Part III.7 - SUPPLEMENTARY INFORMATION SHEET ON RISK FINANCE AID

*Please complete this supplementary information sheet, in addition to the 'General information' form, for the notification of any aid scheme covered by the Guidelines on State aid to promote risk finance investments ('RFG')[[1]](#footnote-1). Please consult paragraph 35 of RFG for definitions.*

*Please submit, together with this Supplementary Information Sheet, an in-depth   
“*ex ante *assessment” that proves the specific market failure or other relevant obstacle, and justifies how the notified scheme is necessary, appropriate and proportionate to address them*[[2]](#footnote-2).

1. Scope

1.1. Reasons for notifying the scheme:

(a)  The scheme does not comply with Regulation (EU) No 651/2014[[3]](#footnote-3). Please identify the provisions in the legal basis of the scheme that go beyond Regulation (EU) No 651/2014 and indicate which Regulation (EU) No 651/2014 provisions they go beyond:

(b)  The scheme does not comply with the *de minimis* Regulation[[4]](#footnote-4). Please indicate the reasons why:

(c)  The scheme does not comply with the market economy operator test at one or more levels (at the level of the investors, at the level of the financial intermediary and its manager, and at the level of the undertakings in which the investment is made) (See Commission Notice on the notion of Aid[[5]](#footnote-5); for loans, reference is made to the Communication on the Reference Rate[[6]](#footnote-6); for guarantees, reference is made to the Guarantee Notice[[7]](#footnote-7)). Please specify the reasons why:

(d)  The scheme does not contain aid and it is notified for legal certainty reasons.

1.2. Scope of the notified scheme: Please tick as appropriate to confirm:

(a)  The notified scheme is deployed through financial intermediaries or alternative trading platforms, except for fiscal incentives for direct investments in eligible undertakings (paragraph 22 of RFG).

Please provide the reference to the relevant provision of the legal basis:

(b)  The notified scheme excludes large companies, except for middle-capitalisation firms (“mid-caps”) that are either small mid-caps or innovative mid-caps (paragraph 23 of RFG).

Please provide the reference to the relevant provision of the legal basis:

(c)  The notified scheme excludes risk finance aid to companies listed on the official list of a regulated market (paragraph 24 of RFG).

Please provide the reference to the relevant provision of the legal basis:

(d)  The notified scheme involves participation from independent private investors (paragraph 25 of RFG).

Please provide the reference to the relevant provision of the legal basis:

(e)  The notified scheme provides that, as regards asymmetric risk-reward sharing between the State and private investors, there is a substantial risk incurred by private investors or the State receives a reward on its investment (paragraph 26 of RFG).

Please provide the reference to the relevant provision of the legal basis:

(f)  The notified scheme cannot be used to support buy-outs (paragraph 27 of RFG).

Please provide the reference to the relevant provision of the legal basis:

(g)  The notified scheme provides that no risk finance aid will be granted to undertakings in difficulty, as defined in the Guidelines on State aid for rescuing and restructuring non-financial undertakings in difficulty[[8]](#footnote-8) (Please note that under the RFG, SMEs that have been operating in any market for no longer than the eligibility period fixed in Article 21 of Regulation (EU) No 651/2014 that qualify for risk finance investments following due diligence by the selected financial intermediary will not be considered as undertakings in difficulty, unless they are subject to insolvency proceedings or fulfil the criteria under their domestic law for being placed in collective insolvency proceedings at the request of their creditors) (paragraph 28(a) of RFG).

Please provide the reference to the relevant provision of the legal basis:

(h)  The notified scheme excludes aid to undertakings that have received illegal aid that has not yet been fully recovered (paragraph 28(b) of RFG).

(i)  The notified scheme does not concern aid to export-related activities towards third countries or Member States, namely aid directly linked to the quantities exported, the establishment and operation of a distribution network or to other current costs linked to the export activity, as well as aid contingent upon the use of domestic over imported goods (paragraph 29 of RFG).

(j)  The notified scheme does not make aid subject to the obligation to use nationally produced goods or national services; does not violate the freedom of establishment, where the aid is subject to the obligation for financial intermediaries, their managers or final beneficiaries to have or move their headquarters in the territory of the Member State concerned; and does not impose conditions which violate Article 63 of the Treaty pertaining to the free movement of capital (paragraph 41 of RFG)

2. Description of the scheme

2.1. Budget of the scheme:

(a) What is the total investment amount (including both the public and private part) per target undertaking over the whole investment cycle for each undertaking benefiting from the scheme (that is to say: not per annum)? Please specify the public and private part:

(b) What is the size of the annual budget of the scheme?

(c) What is the overall size of budget of the scheme for its entire duration?

(d) What is the size of the investment fund(s) set up under the scheme?

(e) Is the scheme to be co-financed by Union funds (InvestEU Fund, European Social Fund, European Regional Development Fund, other)? Please specify which Union fund:

2.2. Duration of the scheme:

(a) What is the duration of the scheme? (Please specify the dates of its entry into force and its end date)

(b) What is the envisaged duration of the investment period?

(c) What is the envisaged duration of the holding period?

(d) Are there different end dates for different forms of aid under the scheme?

2.3. Target undertakings which are the final beneficiaries of the notified scheme: The ex ante assessment[[9]](#footnote-9) demonstrates the need for the following undertakings to be targeted by the scheme as final beneficiaries (paragraphs 53 to 66 of RFG)

(a)  Small mid-caps (an undertaking that is not an SME and (i) whose number of employees does not exceed 499, calculated in accordance with Articles 3 to 6 of Annex I to Regulation (EU) No 651/2014, and (ii) whose annual turnover does not exceed EUR 100 million or whose annual balance sheet does not exceed EUR 86 million). With reference to the *ex ante* assessment, please provide a summary of its economic evidence and appropriate justification:

(b)  Innovative mid-caps as defined under Article 2 of Regulation (EU) No 651/2014. With reference to the *ex* ante assessment, please provide a summary of its the economic evidence and appropriate justification:

(c)  Undertakings receiving the initial risk finance investment while they have been operating in any market for longer than the eligibility period fixed in Article 21, paragraph 3, letter b, of Regulation (EU) No 651/2014. With reference to the *ex ante* assessment, please provide a summary of its economic evidence and appropriate justification:

(d)  Start-ups and SMEs requiring a risk finance investment (including public and private) of an amount exceeding the maximum amount of EUR 16.5 million per eligible undertaking fixed in Article 21 of Regulation (EU) No 651/2014. With reference to the *ex ante* assessment, please provide a summary of its economic evidence and appropriate justification:

(e)  Alternative trading platforms not fulfilling the conditions of Article 23 of Regulation (EU) No 651/2014. With reference to the *ex ante* assessment, please provide a summary of its economic evidence and appropriate justification:

(f)  Other:

With reference to the *ex ante* assessment, please provide a summary of its economic evidence and appropriate justification:

2.4. Financial instruments: the *ex ante* assessment demonstrates a need for the following design parameters not complying with Regulation (EU) No 651/2014 (paragraphs 82 to 88 of RFG):

(a)  Independent private investors' participation below the ratios required in Article 21, paragraph 12, of Regulation (EU) No 651/2014 (paragraphs 82 and 83 of RFG).

With reference to the *ex ante* assessment, please provide a summary of its economic evidence and appropriate justification:

(b)  Financial instruments with design parameters above the ceilings provided for in Article 21, paragraph 10, letters b (State first loss) and c (guarantee rate), Regulation (EU) No 651/2014, that is to say where the public investor takes more risk than allowed under Regulation (EU) No 651/2014 (paragraphs 84 and 85 of RFG).

With reference to the *ex ante* assessment, please provide a summary of its economic evidence and appropriate justification:

(c)  Financial instruments other than guarantees where investors, financial intermediaries and their managers are selected by giving preference to downside protection (i.e. protection against losses) over upside incentives (i.e. returns from profits (paragraphs 86 to 88 of RFG).

With reference to the *ex ante* assessment, please provide a summary of its economic evidence and appropriate justification:

(d)  Other:

With reference to the *ex ante* assessment, please provide a summary of its economic evidence and appropriate justification:

2.5. Fiscal instruments: the *ex ante* assessment demonstrates that the following design parameters which do not comply with Regulation (EU) No 651/2014 are required:

(a)  Fiscal incentives to corporate investors (including financial intermediaries or their managers acting as co-investors) (paragraphs 89 and 90 of RFG).

With reference to the *ex ante* assessment, please provide a summary of its economic evidence and appropriate justification:

(b)  Fiscal incentives to corporate investors for investment in SMEs via an alternative trading platform (paragraph 81 of RFG).

With reference to the *ex ante* assessment, please provide a summary of its economic evidence and appropriate justification:

(c)  Other:

With reference to the *ex ante* assessment, please provide a summary of its economic evidence and appropriate justification:

2.6. Private investors participating in the notified scheme with equity, loans or guarantees:

*(See the definition of “independent private investor” in Article 2 of Regulation (EU) No 651/2014).*

(a) Please provide the characteristics of the private investors participating in the measure (e.g. corporate investors, natural persons, etc.):

(b) Do the private investors provide equity, loans or guarantees at the level of the financial intermediary (e.g. fund of funds) or at the level of the final beneficiaries? Please specify the level and how much:

(c) Do the financial intermediaries implementing the scheme (see the following section 2.7.) also co-invest (and are hence to be considered also as private investors)?

Yes. Please specify:

No.

2.7. Financial intermediaries and entrusted entity implementing the notified scheme:

*(See broad definition of financial intermediary in paragraph 35(11) of RFG; it also includes funds with and without legal personality)*

(a) Please specify the nature of the financial intermediaries implementing the scheme:

(b) Does the implementation of the measure involve an 'entrusted entity' (as defined in paragraph 35(5) of RFG)?

Yes. Please give details:

No.

(c) Does the entrusted entity co-invest with the Member State out of its own resources?

Yes. Please provide the reference to the legal basis authorising the entrusted entity to make such co-investment:

No.

(d) How is the entrusted entity selected?

Through an open, transparent, non-discriminatory and objective selection procedure. Please specify:

Through direct appointment. Please explain the method for the calculation of its compensation for implementing the measure that ensures it is not overcompensated (paragraph 150 of RFG):

(e) Does the entrusted entity manage the fund(s) through which the funding is provided under the notified scheme?

Yes.  No.

(f) Characteristics of the management company in charge of implementing the measure at the level of the financial intermediary:

(g) In the case of several levels of financial intermediaries involved in the scheme (including funds of funds), please provide all relevant information for each level of financial intermediary:

2.8. Is any further party involved in the notified scheme (other than the public authority granting the aid, the target undertakings, the financial intermediaries, and the private investors)?

Yes. Please specify:

No.

2.9. Detailed description of the investment strategy and investment instrument(s):

* What is the investment strategy of the financial intermediary?
* Which public policy objectives are pursued with this investment strategy?
* Please attach a drawing to visualise the structure of the scheme and its instrument(s), indicating all parties involved, the size of their involvement, as well as, if appropriate, an annex summarising the overall design of the notified scheme.

* Please outline the design parameters to solicit private investors and financial intermediaries to manifest their interest in participating in the notified scheme, by replying to the questions in this section.

2.9.1. Financial instruments

*Risk finance aid measures in the form of financial instruments must:   
(1) be deployed through financial intermediaries (paragraph 22 of RFG) and   
(2) provide for the participation of private investors (paragraph 25 of RFG). Hence, those measures are composed of three levels: (i) a State intervention for financial intermediaries, (ii) investments by financial intermediaries into final beneficiary undertakings, and (iii) investment by private investors at either of the previous two levels.*

2.9.1.1. Intervention at the level of financial intermediaries

1. State intervention at the level of financial intermediaries

The State provides the following to financial intermediaries (Please tick and complete as applicable):

Equity (including quasi-equity) injection by the State at the level of the financial intermediaries

1. Please provide the following information:

* Terms of the equity injection (please include also a comparison with the market terms for such equity injection):

* Type of financial intermediary:

* Type of funding structure of the financial intermediary (e.g. investment fund with a percentage of private and public participation; fund of funds multi-stage structure with specialised sub-funds, public fund co-investing with private investors on a deal-by-deal basis) Please explain in detail:

1. In case of quasi-equity, please describe in detail the nature of the envisaged instrument:

1. If there is private participation at this level (e.g. private investors provide equity to the financial intermediary alongside the State):

* Please indicate the participation ratios of the public and private investors:

* Please indicate the type of preferential treatment envisaged for the benefit of participating private investors, as described in the call for expression of interest (please give details):

Upside incentives (obtaining better profits):

Downside protection (protection from losses):

* If non-*pari passu* loss-sharing features go beyond the limits set out in Article 21, paragraph 10, of Regulation (EU) No 651/2014, please provide economic evidence and justification, with reference to the *ex ante* assessment (paragraph 113 of RFG):

* If relevant, please indicate whether the first loss piece borne by the public investor is capped (paragraph 113 of RFG):

Yes. Please specify how that cap has been fixed:

No. Please explain:

1. Please describe how the instrument is designed to ensure alignment of interests between the financial intermediary's investment strategy and the public policy objectives:

1. Please provide a detailed explanation of the duration of the instrument or of the exit strategy underpinning the investment in equity, and how the exit is strategically planned by the public investor:

1. Other relevant information:

Funded debt instruments: loan instruments (hereafter 'loans') at the level of financial intermediaries

1. Please provide the following information:

* Type of loans (e.g. subordinated, portfolio risk-sharing) please provide details:

* Terms of the loans under the measure (please include also a comparison with the market terms for such loans):

Maximum size of the loan:

Maximum duration of the loan:

Collateral or other requirements:

Other relevant information:

1. Please provide reference to the relevant provisions of the legal basis that prohibit the use of the aid to refinance existing loans (paragraph 46 of RFG):

1. If private participation takes place at this level (e.g. private investors provide loans to the financial intermediary alongside the State):

* Please indicate the participation ratios of the public and private investors/lenders:

In particular, in case of portfolio risk-sharing loans, what is the co-investment rate by the selected financial intermediary? Please note that it should not be lower than 30% of the value of the underlying loan portfolio (paragraph 117 of RFG): The rate is …%

* Please describe the risk and reward sharing between the public and private investors or lenders:

Where the public investor/lender assumes a first loss position exceeding the cap set out in Regulation (EU) No 651/2014 (i.e. 25%), it needs to be justified by reference to a severe market failure identified in the *ex ante* assessment (paragraph 116 of RFG). Please provide a summary of such justification:

* If there are other risk-mitigation mechanisms for the benefit of the private investors/lenders, please explain:

1. What is the pass-on mechanism (as required by paragraph 106 of RFG) ensuring that the financial intermediary passes on the advantage it receives from the State to the final beneficiary undertakings? What requirements does the financial intermediary have to apply (e.g. in terms of interest rate, collateral, risk class) to the final beneficiaries (please provide very precise details)? Please also provide details as to what extent the portfolio to be built under the measure goes beyond the financial intermediary's standard credit risk policy.

1. Please describe how the instrument is designed to ensure alignment of interests between the financial intermediary's investment strategy and the public policy objectives:

1. Please explain in detail the duration of the instrument or of the exit strategy underpinning the investment in debt instruments, and how the exit is strategically planned by the public investor:

1. Other relevant information:

Unfunded debt instruments: guarantees by the State at the level of financial intermediaries on underlying transactions with final beneficiaries

1. Please provide reference to the relevant provision of the legal basis that requires that eligible transactions covered by the guarantee must be newly originated eligible risk finance loan transactions, including lease instruments, as well as quasi-equity investment instruments, to the exclusion of equity instruments (paragraph 118 of RFG):

1. Do the guarantees to financial intermediaries cover a portfolio of underlying transactions and not a single underlying transaction?

Yes.  No.

1. Type of guarantee:

Capped: guarantee cap is …%

(Please note that this cap applies to portfolios held by financial intermediaries and it is recommended that the cap rate does not exceed 35% (paragraph 120 of RFG); Please provide reasons for that rate:

Moreover, tick to specify whether:

(a)  The cap rate only covers expected losses; or

(b)  The cap rate covers also unexpected losses; In this case, please show how the pricing of the guarantee reflects this additional risk coverage:

Uncapped; in that case, please justify the need and how the pricing of the guarantee reflects this additional risk coverage by the guarantee:

* Counter-guarantee (guarantee to guarantee institutions)
* Other: please specify:

…

1. Guarantee rate (percentage of loss coverage by the public investor of every underlying transaction (See definition in paragraph 35(18) of RFG and please note that the guarantee rate must not exceed 90% (paragraph 119 of RFG)): …%;

Please give the reason for this level of coverage:

1. Underlying transactions covered by the guarantee:

* Nature of the underlying transactions:

* Total nominal size of the underlying transactions (in EUR):

* Maximum nominal amount of the underlying transaction per final beneficiary:

* Duration of the underlying transactions:

* Other relevant characteristics of the underlying transactions (risk rating, other):

1. Please describe the other features of the guarantee (please include also a comparison with the market terms for such guarantee):

* Maximum duration of the guarantee:

(Please note that this should normally not exceed 10 years (paragraph 121 of RFG))

* Please provide reference to the relevant provision in the legal basis that stipulates that the guarantee must be reduced if the financial intermediary does not include a minimum amount of investment in the portfolio during a specific period, and that commitment fees are required for unused amounts:

* Is a guarantee fee envisaged?

Yes.  No.

Please specify which party will have to pay the guarantee fee:

Please describe in detail the pricing:

* Other:

1. What is the pass-on mechanism (as required by paragraph 106 of RFG) ensuring that the financial intermediary passes on the advantage it receives from the State to the final beneficiary undertakings? What requirements does the financial intermediary have to apply (e.g. in terms of interest rate, collateral, risk class) to the final beneficiaries? Please provide very precise details. Please also detail to what extent the portfolio to be built under the measure goes beyond the financial intermediary’s standard credit risk policy.

1. Please describe how the instrument is designed to ensure alignment of interests between the financial intermediary’s investment strategy and the public policy objectives:

1. Please provide a detailed explanation of the duration of the instrument or of the exit strategy underpinning the investment in debt instruments, and how the exit is strategically planned by the public investor:

1. Other relevant information:

Other financial instruments (please describe):

1. Intervention by financial intermediaries in further levels of financial intermediaries

There may be situations (including fund of funds structures), whereby, for instance, the State provides equity, loans or guarantees to a financial intermediary, which, in turn, provides equity, loans or guarantees to a further financial intermediary, which eventually provides risk finance investments to final beneficiaries. In such cases where there is a second, or further levels of financial intermediaries involved in the scheme, please provide all relevant information required in section 2.9.1.1.A) on Equity / Loans / Guarantees / Other financial instruments, as applicable, for each additional level of financial intermediary:

2.9.1.2. Risk finance investment by financial intermediaries in final beneficiaries

The risk finance investment in the final beneficiaries takes the following form (Please tick and complete as applicable):

Equity (incl. quasi-equity) investment by the financial intermediaries in final beneficiaries

(a) In case of quasi-equity, please describe in detail the nature of the envisaged instrument:

(b) Please provide the terms of the equity investment in detail (please include also a comparison with the market terms for that equity investment):

(c) Please describe all features of the investments to be made by the financial intermediary in detail, including the requirements that the investment strategy of the eligible financial intermediaries should comply with:

(d) Please provide a detailed explanation of the duration of the instrument or of the exit strategy underpinning the investment in equity:

(e) If private participation takes place at this level (e.g. private investors also provide equity to the final beneficiaries):

* Please indicate the private participation ratio:

* Please indicate the type of preferential treatment envisaged for the benefit of participating private investors, as described in the call for expression of interest (please give details):

Upside incentives:

Downside protection:

* If non-*pari passu* loss-sharing features go beyond the limits set out in Article 21, paragraph 10, of Regulation (EU) No 651/2014, please provide economic evidence and justification, with reference to the *ex ante* assessment (paragraph 113 of RFG):

* If relevant, please indicate whether the first loss piece borne by the public investor is capped (paragraph 113 of RFG):

Yes. Please specify how the cap has been fixed:

No. Please explain:

Funded debt instruments: loans by financial intermediaries to final beneficiaries

* Type of loans: please provide details:

* Terms of the loans under the measure (please include also a comparison with the market terms for such loans):

* Maximum size of the loan per beneficiary:

* Maximum duration of the loans:

* Please provide a detailed explanation of the duration of the instrument or of the exit strategy underpinning the investment in debt instruments:

* Risk rating of the final beneficiaries:

* Collateral or other requirements:

* Other relevant information:

* If private participation takes place at this level (e.g. private investors also provide loans to the final beneficiaries):

Please indicate the private participation ratio:

Please describe the risk and reward sharing between the public and the private investors:

In particular, if the public investor assumes the first loss, at what level is it capped? Capped at …%. (Please note that it is recommendable that such cap does not exceed 35% (paragraph 116 of RFG))

Where the public investor or lender assumes a first loss position exceeding the cap set out in Regulation (EU) No 651/2014 (i.e. 25 %), please justify this by reference to measures targeting exclusively start-ups and SMEs before their first commercial sale or at the proof-of-concept stage, by reference to a severe market failure identified in the *ex ante* assessment or other relevant obstacle (paragraph 116 of RFG) and please provide a summary for such justification:

If there are other risk-mitigation mechanisms for the benefit of the private investors/lenders, please explain:

Unfunded debt instruments: guarantees by financial intermediaries to final beneficiaries:

1. Please provide the nature and terms of the guarantees in detail (please include also a comparison with the market terms for such guarantees):

1. Please provide reference to the relevant provision of the legal basis that requires that eligible transactions covered by the guarantee must be newly originated eligible risk finance loan transactions, including lease instruments, as well as quasi-equity investment instruments, to the exclusion of equity instruments (paragraph 118 of RFG):

1. Please provide the nature and terms of the underlying transactions:

Other financial instruments

* Describe the financial instrument to be implemented with the measure:

* Provide a detailed description of all elements contained in section 2.9.1.2 above in so far as they are applicable to the chosen financial instrument:

2.9.2. Fiscal instruments:

*Please complete this entire section for each tax incentive. If the measure provides for multiple forms of tax incentive, please fill in the set of questions for each form of aid.*

* Tax incentive granted for:

(a)  Direct investments into undertakings

(b)  Indirect investments into undertakings (that is to say via financial intermediaries)

(c)  Indirect investments into undertakings made through an alternative trading platform

* Tax incentive granted to:

(a)  corporate investors

(b)  investors who are natural persons, for investments falling outside the scope of Regulation (EU) No 651/2014:

* Form of tax incentive:

(a)  income tax relief applicable on the taxable base

(b)  income tax break applicable on the tax liability payable

(c)  capital gains tax relief

(d)  dividend tax relief

(e)  other:

* Please describe in detail the conditions that the investment must fulfil in order to be able to benefit from the fiscal incentive:

* Please describe in detail the calculation of the tax incentive including: (i) maximum percentage of the invested amount that the investor can claim for the purposes of the tax relief, (ii) maximum tax break amount which can be deducted from the investor's tax liabilities, and (iii) maximum amount per each beneficiary:

* With reference to the *ex ante* assessment, please provide economic evidence and justification for the category of eligible undertakings (paragraph 123 of RFG):

* Please provide evidence that the selection of the eligible undertakings is based on a well-structured set of investment requirements, made public through appropriate publicity, and setting out the characteristics of the eligible undertakings which are subject to a market failure or another relevant obstacle (paragraph 125 of RFG):

* Maximum duration of the tax incentive foreseen:

*Please note that fiscal schemes should have a maximum duration of 10 years (paragraph 126 of RFG).*

(a) Is this tax incentive the prolongation of an existing measure?

Yes. Please provide the case number of the existing measure:

No.

(b) Does the total duration of the fiscal scheme (including its predecessor schemes, if any) exceed 10 years?

Yes  No

If yes, please specify whether:

* a new *ex ante* assessment has been carried out:

Yes  No

* the existing measure has been subject to an *ex post* evaluation:

Yes  No

(c) Please explain the specific characteristics of the national fiscal system that are relevant for a full understanding of the tax incentive:

(d) Please describe any related / similar / relevant fiscal incentives that already exist in the Member State as well as the interplay between them and the notified tax incentive:

(e) Is the tax incentive open to all investors fulfilling the applicable criteria, without discrimination as to their place of establishment (paragraph 128 of RFG)?

Yes  No

*Please provide proof of the adequate publicity regarding the scope and the technical parameters (incl. ceilings and caps, maximum investment amount) of measure (paragraph 128 of RFG):*

(f) Does the total investment for each beneficiary undertaking exceed the maximum amount of EUR 16.5 million per eligible undertaking fixed in Article 21 of Regulation (EU) No 651/2014 (paragraph 151 of RFG)?

Yes  No

(g) If this amount is higher, please justify this by reference to the market failure identified in the *ex ante* assessment:

(h) Are eligible shares full-risk, ordinary shares, which are newly-issued by an eligible undertaking as defined in the *ex ante* assessment, and must they be held for at least three years (paragraph 152 of RFG)?

Yes.

No. Please provide details:

(i) Is the relief available to investors who are independent from the company invested in (paragraph 152 of RFG)?

Yes.

No. Please provide details:

(j) In the case of income tax relief, what is the maximum percentage of the amount invested in eligible undertakings to which the relief can amount? Please note that capping the tax relief at 30% of the invested amount is considered reasonable (paragraph 153 of RFG): ……………%

Can the relief exceed the maximum income tax liability of the investor, as established prior to the fiscal measure?

Yes. Please provide details:

No

2.9.3. Measures supporting alternative trading platforms:

* Existing platform:

Yes.

No, to be newly established

* Is there a business plan demonstrating that the aided platform can become self-sustainable in less than 10 years (paragraph 129 of RFG)?

* Is or will the platform be a sub-platform or subsidiary of an existing stock exchange?

Yes. Please identify:

No

* Are there already existing alternative trading platforms in the Member State (paragraph 131 of RFG)?

Yes. Please identify:

No

* Is the platform set up by and operating across several Member States (paragraph 130 of RFG)?

Yes. Please specify:

No

Type of undertakings traded on the platform:

* Which percentage of the investment costs incurred for the establishment of the platform is being supported? State aid can be granted in order to cover up to 50 % of the investment costs incurred for the establishment of such a platform (paragraph 156 of RFG).

Please provide, together with this notification:

* Evidence that the majority of the financial instruments admitted to trading on the alternative trading platforms are or will be issued by SMEs.
* A copy of the business plan of the platform operator demonstrating that the platform can become self-sustainable in less than 10 years (paragraph 129 of RFG).
* Plausible counterfactual scenarios comparing the situations with which the tradable undertakings would be confronted in the absence of the platform in terms of access to the necessary finance (paragraph 129 of RFG).
* For existing platforms, a copy of the proposed business strategy of the platform that shows that, due to a persistent shortage of listings, and therefore a shortage of liquidity, the platform needs to be supported in the short-term, despite its long-term viability (paragraph 131 of RFG).

Form of the measure:

Fiscal incentives to corporate investors in respect of their risk finance investments made through an alternative trading platform in eligible undertakings: Please complete section 2.9.2 on Fiscal instruments above.

Support to platform operators:

* Platform operator is:

A small enterprise.

A larger than small enterprise.

* Maximum amount of the measure: … EUR.
* Is the maximum amount more than the start-up aid allowed under Regulation (EU) No 651/2014?

Yes  No

* Investment costs incurred for the establishment of the platform: …. EUR
* Does the aid to the operator exceed 50% of those investment costs (paragraph 156 of RFG)?

Yes  No

* Aid is allowed up to how many years of start-up of the platform?

* For platforms that are or will be a sub-platform or subsidiary of an existing stock exchange, please provide evidence for the lack of finance that such a sub-platform would face:

* Other relevant information:

3. Further information for the compatibility assessment of the aid scheme

3.1. Need for State intervention (section 3.2.2 of RFG)

(a) A risk finance aid scheme can only be justified if it is targeted at addressing the specific market failure or other relevant obstacle in access to finance demonstrated in the *ex ante* assessment[[10]](#footnote-10).

(b) Please submit the **in-depth *ex ante* assessment** that proves the specific market failure or other relevant obstacle, together with this Supplementary Information Sheet (paragraphs 50 and 56 of RFG).

3.1.1. Information on the ex ante assessment (section 3.2.1 of RFG):

(a) Date of the *ex ante* assessment:

(b) The assessment has been carried out by (paragraph 57 of RFG):

an independent entity

an entity linked to the following public authority:

(c) Evidence and methodologies on which the assessment is based (paragraph 57 of RFG):

(d)  Please tick to confirm that the *ex ante* assessment dates from less than 3 years preceding the notification (paragraph 57 of RFG):

(e)  The notified scheme is financed partially from the European Structural and Investment Funds and the assessment was prepared in accordance with Article 37(2) of Regulation (EU) No 1303/2013[[11]](#footnote-11) or Article 58(3) of Regulation (EU) 2021/1060[[12]](#footnote-12) (the Common Provisions Regulations) (paragraph 60 of RFG).

3.1.2. Ad facilitates the development of an economic activity (section 3.1 of RFG)

(a) Please identify the supported economic activity (paragraph 42 of RFG), including whether you consider it a high-risk or capital-intensive sector and why (paragraphs 75 and 77 of RFG):

(b) Please describe the nature of the market failure or other relevant obstacle and demonstrate its presence (paragraph 61 of RFG)

(c) Incentive effect: How does the notified scheme induce (i) the aid beneficiary and/or (ii) private investors, to change their behaviour by undertaking activities which they would not carry out without the aid or would carry out in a more restrictive manner (paragraphs 43 to 47 of RFG)?

3.1.3. Identification of the specific objectives and performance indicators for the notified scheme based on the results of the ex ante assessment (paragraphs 164 and 165 of RFG):

(a) Please list the identified specific objectives and make reference to the relevant section in the *ex ante* assessment:

(b) Please list the defined performance indicators (see examples in paragraph 164 of RFG) and make reference to the relevant section in the *ex ante* assessment:

3.1.4. Economic evidence and justification in the ex ante assessment for the need for State intervention (section 3.2.2 of RFG): see sections 2.3, 2.4, and 2.5 of this form.

3.2. Appropriateness of the notified scheme (section 3.2.3 of RFG)

3.2.1. General:

(a) By reference to the *ex ante* assessment, please explain why the existing and envisaged national and Union policy actions (paragraph 58 of RFG) targeting the same identified market failures cannot adequately address the identified market failures (paragraphs 92 and 93 of RFG):

(b) Please explain why the proposed State aid instrument has the most appropriate design to ensure an efficient funding structure (paragraphs 94 and 95 of RFG):

3.2.2. Appropriateness conditions for financial instruments (section 3.2.3.2RFG):

1. Minimum private investment ratios (paragraphs 97 to 99 of RFG):

* What is the minimum aggregate (that is to say total, including all levels) independent private participation rate in the risk finance investment in the final beneficiary?:

…. % of the risk finance (public and private) provided to the final beneficiary.

* In case of independent private investors' participation below the ratios required in Article 21, paragraph 12, of Regulation (EU) No 651/2014, please summarize the economic evidence and provide detailed justification for this ratio (as per paragraph 97 of RFG), with reference to the *ex ante* assessment:

* Is private participation in the notified scheme of a non-independent nature acceptable (paragraph 98 of RFG)?

Yes. Please provide economic evidence and justification:

No.

* In the case of undertakings receiving the initial risk finance investment while they have been operating in any market for longer than the eligibility period fixed in Article 21, paragraph 3, letter b, of Regulation (EU) No 651/2014 at the time of the first risk finance investment (paragraph 99 of RFG) e, what adequate restrictions does the notified scheme contain?

* Does the private participation ratio amount to minimum 60% (paragraph 99 of RFG)?

Yes  No

2. Balance of risks and rewards between public and private investors (paragraphs 100 to 102 of RFG):

* Please explain why the allocation of risks and rewards between public and private investors as described above in the sections on the relevant financial instruments can be considered as balanced (paragraphs 100 to 102 of RFG):

3. Nature of incentives to be determined via selection of financial intermediaries, as well as fund managers or investors (paragraphs 103 and 104 of RFG)

Please confirm by ticking as appropriate:

1. Selection of financial intermediaries implementing the scheme:

(a) Each of the financial intermediaries is selected via an open, transparent and non-discriminatory process, through which the exact nature of incentives is determined.

Yes.

No. Please state the reason (explaining the selection of investors):

* Please describe the competitive process and describe how the process of selection complies with the requirements, including (i) selection criteria listed in the call for interest, (ii) evaluation grid used for screening and (iii) due diligence process:

* Please provide the reference to the relevant provision of the legal basis:

* Please describe how compliance with the conditions of commercial management and profit-oriented decision-making set out in Regulation (EU) No 651/2014 (Article 21, paragraphs 15 and 16 of Regulation (EU) No 651/2014) is ensured (paragraph 172 of RFG):

* Please provide evidence, and reference to the legal basis:

(b) As part of this selection process, financial intermediaries must demonstrate how their proposed investment strategy contributes to the achievement of the policy objectives and targets (based on the performance indicators identified in the *ex ante* assessment). Please submit, together with this notification:

* The documents submitted by each financial intermediary detailing its investment strategy, including pricing policy and how it contributes to each of the policy objectives and targets
* Please provide a detailed description of the mechanism foreseen in the notified scheme, by which the Member State will ensure that the investment strategy of the intermediaries remains at all times aligned with the agreed policy targets (e.g. via monitoring, reporting, participation in the representation bodies), and that material changes to the investment strategy require the prior consent of the Member State:

* Please also provide the reference to the relevant provision of the legal basis:

(c) The manager of the financial intermediary or the management company ('the manager') is chosen through an open, transparent, non-discriminatory and objective selection procedure or the manager's remuneration fully reflects market levels.

Yes

No. Please state the reason (including an explanation on the selection of investors):

* Please describe the competitive process and describe how the selection process complies with the requirements of this point:

* Please provide the reference to the relevant provision of the legal basis containing those requirements:

(d)  The managers of the fund of funds are required to legally commit as part of their investment mandate to determine via a competitive process the preferential conditions which could apply at the level of the sub-funds (paragraph 103 of RFG).

1. Selection of private investors

The private investors are selected via an open, transparent and non-discriminatory process through which the exact nature of incentives is determined (paragraph 103 of RFG).

* Please describe the modalities for identification and selection of private investors:

4. Co-investing financial intermediary or fund manager taking at least 10% of first loss piece (paragraph 105 of RFG)

* Where the financial intermediary or fund manager co-invest alongside the Member State, any potential conflict of interest should be avoided and they must take at least 10% of the first loss piece (paragraph 105 of RFG). Please confirm that this is the case (if applicable):

5. Pass-on mechanism in the case of debt instruments (loans or guarantees) (paragraph 106 of RFG):

(a)  The notified scheme provides for a pass-on mechanism (as described in section 2.9.1.1.A.) ensuring that the financial intermediary passes on the advantage it receives from the State to the final beneficiary undertakings. Please indicate the relevant provisions in the legal basis:

(b)  The pass-on mechanism includes monitoring arrangements, as well as a claw-back mechanism or an equivalent contractual mechanism. Please describe and indicate the relevant provisions in the legal basis:

3.2.3. Appropriateness conditions for fiscal instruments (section 3.2.3.3 of RFG):

*For the purposes of these requirements, the information you have provided under section 2.9.2 will be considered.*

* Please indicate any further information you consider relevant with regard to the appropriateness conditions:

3.2.4. Appropriateness conditions for measures supporting alternative trading platforms (section 3.2.3.4 of RFG):

*For the purposes of these requirements, the information you have provided under section 2.9.3 will be considered.*

* Please indicate any further information you consider relevant with regard to the appropriateness conditions:

3.3. Proportionality of the aid (section 3.2.4 of RFG)

3.3.1. Proportionality in relation to the identified market failure:

* For risk finance measures that concern financial instruments with independent private investor participation below the ratios provided for in Article 21, paragraph 12, of Regulation (EU) No 651/2014:

Please tick to confirm and provide a summary of the assessment demonstrating that the *ex ante* assessment provides a sufficiently detailed assessment of the level and structure of supply of private funding for the type of eligible undertaking in the relevant geographic area and demonstrate that the identified market failure or other relevant obstacle cannot be addressed with measures which fulfil all the requirements set out in Regulation (EU) No 651/2014 concerning private participation (paragraph 63 of RFG):

Summary:

* For risk finance investments of an amount exceeding the maximum amount per eligible undertaking of EUR 16.5 million fixed in Article 21(8) of Regulation (EU) No 651/2014:

Is this cap set out in Article 21(8) of Regulation (EU) No 651/2014 complied with?

Yes. Please specify:

No. Please specify:

If applicable, does the *ex ante* assessment quantify the funding gap (that is to say, the level of currently unmet demand for finance from eligible undertakings) due to the identified market failure or other relevant obstacle?

Yes. Please summarize the assessment and calculation applied demonstrating that the funding gap at the level of the eligible undertakings exceeds the above-mentioned maximum amount. Such quantification should be based on available best practices and methodologies allowing for the estimation of the extent to which there is an unmet demand for finance, from the targeted undertakings (paragraphs 64 and 65 of RFG):

No

If applicable, how is it ensured that the total amount of risk finance does not exceed the funding gap quantified? Please explain:

* Please describe how the total amount of risk finance (public and private) provided under the aid measure is proportionate (paragraphs 133 and134 of RFG):

* Please explain, by reference to the *ex ante* assessment, how the preferential treatment of private investors is limited to the minimum necessary to achieve the minimum ratios of private capital participation required by the scheme (paragraphs 135 and 136 of RFG):

3.3.2. Proportionality conditions for financial instruments (section 3.2.4.1 of RFG):

1. In relation to the financial intermediaries / fund managers:

* Is the exact value of incentives determined in the selection process of the financial intermediaries or fund managers (paragraph 137 of RFG)?

Yes  No

Please provide the following information on the remuneration of the financial intermediaries or fund managers (paragraph 145 of RFG):

* Does it include an annual management fee in accordance with the RFG (paragraph 145 of RFG)?

Yes

No. Please provide details:

* Does it include performance-based incentives, including financial performance incentives and policy-related incentives, in accordance with the RFG (paragraph 146 of RFG)?

Yes

No. Please provide details:

* Please specify what penalties are provided for in case the policy targets are not met:

* Please specify the performance-based remuneration and provide a comparison with market practice (paragraph 147 of RFG):

* Please specify the total management fees and provide a comparison with market practice (paragraph 148 of RFG):

* Is the overall fee structure evaluated as part of the scoring of the selection process and the maximum remuneration established as a result of that selection (paragraph 149 of RFG)?

Yes

No. Please explain why:

If the financial intermediary and its manager are public entities and were not selected through an open, transparent, non-discriminatory and objective selection procedure, please tick to confirm and provide evidence of the following:

(a)  Explain why you consider it was necessary to directly appoint an entrusted entity as financial intermediary or fund manager:

(b)  The public financial intermediaries are managed commercially and their managers take investment decisions in a profit-oriented manner at arm's length from the State. Please explain in particular the mechanisms established to exclude any possible interference by the State in the day-to-day management of the public fund:

(c) In the case of direct appointment of an entrusted entity, what is its annual management fee, excluding performance-based incentives?: ….% of the capital to be contributed to the entity. Please note that it should not exceed 3% (paragraph 150 of RFG).

2. In relation to the private investors:

* In the case of co-investment by a public fund with private investors participating on a deal by deal basis, are the private investors selected through a separate competitive process in respect of each transaction, so as to establish the fair rate of return (paragraph 139 of RFG)?

Yes. Please provide supporting evidence.

No.

* Where private investors are not selected through such a process, is the fair rate of return established by an independent expert on the basis of an analysis of market benchmarks and market risk using the discounted cash flow valuation methodology, and detailing the calculation of a minimum level of fair rate of return and an appropriate margin to reflect the risks (paragraph 140 of RFG), and are all conditions of paragraph 141 of RFG fulfilled?

Yes. Please provide the report in which the evaluation is contained, identify the expert, describe the existing rules for its appointment, and provide the relevant evidence:

No.

Please tick to confirm that the same independent expert cannot be used twice within the same 3-year period

* Please explain how the risk adjusted returns for the private investors are limited to the fair rate of return (paragraph 142 of RFG):

* Please explain, on the basis of the *ex ante* assessment, the economic justification for the specific financial parameters underpinning the measure:

3.3.3. Proportionality conditions for fiscal instruments (section 3.2.4.2 of RFG):

*For the purposes of these requirements, the information provided under section 2.9.2 will be considered.*

* Please indicate any further information you consider relevant with regard to the proportionality conditions: …

3.3.4. Proportionality conditions for alternative trading platforms (section 3.2.4.3 of RFG):

*For the purposes of these requirements, the information provided under section 2.9.3 will be considered.*

* Please indicate any further information you consider relevant with regard to the proportionality conditions: …

3.4. Avoidance of undue negative effects on competition and trade (section 3.2.5 of RFG)

* Please provide, as part of the *ex ante* assessment, information on the potential negative effects of the notified scheme. It should include the potential negative effects at all three levels, that is to say in the market for the provision of risk finance (e.g. the risk of crowding out of private investors), at the level of financial intermediaries and their managers, and at the level of final beneficiaries (including in the markets in which the beneficiaries are active):

* Does the notified scheme ensure that the only undertakings targeted with risk finance State aid are those that are potentially viable (paragraph 171 of RFG)?

Yes. Please describe how this is ensured and indicate the relevant provisions in the legal basis:

No

* Is the notified scheme geographically or regionally limited (paragraph 173 of RFG)?

Yes. Please specify:

No.

* Is the notified scheme limited in the legal basis (*de iure)* to specific sectors (paragraph 174 of RFG)?

Yes. Please specify:

No.

* Is the notified scheme in practice targeted at certain sectors?

Yes. Please specify:

No

* How are the negative effects minimised as much as possible?

3.5. Transparency (section 3.2.6 of RFG)

Please confirm that the Member State will comply with the requirements on transparency provided in section 3.2.6 of the RFG and the annex.

Yes

4. Cumulation of the aid

Risk finance aid may be cumulated with other State aid measures without identifiable eligible costs, or with *de minimis* aid, up to the highest relevant total financing ceiling fixed in the specific circumstances of each case by a block exemption regulation or a decision adopted by the Commission (paragraph 159 of RFG).

* Please tick to confirm compliance with this rule.
* Please provide reference to the legal basis:

* Please explain in what way is conformity with the cumulation rules achieved:

5. Other information

Please indicate here any other information you consider relevant to the assessment of the measure(s) concerned under the RFG:

1. Guidelines on State aid to promote risk finance investments (OJ C 508 of 16.12.2021, p. 1), available at <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52021XC1216(04)> . [↑](#footnote-ref-1)
2. See Section 3 of this Supplementary Information Sheet. [↑](#footnote-ref-2)
3. 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 (OJ L 187, 26.6.2014, p. 1, ELI: <http://data.europa.eu/eli/reg/2014/651/oj>). See in particular section 3 entitled “Aid for access to finance for SMEs” and its Articles 21, 21a, 22, 23, 24. [↑](#footnote-ref-3)
4. 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 (OJ L, 2023/2831, 15.12.2023, ELI: <http://data.europa.eu/eli/reg/2023/2831/oj>). [↑](#footnote-ref-4)
5. 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, OJ C 262, 19.7.2016, p. 1. [↑](#footnote-ref-5)
6. Communication from the Commission on the revision of the method for setting the reference and discount rates (OJ C 14, 19.1.2008, p. 6). [↑](#footnote-ref-6)
7. Commission Notice on the application of Articles 87 and 88 of the EC Treaty to State aid in the form of guarantees (OJ C 155, 20.6.2008, p. 10). [↑](#footnote-ref-7)
8. Communication from the Commission – Guidelines on State aid for rescuing and restructuring non-financial undertakings in difficulty (OJ C 249, 31.7.2014, p. 1). [↑](#footnote-ref-8)
9. The RFG (paragraph 50) require that an *ex ante* assessment be carried out and submitted for all notifiable risk finance measures. [↑](#footnote-ref-9)
10. The RFG require that an in-depth *ex ante* assessment be carried out and submitted for all notifiable risk finance measures (paragraphs 50-56). The RFG clarify the basic elements of such *ex ante* assessment (paragraphs 61-65, 164). [↑](#footnote-ref-10)
11. Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013 laying down common provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund, the European Agricultural Fund for Rural Development and the European Maritime and Fisheries Fund and laying down general provisions on the European Regional Development Fund, the European Social Fund, the Cohesion Fund and the European Maritime and Fisheries Fund and repealing Council Regulation (EC) No 1083/2006 (OJ L 347, 20.12.2013, p. 320). [↑](#footnote-ref-11)
12. Regulation (EU) 2021/1060 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 (OJ L 231, 30.6.2021, p. 159). [↑](#footnote-ref-12)