

BD/437/24
18 July 2024

Item 1

Board of Directors

*Minutes of meeting dated 19 June 2024
(ref. BD/MIN/436/2024)*

Parts of this document may have been redacted if, at the time of the Board's decision, falling under the exceptions for disclosure defined by the EIF Transparency Policy, notably under articles 5.4, 5.5 and 5.6.*

* http://www.eif.org/news_centre/publications/EIF_Transparency_policy.htm?lang=-en

Board of Directors

Meeting held on Wednesday 19 June 2024

Agenda

QUORUM

AGENDA AND DECLARATIONS OF CONFLICTS OF INTEREST

Doc. 24/143

APPROVAL OF MINUTES

- | | | |
|----|--|--------------------|
| 1. | Board meeting dated 7 May 2024 | BD/MIN/434/2024 |
| 2. | Minutes of written procedure dated 28 May 2024 | BD/WP/MIN/435/2024 |

OPERATIONS

Agenda A

Guarantees

3. [...]
4. [...]

Agenda B

Guarantees

5. [...]
6. [...]
7. [...]
8. [...]
9. AS LHV Pank (Estonia) Doc. 24/150
InvestEU Portfolio Guarantee Products
10. CaixaBank, S.A. (Spain) – increased allocation Doc. 24/151
InvestEU Portfolio Guarantee Products
11. France Active Investissement SAS (France) – increased allocation Doc. 24/152
InvestEU Portfolio Guarantee Products
12. Quotanda Digital Skills Umbrella (multi-country) Doc. 24/153
InvestEU Portfolio Guarantee Products
13. *Item postponed*
14. Bank of Valletta p.l.c. (Malta) Doc. 24/155
InvestEU Member State Compartment in Malta
15. Garanti Bank S.A. (Romania) Doc. 24/156
InvestEU Member State Compartment in Romania
16. JSC The State Export-Import Bank of Ukraine (Ukraine) Doc. 24/157
First Loss Portfolio Guarantee – EU4Business Guarantee Facility

Mandates and Products

- | | | |
|-----|--|-------------|
| 17. | InvestEU – EU Compartment - Pilot to support EU exports to Ukraine | Doc. 24/158 |
| 18. | EU4Business Guarantee Facility – increase | Doc. 24/159 |
| 19. | Initiative Nationale pour l’Agriculture Française (“INAF”) – increase* | Doc. 24/160 |
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FOR INFORMATION

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|-----|---|-------------|
| 20. | EIF Risk Appetite Framework Dashboard as at 31 March 2024 | Doc. 24/161 |
| 21. | EIB Group Risk Management Disclosure Report 2023 | Doc. 24/162 |
| 22. | EIB Group Complaints Mechanism Report 2023 | Doc. 24/163 |
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MISCELLANEOUS / STATEMENTS

DATE OF NEXT MEETING: 18 JULY 2024 (10.00 – 14.00)

* *Late dispatch*

Meeting attendance

Members	Alternate members
G. VIGLIOTTI, Chair	N. BEER
A. FAYOLLE ¹	J.-C. LALOUX
H. LAMBROPOULOS	M. DOWGIELEWICZ
M. POLÓNYI	M. COLOMBO
G. CHIARION CASONI	
M. RUTE	
L.-C. FUNKE	
Absent	
N. CALVIÑO	
Chief Executive	Deputy Chief Executive
M. FALKSTEDT	R. HAVENITH
Secretary	
N. PANAYOTOPOULOS, Secretary General	

¹ Acting as full member in the absence of N. Calviño.

The meeting of the Board of Directors (“Board”) opened at 10:10.

Quorum

The SECRETARY confirmed that there was a quorum.

The SECRETARY advised of the absence of Ms. CALVIÑO and invited the Board to designate a member to assume the role of Chair for the meeting. The Board voted unanimously in favour of Ms. VIGLIOTTI.

The CHAIR welcomed the Board members and recalled the success of the EIF’s 30th anniversary celebrations the previous week, as attended by members of the Board, as well as numerous other stakeholders and shareholders. She congratulated the EIF on the event, highlighting, in particular, the SME exhibition, showcasing joint successes in the areas of innovation, sustainability, social impact and growth.

Agenda and Declarations of Conflicts of Interest

The Board of Directors adopted the agenda as presented in document 24/143.

The CHAIR invited members to declare if they had a conflict of interest with respect to any of the operations on the agenda. No conflicts of interest were declared.

Before turning to the items for decision, the CHAIR provided follow-up information regarding the EIB Group’s eight strategic priorities. As indicated at the previous Board meeting, the strategic priorities had been discussed at the EIB’s Board of Directors meeting in May, leading to continued reflection and a finetuning of the strategic ambitions in preparation for discussions with the EIB’s Board of Governors on 21 June. In order to have a more complete view of positions from the EIB’s governing bodies and, as stated by President Calviño at the May Board meeting, a discussion at the level of the EIF’s Board would take place, as a function of the impact on and contribution expected from the EIF, and was foreseen on the agenda of the July 2024 Board meeting.

Approval of minutes

1. Board meeting dated 7 May 2024

The Board of Directors approved the minutes of the Board meeting dated 7 May 2024, ref. BD/MIN/434/2024, including changes proposed by Mr. POLÓNYI¹, and took note of the forthcoming publication on the EIF’s website.

2. Minutes of written procedure dated 28 May 2024

The Board of Directors approved the minutes of the written procedure dated 28 May 2024, ref. BD/WP/MIN/435/2024, including changes proposed by Mr. POLÓNYI¹, and took note of the forthcoming publication on the EIF’s website.

¹ As communicated via the Board Portal on 18 June 2024.

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Before turning to the first operations for approval, the CHAIR invited the CHIEF EXECUTIVE to provide an overview of the EIF's latest operational results.

On the basis of the EIF Monthly Review May 2024², the CHIEF EXECUTIVE highlighted the increase in signatures across both equity and debt activities, with volumes reaching 26.9% of the Operational Plan target. A good financial performance was observed, benefitting from strong income streams whilst costs remained below budget. In terms of the achievement of Public Policy Goals, the CHIEF EXECUTIVE emphasized the strong progress towards targets for Social Impact, Skills, and Human Capital, as well as Sustainability and Green Transformation.

The CHIEF EXECUTIVE stated that updated year-end projections would be presented as part of the Operational Plan mid-year review at the Board meeting in July. Going forward, the EIF Monthly Reviews would be made available directly on the Board Portal for information, complemented by quarterly activity reports being presented at Board meetings.

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Operations

Agenda A

Guarantees

3. [...]

4. [...]

Agenda B

Guarantees

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8. [...]

² See document 24/164, subsequently made available on the Board Portal.

9. AS LHV Pank (Estonia)

InvestEU Portfolio Guarantee Products

Uncapped direct guarantee to enhance access to finance for SMEs and small mid-caps in Estonia

The Board of Directors approved a maximum guarantee volume under the InvestEU SME Sustainability Product – Climate and Change Mitigation portfolio, on the terms and conditions set out in document 24/150.

10. CaixaBank, S.A. (Spain) – increased allocation

InvestEU Portfolio Guarantee Products

Uncapped direct guarantee to enhance access to finance for SMEs and small mid-caps in Spain

The Board of Directors approved a maximum guarantee volume under the InvestEU Cultural and Creative Sectors Product, on the terms and conditions set out in document 24/151.

11. France Active Investissement SAS (France) – increased allocation

InvestEU Portfolio Guarantee Products

Capped direct guarantee to enhance access to finance for social enterprises in France, including the French outermost regions or overseas countries and territories

The Board of Directors approved an increase of the maximum guarantee cap and an extension of the original inclusion period, under the InvestEU Microfinance, Social and Skills Guarantee Product – Social Entrepreneurship portfolio, on the terms and conditions set out in document 24/152.

12. Quotanda Digital Skills Umbrella (multi-country)

InvestEU Portfolio Guarantee Products

Capped direct guarantee to enhance access to finance for natural persons (i.e. students and learners) in Germany, Spain and Portugal

The Board of Directors approved a maximum guarantee cap amount under the InvestEU Microfinance, Social and Skills Guarantee Product – Skills and Education portfolio, on the terms and conditions set out in document 24/153.

13. Item postponed

14. Bank of Valletta p.l.c. (Malta)

InvestEU Member State Compartment in Malta

Uncapped direct guarantee to enhance access to finance for SMEs in Malta

The Board of Directors approved a maximum guarantee volume under the Malta MS-C SME Competitiveness Product – Higher Risk category 1, on the terms and conditions set out in document 24/155.

15. **Garanti Bank S.A. (Romania)**

InvestEU Member State Compartment in Romania (“RRF RO”)

Uncapped direct guarantee to enhance access to finance for SMEs and small mid-caps in Romania

The Board of Directors approved a total maximum guarantee volume under:

- (i) the RRF RO Sustainability Product, and
- (ii) the RRF RO SME Competitiveness Product,

on the terms and conditions set out in document 24/156.

* * *

In the context of support to Ukraine, and before addressing the operations proposed in that respect under items 16, 17 and 18, the CHAIR briefed the Board on latest EIB Group developments and, in particular, President Calviño’s participation at the Ukraine Recovery Conference the previous week.

The CHAIR outlined the development of an action plan focusing on critical national infrastructure, local social infrastructure, SME support, and enhanced advisory support, to be implemented through financial instruments delivered by the Group together with the European Commission. The EIB and the European Commission had signed two programmes of EU guarantees for Ukrainian banks, where the EIF was foreseen to deploy part of the SME guarantees. The programmes were expected to mobilise over EUR1 bn in loans to support war-affected SMEs, veterans, internally displaced people, and female and young entrepreneurs, ensuring resources to sustain the Ukrainian economy and create jobs.

The CHAIR continued with reference to a further EUR 100m operation that had been signed to help restore basic services in Ukrainian cities and rebuild essential social infrastructure, as well as a number of other important announcements made by the Group at the conference, including to support the restoration and development of Ukraine’s transport infrastructure, and to extend the European Union’s flagship JASPERS advisory programme to Ukraine.

The CHAIR concluded by underlining the EIB Group’s delivery on its commitments to Ukraine, achieving concrete results on the ground with the strong support of the Group’s partners.

Members of the Board commented positively on the EIB Group’s actions and further ambitions to support Ukraine, in a context of strong political and policy importance, and including the different, complementary operations proposed under items 16, 17 and 18.

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16. **JSC The State Export-Import Bank of Ukraine (Ukraine)**

First Loss Portfolio Guarantee – EU4Business Guarantee Facility

Capped direct guarantee to enhance access to finance for SMEs in priority sectors, such as energy, agriculture, trade and industry in Ukraine

The Board of Directors approved a maximum guarantee cap amount on the terms and conditions set out in document 24/157, subject to the approval of the EIB governing bodies.

Mandates and Products

17. InvestEU – EU Compartment - Pilot to support EU exports to Ukraine

EU resources

New pilot scheme to support SMEs and small-mid caps established and operating in EU Member States and InvestEU participating countries (currently Norway and Iceland) exporting goods and services to entities in Ukraine, to be implemented by means of a reallocation of resources within the SME Competitiveness Guarantee under the EU Compartment of InvestEU

The DEPUTY CHIEF EXECUTIVE introduced the initiative [...].

Members of the Board stated strong support for the proposed scheme and encouraged its rapid rollout, recognising the critical and present need for reconstruction efforts in Ukraine. The importance of more generally supporting the EU's export industries was raised, with the suggestion that the proposed pilot could also stimulate EU-level reflection in a broader context.

The Board asked for further information on the collaboration so far with European Export Credit Agencies (“ECAs”) and on the potential pipeline of operations.

The DEPUTY CHIEF EXECUTIVE responded that there had been extensive discussions with ECAs across some twenty Member States, establishing a partnership in the design of the programme in conjunction with the aforementioned Working Group on Export Credit, and he outlined the timeline to achieve rapid rollout.

The Board of Directors approved the Pilot to support EU exports to Ukraine, as presented in document 24/158³, from the reallocation of existing resources under the EIF's InvestEU SME Window allocation, in line with the 3rd amendment to the InvestEU Guarantee Agreement, and according to detailed product terms forming part of the forthcoming 4th amendment to the InvestEU Guarantee Agreement.

18. EU4Business Guarantee Facility – increase

Ukraine Facility

Increase in the capped portfolio guarantee programme to enhance access to finance specifically for SMEs, and potentially small mid-caps, in Ukraine, with a particular focus on vulnerable groups, including youth, female entrepreneurship, veterans, displaced people, and regions most affected by war

The DEPUTY CHIEF EXECUTIVE introduced the proposed increase [...].

The DEPUTY CHIEF EXECUTIVE agreed with the merits of broadening the support package through technical assistance, which could be the subject of further consideration within the Group.

The Board of Directors approved an increase in the EU4Business Guarantee Facility, as presented in document 24/159⁴.

³ As per the corrigendum of document 24/158 made available on the Board Portal on 18 June 2024.

⁴ As per the corrigendum of document 24/159 made available on the Board Portal on 11 June 2024

19. Initiative Nationale pour l’Agriculture Française (“INAF”) – increase

Budgetary resources from the French Ministry of Agriculture

Mandate increase to further enhance access to finance for farmers active in France, particularly young and new farmers, with a view to supporting their competitiveness and promoting investments in a more sustainable agriculture

A member of the Board commented positively on the EIF’s successful implementation of the mandate and welcomed the increase of the initiative and, notably, the added policy value in targeting young and new farmers. The novelty in receiving an unfunded guarantee from a Member State was also noteworthy, including as a potential avenue to be further explored in the context of the next Multiannual Financial Framework.

[...]

The Board of Directors approved:

- (i) the increase of the mandate and the resulting three-layer structure, through a new initially unfunded allocation from the French Ministry of Agriculture (the “Ministry”),
- (ii) an extension of the eligibility period under the funding agreement between the Ministry and the EIF and the corresponding availability period for the underlying transactions,
- (iii) an extension of the scheduled termination date of the funding agreement, and
- (iv) the revised mandate investment strategy particularly focused on supporting young farmers as well as newcomers in the agricultural sector,

as presented in document 24/160.

For information

20. EIF Risk Appetite Framework Dashboard as at 31 March 2024

The Board of Directors took note of the EIF Risk Appetite Framework Dashboard as at 31 March 2024, as presented in document 24/161.

21. EIB Group Risk Management Disclosure Report 2023

The Board of Directors took note of the EIB Group Risk Management Disclosure Report 2023, as presented in document 24/162.

22. EIB Group Complaints Mechanism Report 2023

The Board of Directors took note of the EIB Group Complaints Mechanism Report 2023, as presented in document 24/163.

Miscellaneous / statements

The Board of Directors was briefed on a number of relevant issues.

Date of next meeting

The Board of Directors noted that the next meeting was scheduled to take place on 18 July 2024.

The meeting was closed at 11:40.

Luxembourg, 19 June 2024.

The CHAIR

(signed)

Gelsomina VIGLIOTTI

The SECRETARY

(signed)

Nicolas PANAYOTOPOULOS