

Annex I to the Open Call for Expression of Interest to select Financial Intermediaries under the InvestEU Capacity Building Investment Product



Corporate / 1

Annex I: Expression of Interest

To:

European Investment Fund
InvestEU Capacity Building Investment Product
Equity Investments & Guarantees Department

Email address to submit the Expression of Interest:

Capacity Building Investment Product:

investeu_cbinvestments@eif.org

EXPRESSION OF INTEREST

InvestEU Capacity Building Investment Product

Applicant submitting the Expression of Interest:

_____, _____

(company name,
registration number)

Dear Sir or Madam,

Herewith we are submitting our Expression of Interest on behalf of [Applicant], (the “**Applicant**”) in response to the Open Call for Expression of Interest for the InvestEU Capacity Building Investment Product. Capitalised expressions utilised herein shall have the meaning attributed to them in the above-mentioned Call and as defined in the relevant annexes hereto, as appropriate.

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The undersigned, duly authorised to represent the Applicant, by signing this form certifies and declares:

1. that the information contained in this Expression of Interest and its Appendices is complete and correct in all its elements;
2. to have read the EIB Group Anti-Fraud Policy¹ and not to have made nor to make any offer of any type whatsoever from which an advantage can be derived under the Agreement 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 the Agreement;
3. to have read the EIB Group Statement on Tax Fraud, Tax Evasion, Tax Avoidance, Aggressive Tax Planning, Money Laundering and Financing of Terrorism².

Furthermore, the undersigned, duly authorised to represent the Applicant, by signing this form represents that, as at the date of this form:

1. The Applicant is not in any of the situations below:
 - it is bankrupt, is subject to insolvency or is being wound up, is having its affairs administered by a liquidator or by the courts, in this context, is in an arrangement with creditors, is having its business activities suspended or a standstill (or equivalent) agreement has been signed with creditors and validated by the competent court when required by the applicable law, or is in any analogous situation arising from a similar procedure provided for in national legislation or regulations;
 - in the past five (5) years, it has been the subject of a final judgment or final administrative decision for being in breach of its obligations relating to the payment of taxes or social security contributions in accordance with the applicable law and where such obligations remain unpaid unless a binding arrangement has been established for payment thereof;
 - in the past five (5) years, it or any of the persons having powers of representation, decision-making or control over it has been convicted by a final judgment or a final administrative decision for grave professional misconduct, where such conduct denotes wrongful intent or gross negligence, which would affect its ability to implement the CBI Agreement and which is for one of the following reasons:
 - i. negligently providing misleading information that may have a material influence or fraudulently misrepresenting information required for the verification of the absence of grounds for exclusion or the fulfilment of selection criteria or in the performance of a contract or an agreement;
 - ii. entering into agreements with other persons aimed at distorting competition;

¹ <https://www.eib.org/en/publications/anti-fraud-policy>

² <https://www.eib.org/en/about/compliance/tax-good-governance/index.htm#>

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- iii. attempting to unduly influence the decision-making process of the contracting authority during the relevant ‘award procedure’ as such term is defined in of the Financial Regulation³;
 - iv. attempting to obtain confidential information that may confer upon it undue advantages in the relevant ‘award procedure’ as such term is defined in the Financial Regulation;
 - in the past five (5) years, it or persons having powers of representation, decision-making or control over it has been the subject of a final judgment for:
 - v. fraud;
 - vi. corruption;
 - vii. participation in a criminal organisation;
 - viii. money laundering or terrorist financing;
 - ix. terrorist offences or offences linked to terrorist activities, or inciting, aiding, abetting or attempting to commit such offences;
 - x. child labour and other forms of trafficking in human beings;
 - it is subject to a decision on exclusion contained in the early detection and exclusion database (the EDES database available at the official website of the EU)⁴ set up and operated by the European Commission;
 - it has been, in the past five years, subject to a final judgment or administrative decision by a national court or authority that it was created with the intent to illegally circumvent fiscal, social or any other legal obligations in the jurisdiction of its registered office, central administration or principal place of business;
2. The Applicant is established and operating in one or more of the Eligible Countries;
 3. The Applicant is duly authorised – if applicable - to carry out financing activities in accordance with applicable laws and regulations;
 4. The Applicant does not perform activities which are illegal according to the applicable legislation;
 5. The Applicant complies with the 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 aimed at tax avoidance, and
 6. The Applicant is not subject to Restrictive Measures.

³ “Financial Regulation” means Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No 283/2014, and Decision No 541/2014/EU and repealing Regulation (EC, Euratom) No 966/2012 (OJ L 193, 30.7.2018, p. 1), as it may be amended, supplemented or modified from time to time.

⁴ <https://ec.europa.eu/edes/index#!/cases>

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For the purpose of the EIF Transparency Policy, as further specified in Appendix 4, and subject to the approval of the relevant operation by the EIF, the [Applicant], by signing this form:⁵

[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 5;

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 interests⁶ relevant to the operation;

and,

- acknowledges and agrees (i) to the terms of the Terms of Confidentiality as provided under Annex III of this 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.

Yours sincerely,

Signature(s):

Stamp of the Applicant (if applicable):

Name and position in capitals:

Applicant's name:

Place:

Date (day/month/year):

Appendices

Appendix 1 Applicant Identification

Appendix 2 Information requirements for pre-selection

Appendix 3 Information Requirements upon positive pre-selection

Appendix 4 Know Your Customer (“KYC”) documents to attach

Appendix 5 Disclosure of information on EIF’s website (EIF Transparency Policy)

⁵ For the avoidance of doubt, this is without prejudice to any publication made by EIF in line with the Terms of Confidentiality

⁶ Including by reason of such information being covered by a confidentiality agreement

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Appendix 1 to the Expression of Interest**APPLICANT IDENTIFICATION**

| INFORMATION REQUIRED | |
|----------------------|--|
| NAME | |
| LEGAL FORM | |
| DATE OF APPLICATION | |
| CONTACT DETAILS | Title: Mr/Mrs/other (delete or complete as appropriate) Surname: Forename(s): Function: Address: Telephone: Email: |

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Appendix 2 to the Expression of Interest

INFORMATION REQUIREMENTS FOR PRE-SELECTION

| INFORMATION REQUIRED | |
|------------------------------------|--|
| APPLYING FOR: | <input type="checkbox"/> InvestEU Capacity Building Investment Product |
| TARGET AREA(S) | <input type="checkbox"/> Microfinance <input type="checkbox"/> Social Entrepreneurship <input type="checkbox"/> Skills and Education |
| PROPOSED EIF SUPPORT IN EUR | |

1. PROPOSAL

The proposal shall include the description of the proposed capacity building project(s) and related implementation strategy. It is expected for the Financial Intermediaries to explain the rationale for applying for the InvestEU Capacity Building Investments Product, by evidencing, where applicable, the additionality and/or complementarity features the envisaged CBI Operation has versus similar products available on the market (if any).

Financial Intermediaries, in principle, shall aim to use CBI Operations to mobilise third party resources for the purpose of the or by using CBI Operations. Where applicable, they should provide a funding plan and/or business plan for attracting additional third party resources and shall report on an annual basis the amount of third parties resources raised for the purpose of the or by reason of CBI Operation.

The points below list the headings for the minimum information needed.

2. SOCIAL MISSION

- 2.1. Social mission and ESG policies and procedures in place;
- 2.2. Business strategy (e.g. positioning, strengths, core products, geographical areas/focus, origination volumes), market share, main competitors – current and outlook) to achieve social objectives both in general terms and with respect to Target Areas, social performance targets and social reporting data;
- 2.3. Non-financial services provided: what is offered, by whom, at which cost for the client, number of clients benefiting from non-financial services, how it is documented and what type of monitoring and follow-up is offered.

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3. COMPLIANCE WITH THE EU CODE OF GOOD CONDUCT (for Microfinance providers only)

For Microfinance providers only, in relation to the compliance with the EU code of Good Conduct for Microcredit Provision⁷, Financial Intermediaries shall provide:

- 3.1. Proof of signing-up or endorsement to the Code;
- 3.2. Implementation plan for obtaining the certification based on the self-assessment including timeline for implementation.

4. FINANCIAL INFORMATION

- 4.1. Annual reports (including full set of financial statements with independent auditors report) for the last three years (to be annexed to the Expression of Interest);
- 4.2. Minimum 3 years business plan/financial projections, including plans/measures for attracting additional third party resources, and underlying assumptions.

⁷ [European Code of Good Conduct for Microcredit Provision - Employment, Social Affairs & Inclusion - European Commission \(europa.eu\)](https://ec.europa.eu/eip/eu_code_of_good_conduct_for_microcredit_provision)

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Appendix 3 to the Expression of Interest

INFORMATION REQUIREMENTS UPON POSITIVE PRE-SELECTION

The points below list the headings for the information package needed for due diligence purpose and only upon positive pre-selection.

At the discretion of EIF, Applicants that have:

- (i) concluded a capacity building investment operation or guarantee or risk sharing transactions with EIF, or
- (ii) submitted an application for an EIF capacity building investment or guarantee or risk-sharing programme

and to the extent the required information is already held by EIF, may be exempted from the provision of qualitative and quantitative information or such provision may be limited only to the relevant updates or material changes and differences from the latest application to (or due diligence conducted by) EIF under such other EIF programme or transaction, as applicable.

1. FINANCIAL INTERMEDIARY'S ACTIVITY

1.1. General information on the Financial Intermediary:

- a) Description of the Financial Intermediary (date of establishment, number of employees capital structure and shareholders, banking group, organisational structure, distribution network, number of branches, etc.);
- b) Financial Intermediary's legal status, regulatory framework, capital framework⁸ and applicable regulations;
- c) Definition of the different internal business segments of the Financial Intermediary (in terms of indicators and thresholds defining such segments, e.g., number of employees, annual turnover or total assets, for enterprises, if applicable);
- d) Sources of funding, including grants (if applicable);
- e) Previous experience with EIF and/or other international financial institutions (IFIs) (such as EIB, EBRD, Council of Europe Development Bank, etc.) or NGOs (e.g. networking, participation in any national or regional initiatives, etc.).

1.2. Information, in the form of a questionnaire to be provided by EIF, on how Environmental, Social, Governance ('ESG') factors form part of the Applicant's business decisions;

1.3. General information on the current lending activity of the Financial Intermediary:

- 1.3.1. Business strategy (e.g. positioning, objectives, strengths, core products, geographical areas/focus, origination volumes), market share, main competitors – current and outlook, both in general terms and with respect to the Target Final Recipients;

⁸ If applicable, standardised approach, foundation IRB Approach, Advanced IRB Approach.

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1.3.2. Overview of the cost structure of the applicant;

1.3.3. Loan pricing policy.

2. OPERATING PRINCIPLES

2.1 Credit procedures: loan origination, approval process, credit risk assessment (internal scoring/rating), monitoring and risk management (including internal limits), delinquency management, recovery and restructuring procedures and provisioning policy;

2.2 Financial risk management: interest rate and foreign exchange exposure and management, asset and liabilities management, liquidity risk management (tools, limits in place, contingency plan, access to external credit line).

3. CAPACITY BUILDING PROJECT

3.1 Full description of the proposed capacity building project(s) and related implementation strategy: internally (financial projections, necessary investments in systems, human resources and operations, infrastructures, procedures, expected impact on the Target Final Recipients, etc.) and externally liaising with partners, marketing, etc., including an estimate of the expected timing for implementation.

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Appendix 4 to the Expression of Interest

KNOW YOUR CUSTOMER (“KYC”)

The EIB Group has in place a counterparty due diligence process⁹ 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 Policy¹⁰ 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 of Annex [●]



EIF Integrity
Questionnaire-GSIF_J.control



Ownership and
control structure char

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

⁹ Please refer to the EIB Group Anti-Money Laundering and Combatting the Financing of Terrorism Policy (<https://www.eib.org/en/publications/eib-group-anti-money-laundering-and-combatting-the-financing-of-terrorism-policy>)

¹⁰ Please refer to the EIB Group Policy towards weekly regulated, non-transparent and non-cooperative jurisdictions and tax good governance

Appendix 5 to the Expression of Interest

EIF TRANSPARENCY POLICY

Within the framework of the EIF's Transparency Policy¹¹ (the "EIF Transparency Policy"), 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 may publish information relating to the approval of relevant operations by the EIF.

The published information only indicates 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 approval, 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 not being published and, subject to any applicable confidentiality undertakings, only being made public in connection with the signature of the operation in question.

If 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.

¹¹ http://www.eif.org/news_centre/publications/EIF_Transparency_policy.htm?lang=-en