



Implementation of the GBER – efficient and pragmatic feedback to the ongoing GBER consultation

Brussels, 8.12.2021

General remarks

We welcome the opportunity to submit comments on the draft-amending regulation to the General Block Exemption Regulation published on 6 October 2021.

The State aid Temporary Framework (TF) has demonstrated to be a highly effective tool to support the economies within the EU Member States during the economic crisis proving that the European Commission has displayed a high degree of pragmatism and speed in adopting these rules. We believe that this pragmatism and efficiency should also be the guiding principles in this review.

NPBIs as well as guarantee institutions have played a key role in supporting the economy throughout these difficult times, as is well demonstrated by the long list of crisis measures that was compiled in these months¹. However, NPBIs and guarantee institutions also have long-standing experience with the EU state aid regime beyond the overall crisis reaction. NPBIs support the economy in the EU through promotional loans and other financial instruments, such as guarantees, and are important tools when supporting the transition towards a greener, more resilient, sustainable and digital European economy. This is evident as key policy goals of the EU as a whole are already supported and being implemented today.

This long experience builds the basis for the numerous suggestions you will find below. We would hope that the revised EU state aid regime will continue to thrive towards minimising the administrative burden for all parties involved, that the European Commission will continue to thrive for pragmatic solutions, thus keeping the spirit of the TF alive, carrying it into the future and allowing it to support the enormous transformation of the economy in the coming decades.

In this respect the draft review prepared by the European Commission does take an important step in the right direction and as such, contains many valuable proposals, such as in Art. 41 paragraph 6, taking the total investment costs as a point of reference.

Nonetheless a number of proposals are deemed problematic by our members and not all existing issues are tackled by the proposed review. As such, we very much welcome the possibility to provide the EC with our joint feedback based on the decades of experience of our members on the ground and we hope that many of the very concrete proposals made in this position paper will be positively considered by the European Commission, allowing us to jointly contribute to a better future, in the same spirit as we were able to join forces in tackling the economic crisis caused by the COVID pandemic.

¹ <https://www.eltia.eu/images/2020.06.17 - ELTI NEFI AECM - Coronavirus COVID-19 Support Measures.pdf>

Specific remarks of overarching nature:

1. **Undertakings in difficulties (UiD):** The experience gained from the COVID pandemic has taught us that the current rules provide insufficient legal certainty in relation to this legal term. We would urge the European Commission to provide for greater clarity of this term, not only in relation to SMEs.

In this respect we suggest that the definition be supplemented by sub-definitions with regard to the terms used. In our opinion, this would considerably increase the transparency of the UiD term and, above all, its correct application in practice and thus leading to increased legal certainty. As it stands, the current clarification provided when speaking of SMEs that make use of risk finance aid does not currently meet this need.

- *Definition of losses:* In the case of a limited liability company one of the indicators describing the undertaking is in difficulty says, “*more than half of its subscribed share capital has disappeared as a result of accumulated losses*”. In practice, this indicator has led to very ambiguous results, not depending on the whole amount of capital, but rather as a result of its structure (see the example in annex 1). Accordingly, it should be considered whether this indicator can be replaced by a certain minimal rate of equity ratio (equity / total assets or equity/ total liabilities and equity).
- *Status of Sole traders/ owners:* We would welcome clarification on how to determine the status of the undertaking in difficulty when the borrower is a sole trader (BrE)/sole proprietor (AmE)/sole owner, since in practice the criteria listed under article 2(18)(b) cannot be applied to these forms of enterprises.
- *Linked undertakings:* It should be clarified how to determine the status of an undertaking in difficulty – considering the definition of “single undertaking” in article (2) of the *de minimis* Regulation – when the borrower is part of a single economic unit that is comprised of several economic entities having different legal statuses (e.g. limited liability company, share holding company, sole proprietorship). Questions may also arise related to identifying a common source of control or when identifying relationships among enterprises that are linked via a natural person or group of natural persons acting jointly. It is unclear whether they are considered linked only if they engage in their activity or in part of their activity in the same relevant market or in adjacent markets, as is the case when checking their SME status according to annex I of the GBER.
- *Insolvency criteria:* Clarification would be welcomed also in relation to the criteria that “*the undertaking is subject to collective insolvency proceedings or fulfils the criteria under its domestic law for being placed in collective insolvency proceedings at the request of its creditors*”. For example, how should this criterion be applied when, rather than the borrower itself, another entity/enterprise that is a part of the same single undertaking, is subject to collective insolvency proceedings? Can one enterprise receive the aid under GBER, if another enterprise that is a part of the same single undertaking, undergoes collective insolvency proceedings or fulfils the criteria under its domestic law for being placed in collective insolvency proceedings at the request of its creditors? We suggest to only apply this criterion to the enterprise that is the receiver of the aid. On the contrary, when it comes to the criteria that “*the undertaking has received rescue aid and has not yet reimbursed the loan or terminated the guarantee, or has received restructuring aid and is still subject to a restructuring plan*”, it should be clarified that no enterprise that is part of the same single economic unit can receive the aid under GBER, as long as any enterprise in the same group fulfils the criteria.
- *Subordinated loans:* Subordinated loans are used by many medium-sized and young enterprises as a financing instrument and are therefore accepted as a substitute for equity

under national insolvency law. In this context, we also propose to explicitly recognise subordinated loans as economic equity in the context of the UiD definition. Against this background we would urge the EC to reconsider its formal argumentation to focus exclusively on the accounting of such instruments as equity or debt according to international accounting standards, without considering the economic effects of subordinated loans. Subordinated loans are certainly suitable for mitigating or ending threatening situations of companies. Subordinated loans with subordination are hybrid financing instruments that have equity characteristics. This is also in line with the view of banks and auditors, who classify subordinated loans as "economic equity" precisely because of their special character.

- *Extension of temporary funding possibilities:* Furthermore, we propose to amend the current wording in Art. 1(4)(c) to the effect that the expiry of the temporary funding possibilities for UiD on the basis of the GBER is extended until 31 December 2022. This is particularly important for companies that were relatively well-funded at the beginning of the crisis, but whose reserves may decline in the coming months. (e.g. as a result of pandemic-related disruptions in supply chains or possible restrictions in the autumn/winter).
- *Extending UiD derogation for RDI aids to start-ups:* young start-ups generally invest very high amounts, in relation to their income, in the fields of research, development and innovation. This can lead to losses which result in these companies falling into the category of "companies in difficulty". However, this temporary imbalance is inherent to the development model of innovative start-ups especially in the case of deep tech companies with long investment cycles (biotech, health, microelectronics sectors...). The GBER provides for a derogation of start-ups in difficulty under five years of age in order to qualify for aid under the scheme for start-ups (article 1(4)(c)). However, this scheme offers limited possibilities in terms of maximum aid amounts, which have not been raised since the establishment of this scheme and thus do not take into account the evolution of technologies and current market needs. It is therefore proposed to extend this 'UiD derogation to RDI aids' to start-ups, limiting this possibility to companies which are less than 7 years old or at least 5 years old.

As indicated by both the EU's industrial strategy and the European initiative for start-ups and scale-ups, we need to encourage the emergence of deep tech start-ups at the European level in order to meet the challenges related to economic sovereignty and twin transition. It is all the more important that EU start-ups are facing competition from US and Chinese enterprises which benefit from a much larger public funding support and/or a more developed venture capital ecosystem.

- As for the exemption of the 'UiD rule in the context of article 21' as stipulated in article 1 (4.)(c), it is not clear why aids should be limited to financial intermediaries (albeit this is not always the case) without mentioning final beneficiaries.
2. **Completion of the investment:** The definition in article 2(m) which introduces the new point 47a implies that each project must be completed no later than three years after the start of the works, unless the national authorities provide for an even shorter period. This is restrictive and will cause difficulties for larger projects lasting longer than three years.
 3. **Threshold for publication:** In article 9.(1)the GBER, the EC proposed de facto to lower the threshold for state aid publication from the current EUR 500,000 to EUR 100,000 in the future. We do not understand the reasoning for this major change indicated in the proposal nor the

apparent benefit². On the contrary, the additional bureaucratic burden would be detrimental to the aim of facilitating state aid procedures, especially for SMEs, and also raises the question of proportionality. Furthermore, the TAM module would need to be considerably updated and revised, given it currently already reaches a de facto limit when datasets of 5,000 or more entries are being uploaded at national level. Finally, too large additional data requirements that would need to be made available, would de facto lead to less transparency.

4. **Article 21 on risk finance aid:** It is mentioned that “*neither Member States nor entrusted entities shall invest directly into the eligible undertakings without the involvement of a financial intermediary*”. This new disposal completely changes the existing rules under this article. We do not see the rationale for excluding NPBIs of being both the entrusted entity and financial intermediary for risk finance aid. This enables a more direct and time-efficient process for delivering risk finance aid to final beneficiaries. In addition, other aids covered under the GBER do not provide for such exclusion. We would therefore strongly advocate for keeping the existing wording in article 21.
5. **Tender process:** Both, article 36a (4) and art 36b (4) envisage a “competitive bidding process” that needs to fulfil several conditions. Such a provision does not take into account the concept of promotional programmes that many NPBIs offer to the final beneficiaries and as such are not deemed suitable. Additionally, and especially in view of article 36b, it remains unclear what the obligation comprises concretely and how it is to be translated into practice. The issue of proportionality here also arises in light of the large additional bureaucratic burden and the risk of sunk costs. Such an obligation could especially deter SMEs from re-using promotional loans or other promotional offers by NPBIs, thus undermining key policy goals of the EU itself. Thus, we recommend, if at all, to keep the bidding procedure optional, such as in article 36 (6)(a) or in article 41 (10) as well as to increase the intensity of state aid accordingly.
6. **Aid intensity:** Article 4 (1) (ja) sets out a notification threshold for investment aid for testing and experimentation infrastructures. It is stated that the GBER should not apply for investment aid in the cases of testing and experimentation infrastructures which exceed € 15 million per infrastructure. Furthermore, the aid intensity for testing and experimentation infrastructures set out in article 26 (5) is limited to 25% of the eligible costs. In light of the fact that testing and experimentation activities are still characterised by risk and uncertainty, which makes public funding essential to overcome market failure, we invite the EC to assess the aid intensity of the eligible costs.
7. **New definition of independent private investor (Point 72)** The proposed wording risks increasing divergences among Member States in terms of access to funding as well as widening the gap between the usually-larger and more developed markets and the smaller or underdeveloped markets. Furthermore, the wording does not help to level the playing field between NPBIs and the EIB group or other supra national institutions, as the EIB group’s funding does not constitute State aid. In our members’ view the EIB, the EIF and similar supra national entities should in this context be considered “private investors”. The EIF runs a variety of programmes combining its own resources (from other mandates) with NPBI resources on a pari-passu basis that are being undertaken by private stakeholders as financial intermediaries under the market conform conditions which are aimed mainly at incentivising private investments. However, some financial instruments (i.e. VC funds, pre-seed VC funds etc.) are

² It is noted that as presented in the Commission Staff Working Document on the Fitness Check Evaluations (SWD(2020) 258 final), this finding in terms of the effectiveness of the SAM reforms, states in annex 2: that the EUR 500,000 ceiling is seen as appropriate by 54% of respondents, while 30% of respondents consider that the ceiling is too low.

not yet present in some markets or only to a lesser extent. This also means that it is extremely difficult to secure private funding (as local institutional investors are not keen on investing in alternative funds) than in some more developed markets. In such cases it may be increasingly possible that the fund is unable to secure private funding at first closing and it is therefore imperative that the funding from EIB/EIF, considering the procedures under which such funding is allocated, may be considered as private investor funding. We therefore propose to remove the newly-inserted wording in paragraph 72.

In addition, the newly proposed definition of independent private investors should not exclude national promotional banks and institutions altogether:

- NPBIs can operate at market terms in accordance with the market test operator criteria meaning the investment of own resources and pari-passu thus sharing the same level of risks and profits as other investors. This should be taken into account within the definition. The same logic should apply for NBPIs debt and guarantee products when they are priced at market conditions.
 - Based on their acknowledged expertise and professional skills in private equity investment, NBPIs manage an increasing number of equity funding on behalf of private investors. Such NPBI funds managed on behalf of a majority of private investors (including NBPIs own resources as skin in the game) should therefore be recognised as private investment.
8. **Cumulation of aid:** The rules applicable to the cumulation of aid in the GBER are increasingly complex to monitor due to the extension of the scope of the regulation and as a result of the number of its aid regimes. Additionally, the final beneficiaries do not want (and should not need) to understand the complexity of the GBER framework and therefore do not have the capacity to help in this regard. A simplified approach should be sought to alleviate the bureaucracy related to the cumulation of aid.

SME specific issues:

9. **SME-specific thresholds:** The pandemic has demonstrated the need for higher thresholds especially for SMEs; e. g. under article 4 (1) (c), e. g. for investment support in accordance with article 17. Such an adaptation to the current regulation is unfortunately missing in this review. We urge the European Commission to consider raising the thresholds. Furthermore, we plead for a clearer wording of the provision in article 17 (6) (c):

*“Where the aid intensity is calculated on the basis of paragraph 2, point (c), the maximum aid intensity shall not exceed the most favourable amount **for the undertaking** resulting from the application of that intensity on the basis of investment costs or wage costs.”;*

10. **Incentive effect:** Article 6 contains provisions on the incentive effect. In general, the process described under this article is time-consuming and bureaucratic. There is a lot of information to be made available, hence the procedure does not correspond to a simplification of the processes but instead leads to a considerable increase in bureaucracy. With regard to SMEs, some simplifications apply in accordance with article 6 (5) (b) of the Regulation, provided that the other necessary requirements of the Regulation are met. In this case, the aid is not required to have or be deemed to have an incentive effect. We believe that this simplification should cover all schemes in favour of SMEs, particularly in article 17 ‘Investment aid to SMEs’. We do not consider it appropriate to differentiate between aid to SMEs in any other way.

11. **Three-year obligation:** With respect to the changes proposed for article 17 we see a number of issues relating to their implementation, especially for SMEs. As such, we would welcome further clarification concerning paragraph 4 d) relating to the three-year obligation. It is contradictory to market practice for banks or other lenders to check with their customers after three years whether the conditions are fulfilled. A 'self-declaration of cancellation' triggered at inception could be an option, but it would once again increase the bureaucratic burden.
12. **Aid for business start-ups:** In the event of company takeovers, there are also cases in practice where a small enterprise, whose entry in the commercial register dates back no more than five years, takes over another small enterprise whose entry in the commercial register also dates back to no more than five years. In our opinion, these takeovers should also be eligible for funding. Against this background, we propose the following wording in article 22(2)(a):
- "(a) they have not taken over the business of another undertaking whose registration in the commercial register dates back more than five years."*
13. **Eligible costs:** The same article 17 (3) of the Regulation defines the eligible costs of the investment aid, whereas point (3)(b), clarifies that in order to be considered an eligible cost for the purposes of this article, an investment shall consist of an acquisition of assets belonging to an establishment that has closed or would have closed had it not been purchased. From our point of view this condition is not appropriate since it is very restrictive, which makes it difficult, in some cases, to set up new businesses. This is especially the case for follow-up financing. Therefore, we consider that the analysis should rather focus on the creation of a new entity, which would be made possible by the recognition of the costs as eligible. Moreover, we would like to point out that according to article 17 (3) of the Regulation, the sole acquisition of the shares is not considered investments. We do not consider this restriction justified. In such situations, when seen from an economic point of view, there is indeed an investment as well. In the same way that we do not see why this aid regime should limit support to company investments in new products / services and exclude modernisation of tangible / intangible assets, we know that this is key to enhance EU competitiveness and that there is a major lack of investment on that front.
14. **Annex 1 on "SME definition":** Capital consolidation rules applicable to SMEs are among the most complex to implement. There are a rising number of start-ups in Europe and their source of equity funding is increasingly diverse (ranging from start-up studios, family offices, corporate venture funds, VC funds etc.). Rules should be simplified to take into account these new market trends and to enable stronger EU support towards these innovative companies that are key for Europe's competitiveness and economic development.
15. **Article 5 paragraph 2 on transparency of aid:** We fully understand the principle of transparency of aid but the proposal to publish on a website (or equivalent) the full or partial price discounts for innovation advisory / support services along with the rules in accordance with which SMEs may apply for and be selected sound disproportionate compared to other aid regimes of the same nature, thus strongly limiting public support in this field.
16. **Innovation aid:** We suggest updating article 28 paragraph 2 of the GBER by expanding the eligible costs to innovation aid for SMEs as follows:

"The eligible costs shall be the following:

a) costs for obtaining, validating and defending patents and other intangible assets;

b) costs for secondment of highly qualified personnel from a research and knowledge-dissemination organisation or a large enterprise, working on research, development and innovation activities in a newly-created function within the beneficiary and not replacing other personnel;

c) costs for innovation advisory and support services;

d) costs for prototyping, miniaturization, scaling-up, design, performance verification, testing, demonstration, development of pilot lines, validation for market replication, including other activities aimed at bringing innovation to investment readiness and maturity for market take-up."

This change would enhance the legal certainty and would provide more flexibility, acting in favour of innovation funding for SMEs, by making clear that advanced innovative projects led by SMEs could be financed through this article, and in particular via technology demonstration.

Environment / sustainability specific issues:

17. **Alignment with the EU Taxonomy:** The draft does not seem to offer the possibility of supporting enabling activities, despite evident market needs and the possibility to adopt a coherent approach with the EU taxonomy. We urge the EC to seriously consider such a possibility and stand ready for additional input in this respect. In this context, we consider the following to be eligible for support, amongst others:

- Production of renewable energy technologies,
- Production of equipment for the production and use of hydrogen,
- Production of low-CO₂ vehicles, rail vehicles and ships,
- Production of rechargeable batteries, battery packs and accumulators (and their related components) that lead to significant reductions in greenhouse gas emissions in transport, stationary and distributed energy storage and other industrial applications,
- Production of energy-efficient building equipment,
- Production of other low-carbon technologies that aim to significantly reduce greenhouse gas emissions in other sectors of the economy and demonstrably achieve significant life-cycle GHG emission savings compared to the best performing alternative technology or solution available on the market or to the best performing alternative product available on the market.

The measures correspond to points 3.1 - 3.6 of Annex 1, Annex to Delegated Regulation C (2021) 2800 final, p. 44ff.

18. **Renewable energy:** Article 43 paragraph 2a (new) indicates that aid to renewable energy communities shall be exempted from the notification requirement and applicable only for projects with an installed capacity of less than 1 MW undertaken by entities falling within the definitions put forward by the renewable energy community. We consider the capacity of 1 MW to be too low (especially for wind energy) so this number should therefore be increased.

19. **GHG accounting:** The manufacturing industry has often used raw and other materials that are already responsible for large amounts of GHG emissions during extraction / refinement. In our understanding, this is not reflected in article 47 GBER (new). We therefore assume that support under Article 36 of the GBER (new) is still possible.
20. **Additional investment costs:** Even though we welcome the clarifications in article 36 paragraph 1a as well as the changes made to paragraph 2a and to paragraph 5 of the same article, we believe that the obligation to determine additional investment costs sets excessive hurdles for the recipients of state aid. In order to achieve substantial simplifications, it should be possible to operate with subsidised loans with lowered maximum aid rates. In these cases, the additional investment costs would no longer have to be explicitly determined. Here, a qualitative examination of the characteristics of the planned project should be sufficient. Furthermore, the limitation of the aid intensity to 20% for CCUS projects is questionable.
21. **Harmonisation of Guidelines:** The proposed amendments regarding the rules on risk finance aid are, on the whole, well understood and agreed upon. This applies, in particular, to the reference on the entrusted entity in article 21(2) and the clarifications with regard to the eligible undertakings in paragraph 3. The new article 21a, which regulates tax incentives for private investors in more detail, and which were previously only mentioned in article 21(13)(a) GBER, also contributes to better clarity and transparency. Nevertheless, the rules for risk financing aid are still very complex and the handling in practice still has to prove itself, especially in the context of an overall view of the revised risk financing guidelines. In this context, we suggest that the explanations in section 2.1 "Market Economy Investor Principle" of the current Risk Capital Guidelines (2014/C 19/04) be included in the Notice on the concept of aid. This would help in the application and interpretation of article 21 et seq. GBER.
22. **Support of ESCOs (New Section 10):** We propose to insert a new section 10 referring to the support of ESCOs. State aid rules on energy efficiency measures in buildings regulate aid when investments are made by the owner or the user of the building. However, in the case of Energy Performance Contracts Guaranteed Savings models provided to building owners by ESCOs, investments are made by a third party on behalf of the owner of the building. As generally all measures (window replacement, roof isolation etc.) are related to the building, they are reflected in the growth of the value of the building owner's assets and not in the balance sheets of ESCOs. All of this renders the ESCO business capitally intense with a requirement of high liquidity of ESCOs. This also means that ESCOs that are SMEs are unable to compete for projects with larger companies especially when such companies belong to the energy sector. Since ESCOs have basically no assets, they are unable to provide suitable collateral for the loans they need to take in order to acquire new projects. In line with the intentions of paragraphs 6, 7 and 11 of the draft document, similar reasoning for specific compatibility provisions should be used also for the support for ESCO SMEs and thus contribute to the development of a functioning ESCO market.

Other remarks

23. **Aid for research and development projects:** The flat-rate funding mentioned in article 25 should not only refer to overhead and operating costs. In this context, the flat-rate financing of costs for instruments and equipment according to paragraph 3(b) should also be mentioned. In principle, the combination of several simplified cost options is also permissible and would even be desirable at this point.
24. **Obligation for public consultations:** Regarding the obligation to carry out public consultations regulated in article 36a (8), and with regard to the associated additional and implementation effort, we fear that not enough companies would participate in this consultation in advance in order to obtain an adequate representative result.
25. **Extension on the scope of Article 16 Regional urban development aid to projects funded under the Recovery and Resilience Facility:** Currently, Regional urban development aid can only be granted to projects co-financed by the European Structural and Investment Funds (ESIF). In our opinion, it should be made possible in the case of programmes funded under the Recovery and Resilience Facility. -. Taking into account our experience in the field of implementation of urban development programmes, we see the potential of using this State aid measure in the context of the implementation of recovery and resilience plans in the form of loan instruments. Regional urban development aid is the only regional State aid measure restricted to projects co-financed by ESIF (where in the case of regional investment aid there is no such condition). As such, the extension of the scope of article 16 is therefore justified.

Undertakings in difficulty

Classification depending on subscribed share capital and capital reserves

The following example demonstrates that an undertaking with higher share of subscribed share capital due to lower capital reserves (undertaking A) is considered to be an 'undertaking in difficulty', while an equal undertaking with lower subscribed share capital and higher reserves (undertaking B) is not considered to be an undertaking in difficulty.

Undertaking A

subscribed share capital	80.000 EUR
accumulated losses	70.000 EUR
loss for the year	4.000 EUR
CAPITAL / EQUITY	6.000 EUR
the value of indicator, calculated according to GBER	92,5 %
undertaking in difficulty	Yes

Undertaking B:

subscribed share capital	8.000 EUR
reserves	72.000 EUR
accumulated losses	70.000 EUR
loss for the year	4.000 EUR
CAPITAL / EQUITY	6.000 EUR
the value of indicator, calculated according to GBER	25 %
undertaking in difficulty	No

About the stakeholders:

European Association of Guarantee Institutions (AECM) has 48 member organisations operating in 31 European countries (23 EU countries plus Azerbaijan, Bosnia and Herzegovina, Kosovo, Serbia, Switzerland, Russia, Turkey and United Kingdom). Its members are mutual, private sector guarantee schemes as well as public institutions, which are either guarantee funds or Development banks with a guarantee division. They all have in common the mission of providing loan guarantees for SMEs who have an economically sound project but cannot provide sufficient bankable collateral. In the 2020, AECM member organisations had a total guarantee volume in portfolio of over 330.3 billion EUR supporting 5.2 million SMEs. European Association of Guarantee Institutions – AECM

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Interest Representative Register ID number: 67611102869-33

The **European Association of Public Banks (EAPB)** is the voice of the European public banking sector. EAPB represents, directly and indirectly, over 90 financial institutions with overall total assets of over € 3.500 bn and 15% market share of the European financial sector. EAPB members are national and regional promotional banks, municipality-funding agencies and public commercial banks across Europe. EAPB members provide financial services and funding for projects that support sustainable economic and social development with, amongst others, activities ranging from the funding of companies and the promotion of a greener economy to the financing of social housing, health care, education and public infrastructure at national, regional and local level.

European Association of Public Banks – EAPB
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Members of the **European Association of Long-Term Investors (ELTI)** a.i.s.b.l. represent an European-wide network of National Promotional Banks and Institutions who offer financial solutions tailored to the specific needs of their respective country and economy. Multilateral financial institutions complement the activities at national level with specific cross-border solutions or investments with an European impact. Following the specific public mission of each member the business model of each institution differs from country to country including different products and approaches. This is the same for multilateral ELTI members. The 31 ELTI members are major long-term investors and represent a combined balance sheet of Euros 2.4 trillion.

European Association of Long-Term Investors - ELTI
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The **Network of European Financial Institutions for Small and Medium Sized Enterprises (NEFI)**, which was founded in 1999, consists currently of 19 financial institutions from 19 European Union member states. In 2016 NEFI members actively supported and financed approximately 350 000 SMEs all over Europe with more than EUR 51 billion of financing mainly in the form of loans and guarantees. NEFI pursues the objective of following the financial, political and legal developments in the fields of European economic and financial policies and all measures adopted by the EU institutions which are relevant for promotional financial institutions focusing on the facilitation of SMEs' access to finance. NEFI serves as a contact for the European Institutions providing know-how and information on all matters concerning promotional banking.

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