due diligence en.pdf</i></a>
<b>Addressing Climate Action and Environmental Sustainability</b>	The contribution of Financial Intermediary transactions to Climate Action and Environmental Sustainability ("CA&ES" or "green") objectives shall be determined, if applicable/relevant/indicated by the EIF, in accordance with the latest EIF Climate Action and Environmental Sustainability Guidelines <sup>24</sup> published in EIF's website.
<b>Targeted Activities under the EIB Group NCJ Policy</b>	Means (i) criminal activities such as money laundering, financing of terrorism, tax crimes (i.e. tax fraud and tax evasion) and (ii) tax avoidance practices (i.e. wholly artificial arrangements aimed at tax avoidance).
<b>Restrictive Measures</b>	Means, without limitation, restrictive measures adopted pursuant to the Treaty on European Union (TEU) or to the Treaty on the Functioning of the European Union (TFEU).
<b>Reporting</b>	<p>The Financial Intermediary shall provide EIF with quarterly information in a standardised form and scope as per Invest Europe guidelines for reporting to be specified in the Operational Agreement.</p> <p>The Financial Intermediary may also be requested to collect and / or send information on the entity that receive equity financing (Ultimate Beneficial Owners information), notably in order to comply with the reporting requirements under national Regulation; details will be defined in the Operational Agreement(s).</p> <p>The Financial Intermediary will take all the measure for avoidance of double funding.</p> <p>Finally, it is important to note that CPR, ERDF and State Aid reporting rules may require Financial Intermediaries to provide new data points which typically are not being tracked and a higher granularity of data. Furthermore, the Financial Intermediary should report any additional data that may derive from future changes to the Union</p>

<sup>24</sup> [Guideline on the EIF's criteria for Climate Action and Environmental Sustainability \(CA&ES\)](#)

	Funds or State Aid regulations. More detailed reporting requirements will be set out in the Operational Agreement(s).
<b>Monitoring and Audit</b>	<p>The Financial Intermediaries and the Final Recipients shall agree to keep records and to allow and provide access to documents related to the Financial Instrument for the representatives of the European Commission, the European Anti-Fraud Office (OLAF), the European Court of Auditors (ECA), the European Public Prosecutor's Office, the EIF, the EIB, the Government of Romania and any other authorised bodies duly empowered by applicable law to carry out audit and/or control activities. The Financial Intermediary and the Final Recipients shall enable these bodies to discharge their duties with respect to monitoring, control and auditing of the correct use of the Investments. These controls may include on-the-spot controls of the Financial Intermediaries and the Final Recipients. To that effect, appropriate provisions shall be included in each Operational Agreement.</p>
<b>Visibility</b>	<p>The Financial Intermediary, in line with applicable law and Union Funds rules, shall carry out adequate marketing and publicity campaigns aimed at making the public contribution known, as to be specified through the Operational Agreement. To this respect, the Financial Intermediary shall:</p> <ul style="list-style-type: none"> <li>i. explicitly inform the Final Recipients that financing is made possible through the support of the Specific Fund with the financial backing of the Government of Romania through the Operational Programme. Such information needs to be prominently included either in the contractual documentation and/or in an accompanying cover letter;</li> <li>ii. ensure the visibility of European Union funding, by informing Final Recipients and the public of the support received from the Union Funds and by displaying in Operational Agreements and relevant publicity materials, if applicable, (brochures, website, banners, social media, billboards, posters etc.) as well as on the Final Recipient's website, the European Union flag and the statement "Co-funded by the European Union", and other publicity obligations, in accordance with a text to be included in the Operational Agreement;</li> <li>iii. include in any press release or other marketing action that the Financial Intermediary may choose to make with regard to the operation that the Financial Intermediary has benefited from the support of Innovation Romania HF.</li> </ul> <p>More detailed visibility requirements will be set out in the Operational Agreement(s).</p>
<b>Transfer</b>	<p>Under the Funding Agreement, EIF may be substituted in its role as the Innovation Romania HF manager. In the event of such substitution, the Government of Romania, or the entity appointed by the Government of Romania as new Innovation Romania HF manager, will assume the full discretion and responsibility to perform the tasks of the Innovation Romania HF and to implement its operations in Romania, and may take over the Financial Instrument(s). The Operational Agreement will provide for the possible substitution of EIF, in order to allow the transfer of the Operational Agreements to the successor entity.</p>



<b>General requirements</b>	<p>The Financial Intermediary shall ensure compliance with applicable law, including but without limitation rules covering the Union funds and all relevant national law and regulations, State Aid and money laundering, the fight against terrorism and tax fraud, as applicable. The Financial Intermediary, may, in line with its internal rules and procedures and particularly in the cases where fraudulent behaviour is suspected, be required to perform monitoring checks at the level of the Final Recipients.</p> <p>The Operational Agreement(s) may also include provisions in terms of the Specific Fund's cash flow management, as deemed necessary.</p> <p>The Specific Fund shall not be established in a NCJ unless the operation is physically implemented in the relevant NCJ and does not present any indication that it supports actions that contribute to Targeted Activities under the EIB Group NCJ Policy<sup>25</sup>.</p> <p>The Operational Agreements will include provisions, the objective of which will be to provide appropriate remedies for protecting EIF's and Innovation Romania HF' interest in Specific Funds in case an investment does not comply with the agreed eligibility criteria. The Specific Fund may be required to return amounts invested in Final Recipients which do not meet the eligibility criteria and/or which are found to be in an exclusion situation not duly disclosed or supervened (in the event that cannot be cured). In these cases, the Specific Fund may be required to apply all applicable contractual and legal measures with due diligence for the purpose of recovering the relevant amounts.</p> <p>Financial Intermediaries and Final Recipients:</p> <ul style="list-style-type: none"> <li>• shall not use any investment under the Innovation Romania HF to support any of the restricted or excluded activities as described in Part III of this document,</li> <li>• shall not be established in a NCJ unless the operation is physically implemented in the relevant NCJ and does not present any indication that it supports actions that contribute to Targeted Activities under the EIB Group NCJ Policy<sup>21</sup>,</li> <li>• shall undertake to comply with all applicable laws and regulations and the relevant applicable international and European Union standards and legislation on the prevention of money laundering, the fight against terrorism, tax fraud, tax evasion and artificial arrangements aimed at tax avoidance; and, therefore, not support actions that contribute to tax evasion or finance artificial arrangements aimed at tax avoidance,</li> <li>• shall acknowledge the EIB Group Anti-Fraud Policy<sup>26</sup> which sets out the policy of EIF for preventing and deterring corruption, fraud, collusion, coercion, obstruction, money laundering and terrorist financing as amended from time to time, and shall take appropriate measures (as may be further specified in the relevant agreement) to (i) facilitate implementation of such policy as well as to (ii) undertake to support investigations performed by the</li> </ul>
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<sup>25</sup> Targeted Activities under the EIB Group NCJ Policy, which means (i) criminal activities such as money laundering, financing of terrorism, tax crimes (i.e. tax fraud and tax evasion) and (ii) tax avoidance practices (i.e. wholly artificial arrangements aimed at tax avoidance)

<sup>26</sup> EIB Group Anti-Fraud Policy



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	<p>EIF or the European Investment Bank, the European Public Prosecutor's Office (EPPO), or the European Anti-Fraud Office (OLAF), or the European Court of Auditors (ECA) in connection with actual or suspected prohibited conduct,</p> <ul style="list-style-type: none"> <li>• shall ensure via contractual provisions that no funds or economic resources are made available directly or indirectly to, or for the benefit of, persons or entities designated by Restrictive Measures<sup>27</sup>.</li> </ul>
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<sup>27</sup> As part of its due diligence process, EIF will analyse and exclude any Applicant if it or any of its key persons, including ultimate beneficial owners, are subject to EU/UN/US/UK restrictive measures (sanctions), including but not limited to sanctions related to the Russian military aggression against Ukraine.



## ANNEX V – Specific Fund Term Sheet for the Co-investment Window

Capitalised expressions utilised herein shall have the meaning attributed to them in the Call for Expression of Interest (“CEoI”), unless otherwise defined below or the context requires otherwise. Unless the contrary intention appears, words in the singular include the plural and words in the plural include the singular.

This summary Term Sheet is for information purposes only. This document is an outline of the principal terms and conditions for the product described herein, which are subject to change and non-exhaustive.

Applicants are advised that any reference to legal and regulatory framework, notably State Aid, shall be to the applicable version as amended, supplemented or replaced from time to time.

### Policy Objective

Each Co-investment Fund shall co-invest in innovative start-ups alongside venture capital funds, business angels and other investors.

In light of the co-investment focus, the Financial Intermediary shall build on established networks and contacts (with business angels among other parties), further developing them. Overall, considering the stated investments strategy, the Specific Fund is expected to build a larger portfolio of investments.

This instrument is aimed to support early-stage funds, focusing primarily on proof of concept, start-up and seed funding rounds stages. It shall be flexible in terms of investee company ownership percentage (i.e. both minority co-investments with other investors or acquiring majority ownership of amounts not owned by founders).

The applicable State Aid regime will ultimately depend on the investment strategy proposed by the selected Financial Intermediaries and their ability to source private financing (which is part of the commercial assessment criteria of Applicants as outlined in Annex II to the Call).

### Terms of Reference

<b>Financial Instrument</b>	Innovation Romania HF – <i>Co-investment Window</i>
<b>Co-investment features</b>	<p>The Specific Fund, having (notwithstanding the Financial Intermediary’s contribution) as main investor the EIF through the Innovation Romania Holding Fund, shall co-invest in innovative SMEs and midcaps alongside venture capital funds, business angels and other investors. Independent Private Co-Investors will therefore be sourced on a case-by-case basis at the level of each underlying investment.</p> <p>The Financial Intermediary responsible for managing the Specific Fund(s) should attract and bolster cooperation with co-Investors in light of the strategy of the Specific Fund, requiring sourcing capital from co-Investors on a deal by deal basis. The Financial Intermediary shall build on established networks and contacts, further developing them.</p> <p>This instrument is aimed to support early-stage funds, focusing primarily on proof of concept, start-up and seed funding rounds stages. It shall be flexible in terms of investee</p>



	company ownership percentage (i.e. both minority co-investments with other investors or acquiring majority ownership of amounts not owned by founders).
<b>Specific Funds or Funds</b>	<p>The investment funds and investment vehicles that are set up and managed by the Financial Intermediaries to provide financing to Final Recipients.</p> <p>The duration of Specific Funds shall typically be 10 + 1 + 1 years (with extensions being subject to Funds' investors or advisory committee prior approval).</p>
<b>Financial Intermediary or Fund Manager</b>	<p>The EIF will aim to select Financial Intermediaries that are in a position to take the management and investment decisions independently, in particular without the influence of investors, sponsors or any other third party which is not integrated in the structure. In any case, the EIF can deviate from this condition on a case-by-case basis at its own discretion.</p> <p>The Financial Intermediary(ies) will typically be comprised of a team of experienced professionals, acting with the diligence of a professional manager and in good faith, operating according to best industry practices, complying with professional standards issued by Invest Europe, ILPA or other equivalent organisation.</p> <p>The selected Financial Intermediary will be expected to draw on their networks of relevant industry and market contacts to aid the development of their Final Recipients. For example, while not a pre-requisite, the selected Financial Intermediary(ies) may establish a formal or informal structure from which relevant industry experts could be engaged on an ad hoc basis by the Final Recipients (the form, size, industry concentration, commitment and incentivisation scheme of the structure would remain at the full discretion of the Financial Intermediary).</p> <p>EIF, in its sole discretion, may select one or more Financial Intermediaries (which in turn will set up and manage the selected Specific Funds) as a result of the Call and subsequent selection process.</p> <p>There is no requirement to domicile either the Specific Fund or the Financial Intermediary in Romania; however, local presence is expected.</p>
<b>Fund Manager's commitment</b>	<p>The Financial Intermediary and/or the management team shall contribute an adequate minimum percentage of the total size of the Specific Fund (i.e. its total commitments). The required commitment size will be assessed against, and aligned with, the Specific Fund economics and the broader financial position of the management team to provide a relevant alignment of financial interest with investors.</p>
<b>Independent Private Co-Investors</b>	<p>Independent Private Co-Investors are defined in accordance with Article 2 (72) of GBER<sup>28</sup>, namely:</p> <p><i>“‘independent private investor’ means an investor who is private and independent, as defined in this point. ‘Private’ investors mean investors who, irrespective of their ownership structure, pursue a purely commercial interest, use their own resources and bear the full risk in respect of their investment, and include, in particular: credit institutions investing at own risk and from own resources, private endowments and foundations, family offices and business angels, corporate investors, insurance undertakings, pension funds, academic institutions, as well as natural persons who either</i></p>

<sup>28</sup> [EUR-Lex - 02014R0651-20230701 - EN - EUR-Lex](#)





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	<p><i>conduct an economic activity or not. The European Investment Bank, the European Investment Fund, an international financial institution in which a Member State is a shareholder, or a legal entity that carries out financial activities on a professional basis which has been given a mandate by a Member State or a Member State's entity at central, regional or local level to carry out development or promotional activities (national promotional bank or another promotional institution), will not be considered private investors for the purposes of this definition. 'Independent' investor means an investor that is not a shareholder of the eligible undertaking in which it invests. In the context of follow-on investments, an investor remains 'independent' if it was considered as an independent investor in a previous investment round. Upon the creation of a new company, any private investors, including the founders, of such new company, are considered to be independent from that company."</i></p>
<b>Independent Private Co-Investor contribution and co-investment mechanism</b>	<p>No other investors are envisaged at the Specific Fund level besides the EIF and the Financial Intermediary and/or the management team's commitment, though their participation is not excluded. Independent Private Co-Investors will be sourced case-by-case at the level of each underlying investment, on the basis of their ex-ante "whitelisting" by the Financial Intermediary, as defined below.</p> <p>A minimum 10% participation by Independent Private Co-Investors is foreseen in each investment round of a Final Recipient, depending on the State Aid regime.</p> <p>While the choice of Co-Investors will be at the Financial Intermediary's discretion, the Specific Fund shall have among its objectives to co-invest, across its whole portfolio, with a larger number of Co-Investors, including less established investors. In the case of significant concentration on co-investments with a particular Co-Investor or group of Co-Investors, further co-investments with such party(-ies) may have to be approved by the advisory committee of the Specific Fund.</p> <p>The Specific Fund may, subject to compliance with the applicable State Aid regime and at the Financial Intermediary's discretion, offer certain preferential conditions to certain Co-Investors and for certain co-investments, provided that such are deemed by the Financial Intermediary to be in the best interest of the Specific Fund.</p>
<b>Compliance and KYC checks ("whitelisting")</b>	<p>Private Co-Investors shall be subject to ex ante verification of pre-defined criteria, including background and reputation checks. Clear procedures for KYC/AML and integrity checks on the Private Co-Investors and management of potential conflicts of interest shall be implemented by the Financial Intermediary in line with requirements of national legislation, EU legislation and conditions set out by the Innovation Romania HF, as applicable, as well as best practices.</p>
<b>Specific Fund manager's due diligence before investments into Final Recipient(s)</b>	<p>The Financial Intermediary will make investment decisions aimed at profit-making, based on the Specific Fund's commercial investment strategy, each investment's business plan, which should contain product description, turnover and profitability calculations and forecasts, previous assessment of project viability, as well as each investment's clear and real exit strategy and other necessary points (such as potential conflict of interest).</p>
<b>Management fee and</b>	<p>The management fee is typically paid on the total commitments of the Specific Fund during the investment period and on the invested capital (acquisition cost of the active</p>

<b>establishment costs cap</b>	<p>portfolio of the Specific Fund reduced by the acquisition costs of the Specific Fund's investments that have been sold, written-off or written-down) thereafter. Alternatively, a fixed fee for the post investment period could be considered.</p> <p>The management fee and establishment costs cap shall be deemed to include any fees, expenses and costs necessary to set up, manage and wind-up the Specific Fund including transaction costs, as applicable.</p> <p>The management fees to be paid will be negotiated with the EIF after analysis of Financial Intermediary's budget and should be proportional to the operational requirements of the Specific Fund and the investment strategy.</p>
<b>Additional features of the Financial Intermediary</b>	<p>The Financial Intermediary will manage the Specific Fund based on commercial principles.</p> <p>Investors' representatives shall be appointed on appropriate advisory committee structures to review, inter alia, conflicts of interest.</p> <p>In the management of the Specific Fund, the Financial Intermediary is expected to apply best practices, inter alia considering guidelines developed by Invest Europe and ILPA, and is expected to perform controls as required by the public nature of the Specific Fund's investment.</p>
<b>Type of financing</b>	<p>Investments shall be in the form of equity or quasi-equity investments, as defined below:</p> <ul style="list-style-type: none"> <li>• "equity investment" means the provision of capital to an undertaking, invested directly or indirectly in return for the ownership of a corresponding share of that undertaking;</li> <li>• "quasi-equity investment" means a type of financing that ranks between equity and debt, having a higher risk than senior debt and a lower risk than common equity and whose return for the holder is predominantly based on the profits or losses of the underlying target undertaking and which are unsecured in the event of default. Quasi-equity investments can be structured as debt, unsecured and subordinated, including mezzanine debt, and in some cases convertible into equity, or as preferred equity.</li> </ul> <p>Replacement capital, i.e. the purchase of existing shares in a company from an earlier investor or shareholder (excluding strategies intended for asset stripping) may also be permitted (limitations apply, as per the State Aid framework described in Annex VII).</p>
<b>Final Recipient eligibility criteria</b>	<p>Each Specific Fund shall exclusively invest in Final Recipient that comply, at the time of each investment by the Specific Fund, with the following eligibility criteria:</p> <p>(a) the Final Recipient:</p> <ul style="list-style-type: none"> <li>(i) has an establishment in Romania, i.e. either headquarters or branch where the financed activity is undertaken, AND</li> <li>(ii) has its main activities (i.e., the main portion of its activities based on headcount, assets or turnover of the Final Recipient's business activities) in Romania or is planning to expand the operations into Romania. For Final Recipients with expansion plans and early stage Final Recipients with insignificant operations, the assessment of their main activities shall be based on</li> </ul>



	<p>the Final Recipient's business plan at the time of the first investment by the Specific Fund</p> <p><b>AND</b></p> <p>(b) it is potentially financially viable (as assessed by the Financial Intermediary in accordance with its internal procedures);</p> <p><b>AND</b></p> <p>(c) it qualifies as one of the following:</p> <ul style="list-style-type: none"> <li>(i) an SME; <i>or</i></li> <li>(ii) a Small Midcap.</li> </ul>
<b>Geographical distribution</b>	<p>At the end of the investment period and fund term, the proportion of the amounts invested into Final Recipients complying with criteria (a)(i) and (a)(ii) in the Final Recipients eligibility criteria paragraph with reference to the Bucuresti-Ilfov Region shall not exceed 22% of the portfolio of each Specific Fund.</p> <p>Bucuresti-Ilfov Region means a NUTS-2 region of Romania, comprising the NUTS-3 regions of Bucuresti and Ilfov, as defined through Regulation (EC) No 1059/2003 of the European Parliament and of the Council of 26 May 2003 on the establishment of a common classification of territorial units for statistics (NUTS).</p>
<b>Final Recipient Transaction (Investment) - Innovation eligibility criteria</b>	<p>Each Final Recipient Transaction shall be an equity and/or quasi-equity investment provided for the purpose of innovation, as to be assessed by the Financial Intermediary on the basis of the following criteria that shall be fulfilled/demonstrated at the time of each investment by each Specific Fund in the Final Recipient:</p> <p>a) The Final Recipient declares to use the investment for producing, developing or implementing new or substantially improved:</p> <ul style="list-style-type: none"> <li>i. products, processes or services, <i>or</i></li> <li>ii. production or delivery methods, <i>or</i></li> <li>iii. organisational or process innovation including business models that are innovative and where there is a risk of technological or industrial or business failure.</li> </ul> <p><b>OR</b></p> <p>b) The Final Recipient confirms that it has a significant innovation potential or be an "R&amp;I-intensive enterprise", by satisfying <u>at least one of the following conditions</u>:</p> <ul style="list-style-type: none"> <li>i. The Final Recipient's R&amp;I annual expenses are equal or exceed 20% of the Final Recipient Transaction amount as per the Final Recipient's latest approved statutory financial statements, under the condition that the Final Recipient undertakes to increase its R&amp;I expenses for an amount at least equal to the Final Recipient Transaction amount;</li> <li>ii. The Final Recipient undertakes to spend an amount at least equal to 80% of the Final Recipient Transaction amount on R&amp;I activities as indicated in its business plan and the remainder on costs necessary to enable such activities;</li> </ul>



	<p>iii. The Final Recipient has been formally awarded grants, loans or guarantees from European R&amp;I support schemes or through their funding instruments over the last 36 months, under the condition that the Final Recipient Transaction is not covering the same expense;</p> <p>iv. The Final Recipient has been awarded over the last 36 months a Research and Development or Innovation prize provided by an EU institution or an EU body;</p> <p>v. The Final Recipient has registered at least one technology right without geographical restriction (such as patent, utility model, design right, topography of semiconductor products, supplementary protection certificate for medicinal products or other products for which such supplementary protection certificates may be obtained, plant breeder's certificate or software copyright) in the last 36 months, and the Final Recipient Transaction purpose is to enable, directly or indirectly, the use of this technology right; and/or</p> <p>vi. The Final Recipient's R&amp;I costs represent at least 10% of its total operating costs in at least one of the three years preceding the Final Recipient's application for the Final Recipient Transaction, or in the case of an enterprise without any financial history, as per its business plan.</p> <p>No Financial Intermediary shall be entitled to issue any drawdown notice relating to an investment that is not a Final Recipient Transaction.</p>
<b>Final Recipient Transaction (Investment) - general eligibility criteria</b>	<p>The Final Recipient Transaction shall also comply with the following criteria at the time of each investment by the Specific Fund in the Final Recipient:</p> <p>i. The Final Recipient Transaction(s) shall be newly originated;</p> <p>ii. The Final Recipient Transaction shall not refinance or restructure existing loans and/or leases;</p> <p>iii. The purpose of the Final Recipient Transaction shall be: (1) investment in tangible or intangible assets, and/or (2) investment in working capital; for the avoidance of doubt and considering the equity nature and investment strategy of the Financial Instruments, the aforementioned purpose shall be deemed fulfilled in respect of the equity or quasi-equity investments in Final Recipients by the Financial Intermediaries implementing the Financial Instruments via Specific Funds as contemplated under this Agreement;</p> <p>iv. The investments to be supported by the Final Recipient Transaction shall be expected to be financially viable (as assessed by the Financial Intermediary in accordance with its internal procedures) and shall not have been physically completed or fully implemented as at the date of the Final Recipient Transaction approval by the Financial Intermediary;</p> <p>v. The amount of the Final Recipient Transaction that is dedicated to the purchase of land cannot exceed 10% of the initial principal amount of the Final Recipient Transaction;</p> <p>vi. The Final Recipient Transaction shall not finance pure financial activities or real estate development when undertaken as a financial investment activity and shall not finance the provision of consumer finance;</p>



	<p>vii. The Final Recipient Transaction shall not be affected by an Irregularity or fraud as defined under applicable law;</p> <p>viii. With respect to an expenditure item financed by the Final Recipient Transaction, Final Recipients may receive assistance from other Union Funds provided that:</p> <ul style="list-style-type: none"> <li>o such combination is in line with applicable EU State Aid rules;</li> <li>o separate records are maintained for each source of assistance;</li> <li>o the eligible expenditure item financed by the Final Recipient Transaction is distinct from expenditure items financed by other sources of assistance; and</li> <li>o if the other sources of assistance cover the same eligible expenditure item, the sum of all sources of support combined does not exceed the total amount of the expenditure item concerned.</li> </ul> <p>ix. Final Recipient Transactions shall not be used to pre-finance grants;</p> <p>The Financial Intermediary shall be entitled to rely, for the assessment of the compliance with eligibility criteria above, on the documents provided by the Final Recipients as well as their declarations. Ad-hoc checks will be performed on these by EIF on a sample basis during monitoring visits.</p>
<b>Data Protection Statement</b>	Means EIF's Data Protection Statement on the processing of personal data of Applicants and Financial Intermediaries, as published on the EIF website: <a href="#"><i>EIF data protection statement financial intermediaries due diligence en.pdf</i></a>
<b>Addressing Climate Action and Environmental Sustainability</b>	The contribution of Financial Intermediary transactions to Climate Action and Environmental Sustainability ("CA&ES" or "green") objectives shall be determined, if applicable/relevant/indicated by the EIF, in accordance with the latest EIF Climate Action and Environmental Sustainability Guidelines <sup>29</sup> published in EIF's website.
<b>Targeted Activities under the EIB Group NCJ Policy</b>	Means (i) criminal activities such as money laundering, financing of terrorism, tax crimes (i.e. tax fraud and tax evasion) and (ii) tax avoidance practices (i.e. wholly artificial arrangements aimed at tax avoidance).
<b>Restrictive Measures</b>	Means, without limitation, restrictive measures adopted pursuant to the Treaty on European Union (TEU) or to the Treaty on the Functioning of the European Union (TFEU).
<b>Reporting</b>	<p>The Financial Intermediary shall provide EIF with quarterly information in a standardised form and scope as per Invest Europe guidelines for reporting to be specified in the Operational Agreement.</p> <p>The Financial Intermediary may also be requested to collect and / or send information on the entity that receive equity financing (Ultimate Beneficial Owners information),</p>

<sup>29</sup> [\*Guideline on the EIF's criteria for Climate Action and Environmental Sustainability \(CA&ES\)\*](#)

	<p>notably in order to comply with the reporting requirements under national Regulation; details will be defined in the Operational Agreement(s).</p> <p>The Financial Intermediary will take all the measure for avoidance of double funding.</p> <p>Finally, it is important to note that CPR, ERDF and State Aid reporting rules may require Financial Intermediaries to provide new data points which typically are not being tracked and a higher granularity of data. Furthermore, the Financial Intermediary should report any additional data that may derive from future changes to the Union Funds or State Aid regulations. More detailed reporting requirements will be set out in the Operational Agreement(s).</p>
<b>Monitoring and Audit</b>	<p>The Financial Intermediaries and the Final Recipients shall agree to keep records and to allow and provide access to documents related to the Financial Instrument for the representatives of the European Commission, the European Anti-Fraud Office (OLAF), the European Court of Auditors (ECA), the European Public Prosecutor's Office, the EIF, the EIB, the Government of Romania and any other authorised bodies duly empowered by applicable law to carry out audit and/or control activities. The Financial Intermediary and the Final Recipients shall enable these bodies to discharge their duties with respect to monitoring, control and auditing of the correct use of the Investments. These controls may include on-the-spot controls of the Financial Intermediaries and the Final Recipients. To that effect, appropriate provisions shall be included in each Operational Agreement.</p>
<b>Visibility</b>	<p>The Financial Intermediary, in line with applicable law and Union Funds rules, shall carry out adequate marketing and publicity campaigns aimed at making the public contribution known, as to be specified through the Operational Agreement. To this respect, the Financial Intermediary shall:</p> <ul style="list-style-type: none"> <li>i. explicitly inform the Final Recipients that financing is made possible through the support of the Specific Fund with the financial backing of the Government of Romania through the Operational Programme. Such information needs to be prominently included either in the contractual documentation and/or in an accompanying cover letter;</li> <li>ii. ensure the visibility of European Union funding, by informing Final Recipients and the public of the support received from the Union Funds and by displaying in Operational Agreements and relevant publicity materials, if applicable, (brochures, website, banners, social media, billboards, posters etc.) as well as on the Final Recipient's website, the European Union flag and the statement "Co-funded by the European Union", and other publicity obligations, in accordance with a text to be included in the Operational Agreement;</li> <li>iii. include in any press release or other marketing action that the Financial Intermediary may choose to make with regard to the operation that the Financial Intermediary has benefited from the support of Innovation Romania HF.</li> </ul> <p>More detailed visibility requirements will be set out in the Operational Agreement(s).</p>
<b>Transfer</b>	<p>Under the Funding Agreement, EIF may be substituted in its role as the Innovation Romania HF manager. In the event of such substitution, the Government of Romania, or the entity appointed by the Government of Romania as new Innovation Romania HF manager, will assume the full discretion and responsibility to perform the tasks of the</p>

	Innovation Romania HF and to implement its operations in Romania, and may take over the Financial Instrument(s). The Operational Agreement will provide for the possible substitution of EIF, in order to allow the transfer of the Operational Agreements to the successor entity.
<b>General requirements</b>	<p>The Financial Intermediary shall ensure compliance with applicable law, including but without limitation rules covering the Union funds and all relevant national law and regulations, State Aid and money laundering, the fight against terrorism and tax fraud, as applicable. The Financial Intermediary, may, in line with its internal rules and procedures and particularly in the cases where fraudulent behaviour is suspected, be required to perform monitoring checks at the level of the Final Recipients.</p> <p>The Operational Agreement(s) may also include provisions in terms of the Specific Fund's cash flow management, as deemed necessary.</p> <p>The Specific Fund shall not be established in a NCJ unless the operation is physically implemented in the relevant NCJ and does not present any indication that it supports actions that contribute to Targeted Activities under the EIB Group NCJ Policy<sup>30</sup>.</p> <p>The Operational Agreements will include provisions, the objective of which will be to provide appropriate remedies for protecting EIF's and Innovation Romania HF's interest in Specific Funds in case an investment does not comply with the agreed eligibility criteria. The Specific Fund may be required to return amounts invested in Final Recipients which do not meet the eligibility criteria and/or which are found to be in an exclusion situation not duly disclosed or supervened (in the event that cannot be cured). In these cases, the Specific Fund may be required to apply all applicable contractual and legal measures with due diligence for the purpose of recovering the relevant amounts.</p> <p>Financial Intermediaries and Final Recipients:</p> <ul style="list-style-type: none"> <li>• shall not use any investment under the Innovation Romania HF to support any of the restricted or excluded activities as described in Part III of this document,</li> <li>• shall not be established in a NCJ unless the operation is physically implemented in the relevant NCJ and does not present any indication that it supports actions that contribute to Targeted Activities under the EIB Group NCJ Policy<sup>21</sup>,</li> <li>• shall undertake to comply with all applicable laws and regulations and the relevant applicable international and European Union standards and legislation on the prevention of money laundering, the fight against terrorism, tax fraud, tax evasion and artificial arrangements aimed at tax avoidance; and, therefore, not support actions that contribute to tax evasion or finance artificial arrangements aimed at tax avoidance,</li> <li>• shall acknowledge the EIB Group Anti-Fraud Policy<sup>31</sup> which sets out the policy of EIF for preventing and deterring corruption, fraud, collusion, coercion, obstruction, money laundering and terrorist financing as amended from time to time, and shall take appropriate measures (as may be further specified in the</li> </ul>

<sup>30</sup> Targeted Activities under the EIB Group NCJ Policy, which means (i) criminal activities such as money laundering, financing of terrorism, tax crimes (i.e. tax fraud and tax evasion) and (ii) tax avoidance practices (i.e. wholly artificial arrangements aimed at tax avoidance)

<sup>31</sup> EIB Group Anti-Fraud Policy



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	<p>relevant agreement) to (i) facilitate implementation of such policy as well as to (ii) undertake to support investigations performed by the EIF or the European Investment Bank, the European Public Prosecutor's Office (EPPO), or the European Anti-Fraud Office (OLAF), or the European Court of Auditors (ECA) in connection with actual or suspected prohibited conduct,</p> <ul style="list-style-type: none"> <li>• shall ensure via contractual provisions that no funds or economic resources are made available directly or indirectly to, or for the benefit of, persons or entities designated by Restrictive Measures<sup>32</sup>.</li> </ul>
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<sup>32</sup> As part of its due diligence process, EIF will analyse and exclude any Applicant if it or any of its key persons, including ultimate beneficial owners, are subject to EU/UN/US/UK restrictive measures (sanctions), including but not limited to sanctions related to the Russian military aggression against Ukraine.





## ANNEX VI - Exclusions and Restrictions

Notwithstanding State Aid restrictions linked to the applicable framework (see Annex VII), the Specific Funds may invest in Final Recipients active in all economic/industrial sectors, subject to the EIF Policy on Exclusions and Restrictions, approved by the EIF Board of Directors on 19 October 2023 and published on the EIF website, as amended from time to time and implemented by EIF in accordance with its internal procedures. At the time of the publication of this CEOI, the excluded and restricted activities under such policy relevant for equity funds (subject to update from time to time unilaterally by EIF) include without limitation:

### PART I - List of Excluded Activities

1. Any activity which directly or indirectly results in limiting people's individual rights and freedom or violation of human rights or non-compliance with the relevant applicable treaties, laws and regulations with respect thereto.
2. Prisons and detention centres of any form (such as correctional institutions or police stations with detention facilities).
3. Any activity known directly or indirectly to result in harmful or exploitative forms of forced labour or harmful child labour, as defined by the International Labour Organisation's Fundamental Labour Conventions<sup>33</sup>.
4. Any activity involving significant degradation, conversion or destruction<sup>34</sup> of critical habitats<sup>35</sup>.
5. Conversion of natural forests into plantation. This includes irrigated forests<sup>36</sup>, logging, clear cutting or degradation of (and commercial concessions over) tropical natural forests or high conservation value forests<sup>37</sup> in all regions, as well as the purchase of logging equipment for this purpose.
6. Unsustainable fishing methods not compliant with the EU laws and regulations (such as drift net fishing in the marine environment using nets in excess of 2.5 km in length and blast fishing)<sup>38</sup>.
7. Extraction of mineral deposits from the deep sea<sup>39</sup>.
8. Extraction or mining of conflict minerals and metals<sup>40</sup>.
9. Any activity (i.e., any production, trade, financing or other activity) prohibited under the laws or regulations applicable in the EU or to the Fund or the relevant Final Recipient, including without limitation (i) any products or activities subject to international phase out or bans<sup>41</sup> and (ii) relating to the protection of biodiversity resources or cultural heritage.
10. Any activity relating to the deliberate release of genetically modified organisms<sup>42</sup>.
11. Animal and human reproductive cloning.

<sup>33</sup> Within the EU, work of persons under 18 years should be performed in compliance with the national legislation implementing Young People at Work Directive (94/33/EC).

<sup>34</sup> as defined in the EIF E&R Policy

<sup>35</sup> as defined in the EIF E&R Policy.

<sup>36</sup> Except for temporary watering in the first three years after planting, which is allowed for the seedlings to develop deep rooting systems to ensure high survival rates.

<sup>37</sup> as defined in the EIF E&R Policy.

<sup>38</sup> Final Recipients established or operating outside the European Union shall obtain a certification issued by the Marine Stewardship Council not to be considered as an Excluded Final Recipient.

<sup>39</sup> Deep sea is defined as the areas of the ocean below 200 m — The International Seabed Authority and Deep Seabed Mining. United Nations.

<sup>40</sup> Minerals and metals covered by the Regulation (EU) 2017/821 laying down supply chain due diligence obligations for European Union importers of tin, tantalum and tungsten, their ores, and gold originating from conflict-affected and high-risk areas, as amended.

<sup>41</sup> Bans, as mentioned in the EIF E&R Policy

<sup>42</sup> Unless in compliance with EU Directive 2001/18/EC and EU Directive 2009/41/EC, and related country legislation, as further amended.

12. Any activity involving live animals for scientific and experimental purposes, including gene editing and the breeding of these animals<sup>43</sup>.
13. Sex trade and related infrastructure, services and media, including pornographic media information technologies and internet-related products, services, programs, and application.
14. Any activity with political or religious purpose.
15. Production of or trade in weapons and ammunition, including any explosives and sporting weapons.
16. *Tobacco*: producing, manufacturing, processing or distribution of tobacco if more than ten percent (10%) of the annual revenues of the Final Recipient are generated from any of these activities<sup>44</sup>.
17. *Gambling*: gambling and related equipment, hotels with in-house casinos if more than ten percent (10%) of the annual revenues of the Final Recipient are generated from any of these activities<sup>45</sup>.

## PART II - List of Restricted Activities

1. Coal mining, processing, transport and storage.
2. Oil exploration, production, refining, transport, distribution and storage.
3. Natural gas exploration, production, liquefaction, regasification, transport, distribution and storage.
4. Electric power generation, including thermal power stations<sup>46</sup>, exceeding the Emissions Performance Standard (i.e., 250 grams of CO<sub>2</sub>e per kWh of electricity), applicable to fossil fuel-fired power and cogeneration plants. Geothermal plants operating at life cycle emissions higher than 100gCO<sub>2</sub>e/kWh.
5. Nuclear energy and manufacturing within the nuclear industry (such as processing of nuclear fuel, uranium enrichment, irradiated fuel reprocessing)<sup>47</sup>. Research and development initiatives, information technology services and other supply chain activities (which include activities like non-hazardous waste cleaning, decommissioning, inspection services, etc) in the nuclear sector are not Restricted Activities.
6. Research, development, production and/or commercialisation of equipment or infrastructure dedicated to military/police use<sup>48</sup>.<sup>49</sup>
7. Construction and operation of secure and forensic units in health care facilities.
8. For-profit projects in the education sector by kindergarten, primary and secondary schools located outside the European Union, the European Free Trade Association or the United Kingdom.
9. Waste incineration; collection, treatment and disposal of hazardous waste.
10. Any activity in the mining sector<sup>50</sup>
11. New and existing hydropower production and storage facilities.

<sup>43</sup> Unless in compliance with (EU) Directive 2010/63/EU as amended by Regulation (EU) 2019/1010 of the European Parliament and of the Council on the protection of animals used for scientific purposes.

<sup>44</sup> NACE codes: NACE 01.15 - Growing of tobacco, NACE 12.00 - Manufacture of tobacco products, NACE 46.3.5 - Wholesale of tobacco products and NACE 47.2.6 - Retail sale of tobacco products in specialised stores.

<sup>45</sup> NACE code: NACE 92.00 - Gambling and betting activities.

<sup>46</sup> This restriction does not apply to biomass power plants.

<sup>47</sup> Indicative NACE codes: NACE 24.46 - Processing of nuclear fuel: production of uranium metal from pitchblende or other ores; smelting and refining of uranium and NACE 35.11 - Operation of generation facilities that produce electric energy (...) including nuclear (...).

<sup>48</sup> "dedicated to military/police use" means that the equipment or infrastructure is not offered in the same version by the Final Recipient to civil customers.

<sup>49</sup> Any activity (including in equipment or infrastructure) with the potential to be used for both civil and military/police purposes (dual use) are not restricted.

<sup>50</sup> Activities under Section B of NACE (Rev.2) nomenclature, with the exception of NACE B8.1 - Quarrying of stone, sand and clay (including NACE B8.1.1 - Quarrying of ornamental and building stone, limestone, gypsum, chalk and slate; and NACE B8.1.2 - Operation of gravel and sand pits; mining of clays and kaolin).





12. Unless subject to the Green Exception<sup>51</sup> for items (i) to (x) only, the following energy-intensive and/or high CO<sub>2</sub>-emitting industries and sectors:

- (i) manufacture of carbon black, soda ash and chlorine (*sub-activities of NACE 20.13: manufacture of other inorganic basic chemicals*);
- (ii) manufacture of other organic basic chemicals (*sub-activity of NACE 20.14*);
- (iii) manufacture of plastics in primary forms (*NACE 20.16*);
- (iv) manufacture of cement (*NACE 23.51*);
- (v) manufacture of basic iron and steel and of ferro-alloys (*NACE 24.10*);
- (vi) manufacture of tubes, pipes, hollow profiles and related fittings, of steel (*NACE 24.20*);
- (vii) manufacture of other products of first processing of steel (*NACE 24.30, incl. 24.31-24.34*);
- (viii) aluminium production (*NACE 24.42*);
- (ix) manufacture of conventionally-fuelled aircraft and related machinery (*sub-activity of NACE 30.30*)<sup>52</sup>;
- (x) conventionally-fuelled air transport and airports and service activities incidental to conventionally-fuelled air transportation, leasing and renting of aircraft (*sub-activities of NACE 51.10, 51.21 and 52.23*)<sup>53</sup>; and
- (xi) manufacture of nitrogen compounds and fertilizers containing nitrogen compounds (*sub-activities of NACE 20.15*).

In addition, the HF shall not support funds which invest in Infrastructure Projects, *i.e.* requiring long term capital relating to the construction or development of physical assets in numerous sectors including, among others, energy, transport, communications, industrial and service facilities, housing, social developments and climate change technologies.

<sup>51</sup> “Green Exception” means that an activity listed under section (12) items (i) to (x) of Restricted Activities should not be considered as a Restricted Activity if it is performed in an environmentally sustainable way, as defined by the EU Taxonomy substantial contribution criteria as reflected in the EU Taxonomy Delegated Acts.

“EU Taxonomy” means EU Taxonomy for Sustainable Activities (Regulation (EU) 2020/852, as amended from time to time) as supplemented by the technical criteria established under the EU Taxonomy Delegated Acts (Commission delegated Regulations (EU) supplementing Regulation (EU) 2020/852 or upcoming Taxonomy Delegated Acts, as amended from time to time, respectively).

<sup>52</sup> This is only applicable to powertrain components and manufacturing of conventionally fuelled aircrafts. This restriction does not apply to technologies and systems for space sector, such as satellites or launchers, nor to research and development initiatives in civil aviation, such as disruptive technologies, alternative fuels, propulsion systems targeting a very significant (25%+) energy efficiency improvements in new generation aircrafts.

<sup>53</sup> This restriction does not apply to technologies and systems for space sector, such as satellites or launchers, activities related to firefighting, fire-prevention and rescue services, acquisition of civil defence aircraft, aircraft for rescue services.



## Annex VII – State Aid framework

Note: The table below summarizes, for information, in a non-exhaustive manner, the envisaged State aid compliance options. When referring to the applicable legal basis, please ensure that the latest version is consulted, as amended, restated or replaced from time to time.

The definitive State aid framework for the instrument shall be set out through a State aid and/or De minimis aid scheme issued by the Government of Romania, which shall be legally binding for Financial Intermediaries, who shall also be responsible for recording State aid provided into the national State aid database REGAS and ensure cumulation rules are complied with.

Restrictions and exclusions derived from the State aid framework are supplemental to the eligibility criteria for Final Recipients as described in the CEoI.

Type of aid	Relevant European regulatory provisions	Eligible Final Recipients	Minimum % private participation	Investment amount ceiling per Final Recipient
<b>No state aid present when investment made in accordance with the Market Economy Operator Principle</b>	<p>Communication on the Notion of State aid<sup>54</sup></p> <p>The Market Economy Operator Test for Risk Finance Measures: Practical guidance for Member States (26/01/2024)<sup>55</sup></p>	SMEs and Small Midcaps as per Innovation Romania HF terms	<p>Pari passu investments, i.e. under the same terms and conditions by public and private investors through the fund (public and private investors share the same risks and rewards and hold the same level of subordination in the same risk class in case of a layered funding structure), with both types of operators intervening simultaneously (the investment of public and private investor is made by way of the same investment transaction), and the intervention of the private investor having a real economic significance (at least 30% of the value of the investment).</p> <p>Additional considerations relevant to the Market Economy Operator Test (pari passu structure):</p>	No investment ceiling per undertaking

<sup>54</sup> Commission Notice on the notion of State aid as referred to in Article 107(1) of the Treaty on the Functioning of the European Union C/2016/2946, as amended or replaced from time to time.

<sup>55</sup> [20240126 practical guidance for member states the market economy operator test for risk finance measures.pdf](#), as amended or replaced from time to time.



			<p>The fund manager shall perform an additional economic analysis before investing into companies in which either the private or the public investors have previously invested. In relation to this, it is emphasized that investments are made through the investment fund, based on a commercial investment strategy established in the contract with the fund manager, for the purpose of obtaining profit – the investors (public or private) being unable to intervene in the fund manager's decision to invest in individual companies. For the avoidance of doubt, given that both public and Private Investors delegate all investment / divestment decisions to the Fund Manager for all investment cases, it is understood that their starting position is fully comparable with regard to the Specific Fund they invest in and the underlying transactions the Specific Fund will undertake. The fund managers shall not invest in companies that are not viable.</p>	
<b>De minimis aid</b>	De Minimis Regulation 2023/2831 <sup>56</sup>	SMEs and Small Midcaps as per Innovation Romania HF terms	None required	EUR 300,000 over 3 years minus any other De minimis aid received from other subsidy schemes
<b>State aid in the form of risk finance</b>	General Block Exemption Regulation	SMEs only	<p>Additional finance from independent private investors at the level of the Specific Fund or the eligible undertakings (Final Recipients), so as to achieve an aggregate private participation rate reaching the following minimum thresholds: between 10 and 60% depending on the age of the company as further specified in Art. 21 of the GBER. For instance, 10% required when the company has not been operating in any market; 40% is needed for companies that</p>	<p>EUR 16.5 million per Final Recipient, which covers:</p> <p>(a) both the initial and follow-on equity investments, and</p>

<sup>56</sup> Commission Regulation (EU) 2023/2831 of 13 December 2023 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid, as amended or replaced from time to time.



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	(GBER) 651/2014 Art.21 <sup>57</sup>		have been operating in any market for less than 10 years following their registration or 7 years after their first commercial sale. Reduced rates may apply subject to, in particular, the conditions in Art. 21 paragraphs (3) and (12) of the GBER.	(b) the cumulative amount of all risk finance measures provided to the SME
<b>Start-up aid</b>	General Exemption Regulation (GBER) 651/2014 Art.22 <sup>58</sup>	Block Unlisted Small Enterprises up to 5 years after registration, which have not yet distributed profits and have not been formed via a merger, as further specified in Art. 22(2) of the GBER.  A small enterprise is defined as an enterprise which employs fewer than 50 persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 10 million.  An innovative enterprise is as defined in Art. 2(80) of the GBER.	No minimum level of private participation is required.	Investment ceiling per eligible undertaking (Final Recipient) is between 0.5-1m EUR depending on location (e.g., assisted area). For small and innovative enterprises, the maximum amounts may be doubled.  Innovative enterprises are as defined in Art. 2(80) of the GBER.

<sup>57</sup> Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, as amended or replaced from time to time.

<sup>58</sup> Ibid.