

Poland: Investment Plan for Europe – EIB Group and Europejski Fundusz Leasingowy join forces to support financing for SMEs, micro-enterprises and female entrepreneurship

- **Securitisation of a leasing portfolio worth PLN 2.1 billion (approximately EUR 490 million) will unlock PLN 3.1 billion (approximately EUR 723 million) of additional funds for Polish companies**
- **The transaction is guaranteed by the EIB Group thanks to the Juncker Plan**
- **One third of the new leases benefiting from the Juncker Plan will be dedicated to women-led businesses**

The European Investment Bank Group (EIB Group), formed by the European Investment Bank (EIB) and the European Investment Fund (EIF), has participated in a synthetic securitisation in Poland originated by the leasing company Europejski Fundusz Leasingowy (EFL), a member of the Crédit Agricole (CASA) Group. The transaction supports new financing to SMEs, mid-caps and micro-enterprises in Poland. It is also expected to promote female entrepreneurship.

The transaction is guaranteed by the European Fund for Strategic Investments (EFSI), which is the financial pillar of the Juncker Plan. StormHarbour acted as arranger for EFL and Crédit Agricole CIB advised Crédit Agricole Group.

The EIB Group has provided EFL with a guarantee covering both the senior and mezzanine tranches of a PLN 2.1 billion (approximately EUR 490 million) SME portfolio. The mezzanine tranche of PLN 314 million (EUR 73 million) benefits from the support of the Juncker Plan under the EIB's mandate with the European Commission. The risks relating to the senior tranche of PLN 1.76 billion (EUR 410 million) is covered by the EIF under its own funds.

The mezzanine tranche supported by the Juncker Plan will promote female entrepreneurship in Poland. A target of 33% of the new financing made available by EFL under the guarantee provided by the EIB on the mezzanine tranche will be dedicated to women entrepreneurs and women-led businesses.

EIF Chief Executive Pierluigi Gilibert said: *“The EIF is delighted to be participating in the EIB Group’s synthetic SME securitisation agreement in Poland to support Polish SMEs. The Fund’s experience in mobilising investment, together with the Bank and the support of the Juncker Plan, gets validation by this new transaction with a trusted partner. By releasing regulatory capital through the securitisation of leases, EFL will enhance its capacity to provide SME financing at improved terms.”*

EIB Vice-President Lilyana Pavlova, who oversees operations in Poland and Cohesion countries, commented: *“Supporting small and medium-sized enterprises as drivers for economic growth is a core objective of the EIB Group. Promoting companies with strong female participation is equally important in order to foster a healthier and more dynamic business environment. By making sure that a relevant part of the new financing benefits female entrepreneurship, the EIB and EFL will contribute to the further development of the Polish economy.”*

EFL Chief Financial Officer Paweł Bojko said: *“This is the first synthetic transaction for EFL and we are very proud that after closing our first ever cash securitisation in 2017, we were able to explore another niche of the securitisation market this year. We appreciate the EIB Group’s trust in EFL and we are proud to pursue common goals for social aims in Poland, such as supporting SMEs and facilitating gender equality in business. The transaction will benefit not only the company itself but will also strengthen the CASA Group as a whole, helping to further develop the Group’s activities in Poland.”*

European Commissioner for the Economy, Paolo Gentiloni, said: *“With this collaboration, the European Union is helping micro-enterprises and small businesses in Poland to grow and create new jobs. With the backing of the Investment Plan guarantee, the agreement will see PLN 3.1 billion in new financing. I am especially pleased that a third of that money will be channelled towards women-led companies. This is a great initiative at national level with EU support.”*

Additional information about the transaction

- Thanks to the additional credit capacity generated by the EIB Group’s participation in the operation, EFL will contractually commit to generate four times the amount of the guaranteed portfolio in new EFSI eligible financing of new projects undertaken by Polish companies.
- This will translate into new financing made available to final beneficiaries for a total amount of up to PLN 3.1 billion of new SME financing, equivalent to EUR 723 million, of which PLN 1.76 billion (EUR 411million) made possible by the EIF and PLN 1.26 billion (294 million EUR) by the EIB. Such additional funding will improve the companies’ access to finance and trigger new investments, thereby contributing to employment, innovation and economic growth.
- The operation will support women entrepreneurship: businesses with more than a 50% share of female ownership and for which more than 50% of the company’s managers are women; or women leadership: businesses for which both the executive management and, when there is one, the board/investment committee consists of more than 50% women.
- The transaction is EFL’s second securitisation transaction conducted with the participation of the EIB Group, and the first one guaranteed by the Juncker Plan.
- The previous operation between the EIB Group and EFL, in the form of a Senior Tranche true sale securitisation, was signed in November 2017 and all the funds have been allocated to beneficiaries. About 80% of the allocations were made in Cohesion regions in Poland and 60% went to

micro-enterprises. It is expected that the new operation will have a similar uptake.

- This is also the fourth synthetic SME securitisation transaction in which the EIB and the EIF are jointly participating in Poland.

Background information

About EFL

EFL started operating in 1991 as one of the first leasing firms in Poland. Today it is a universal financial institution offering a wide range of complementary services: leases, loans, factoring, rental services and insurance. EFL is the pioneer in this sector in Poland. The company boasts a wide range of products, an effective infrastructure and highly qualified staff, and provides professional services to all market segments. EFL both supports the development of small and medium-sized enterprises and finances high budget transactions for corporate clients. The company has been part of the Crédit Agricole Group since 2011.

[Press release – EU rules to boost European crowdfunding platforms agreed](#)



The uniform set of criteria will apply to all European Crowdfunding Service Providers (ECSP) up to offers of EUR 5 000 000 (from EUR 1 000 000 proposed by the Commission), calculated over a period of 12 months per project owner, the agreed text says.

To enable small companies or start-ups to use the crowdfunding option, the shares of certain private limited liability companies, which are freely

transferable on the capital markets, were included in the scope of the legislation.

The legislation will be accompanied with additional safeguards and clarification on how investors should be informed of the consequences of their choices.

Protecting investors: clear information and transparency

Investors would be provided with a key investment information sheet (KIIS) drawn up by the project owner for each crowdfunding offer, or at platform level. Crowdfunding service providers would need to give clients clear information about the financial risks and charges they may incur, including insolvency risks and project selection criteria.

In addition, investors identified as non-sophisticated would be offered more in-depth advice and guidance, including on their ability to bear losses and a warning in case their investment exceeds either 1000 EUR or 5% of their net worth, followed by a reflection period of four calendar days.

Authorisation and supervision

Negotiators decided that a prospective ECSP would need to request authorisation from the national competent authority (NCA) of the member state in which they are established. Through a notification procedure in a member state, ECSP would also be able to provide their services cross-border. Supervision would also be carried out by NCAs with the European Securities and Markets Authority (ESMA) facilitating and coordinating cooperation between member states. ESMA's role, and to a lesser extent that of the EBA, was strengthened in areas such as binding dispute mediation, data collection from NCAs in order to produce aggregated statistics and development of technical standards.

Quotes

"I am satisfied that we came to an agreement on the final version. I hope that, in a couple of years, investors will see this agreement as a good 2019 Christmas gift", said [Eugen Jurzyca](#) (ECR, SK), rapporteur for crowdfunding regulation.

"This regulation will allow crowdfunding service providers to give SMEs, start-ups and innovative companies new opportunities. New projects will have better access to finance that will boost the real economy", said [Caroline Nagtegaal](#) (Renew, NL), rapporteur responsible for file on "Markets in financial instruments: crowdfunding service providers".

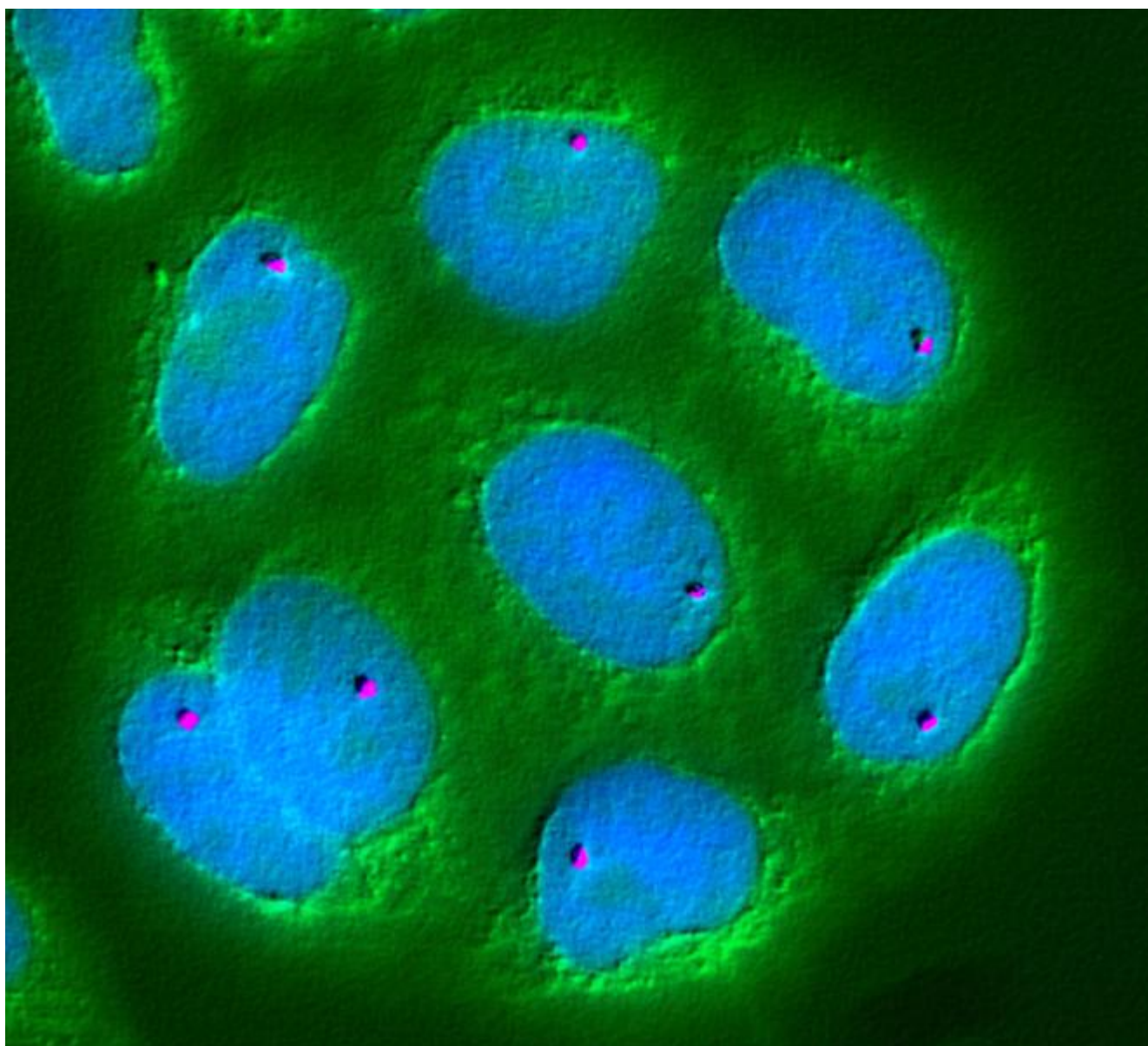
Next steps

Technical work on the text is now under way by the services of the three institutions. Afterwards, the agreement will have to be approved by the Economic Affairs Committee and the Parliament as a whole.

Background

Crowdfunding is increasingly an alternative form of finance for start-ups, as well as for small and medium enterprises (SMEs) at an early stage of company growth. A crowdfunding service provider operates a digital platform open to the public to facilitate prospective investors or lenders being matched with businesses that seek funding.

[France: Median Technologies announces the signing of EUR 35 million finance contract with the EIB](#)



- This finance contract will enable Median Technologies to accelerate its investment program for the iBiopsy® imaging phenomics platform
- Median expects the disbursement of the first tranche of € 15 million

during the first semester of 2020

The European Investment Bank (EIB) and Median Technologies, The Imaging Phenomics Company (Euronext Growth – ALMDT) announced today the signing of a EUR 35 million finance contract, supported by the European Strategic Investment Fund (EFSI) or “Juncker Plan”. News about ongoing negotiations for this loan was previously released on May 15, 2019.

This financing, divided into three (3) tranches, will enable Median Technologies to enhance and accelerate its iBiopsy® imaging platform investment program for the coming years. Median is a cutting-edge AI and data sciences technology provider for precision medicine. Through its proprietary iBiopsy® platform, Median is developing non-invasive imaging biomarkers to enable the identification of certain chronic disease – including cancer-signatures, to dramatically enhance early detection, severity quantification and monitoring of diseases. The objective is on one hand to guide clinicians in their therapeutic decisions in the context of precision and predictive medicine and, on the other hand, to provide disruptive decision tools to foster medical innovations and new therapy development.

Median will request the disbursement of the first tranche of € 15 million during the first semester of 2020. The contract then provides for the disbursement of the second and third tranches (of € 10 million each) in the coming years, at Median Technologies’ discretion, subject to the completion of certain conditions precedents specified in the finance contract. The repayment of this financing will occur, in a single installment, at the end of a five -year period after the disbursement date. The finance contract is supplemented by the payment of various interests and fees and by a guarantee granted by Median Technologies, Inc. (Median Technologies’ US subsidiary).

Pursuant to the warrants issuance agreement, Median Technologies will issue 800,000 warrants for the benefit of the EIB on the date of disbursement of the first tranche and, where appropriate, 300,000 additional warrants on the date of disbursement of the second tranche, at a subscription price of € 0.01. The exercise price of these warrants will be determined based on the price of one or more fundraising(s) of at least € 15 million carried out within 15 months after the subscription date to which an increasing discount will apply based on time, with a minimum of € 2 from the 16th month. The lifespan of these warrants is 15 years.

The warrants issuance agreement includes an exercise parity adjustment clause which could apply, under certain conditions, in case of capital increase. The EIB will be granted with the possibility, under certain conditions, to request Median Technologies to buy back its warrants for a maximum amount of € 50 million and, beyond that amount, to find a buyer and pay interests on the price of the remaining warrants. The total amount of warrants (for the two tranches) would represent up to 7.44 % of the share capital fully diluted.

The objective of this financing, granted by the EIB together with the European guarantee within the framework of the Juncker plan, is to support research and innovation projects developed by companies with substantial

growth potential. Median Technologies meets these criteria as its technologies have the potential to impact the lives of hundreds of thousands of patients worldwide.

The agreement was signed by the European Investment Bank and Fredrik Brag, CEO and co-founder of Median Technologies on December 18, 2019.

*“Through the Juncker Plan impulse, EIB has become a key player in financing innovative companies, in particular companies involved in the domains of Health and Artificial intelligence, which are the core activities developed by Median Technologies “, said **EIB Vice-President, Mr. Ambroise Fayolle.***

Fredrik Brag, CEO and co-founder of Median Technologies added: *“We are very pleased to announce the signing of the finance agreement with the European Investment Bank. The EIB financing will allow us to accelerate our investment in the development of our iBiopsy® platform with a strong focus in oncology and liver disease. We are the next generation precision medicine company focused on helping conquer cancer and other diseases through our proprietary routine imaging tests. These novel non-invasive imaging tests could dramatically impact early detection, diagnosis and monitoring of diseases. We leverage our capabilities in technology, artificial intelligence, clinical development, regulatory and reimbursement to drive the development and commercial adoption of our future iBiopsy® product line, improve patient clinical outcome and lower healthcare costs.”*

Background information

About Median Technologies: Median Technologies provides innovative imaging solutions and services to advance healthcare for everyone. We leverage the power of Imaging Phenomics to provide insights into novel therapies and treatment strategies. Our unique solutions for medical image analysis and management in oncology trials and iBiopsy® for imaging phenotyping, together with our global team of experts, are advancing the development of new drugs and diagnostic tools to monitor disease and assess response to therapy. Median Technologies supports biopharmaceutical sponsors and healthcare professionals around the world to quickly and precisely bring new treatments to patients in need. This is how we are helping to create a healthier world.

Founded in 2002, based in Sophia-Antipolis, France, with a subsidiary in the US and another one in Shanghai, Median has received the label “Innovative company” by the BPI and is listed on Euronext Growth market (ISIN: FR0011049824, ticker: ALMDT).

[Denmark: EIB partners with Chr. Hansen](#)

to support research and innovation in food



- EIB signs EUR 120 million financing agreement with bioscience company Chr. Hansen
- Project is a follow up of the [earlier collaboration](#) for innovative solutions in the food, nutritional, pharmaceutical and agricultural industries.

The European Investment Bank (EIB) has signed a EUR 120 million lending agreement with Danish bioscience company Chr. Hansen. The Danish company will use the financing to boost its research and development activities in two of its key areas of activity: food cultures and enzymes, and health and nutrition. It is expected that the project will lead to new, innovative products to the food and dietary supplements segments, such as probiotic solutions to sustain good health or cultures that can extend shelf life of fresh products.

The main point of the research is the use of enzymes and good bacteria to develop innovative solutions to reduce sugar, salt and fat content of foods, and prolong their shelf-life in an all-natural way. The research will focus on improving the stability of probiotic cultures, as well as protection methods for agricultural crops. Finally, the financing will support Chr. Hansen in exploring bacterial applications to human health in its Health and Nutrition division.

“Chr. Hansen has almost 150 years of experience, studying and commercializing the brilliance of nature in the form of good bacteria. We know that good bacteria play a fundamental role in keeping humans, animals and plants healthy and that these friendly microorganisms can help to address serious challenges such as food waste, antibiotic resistance and the need for more sustainable farming practices with less chemistry. The partnership with EIB allows us to keep pioneering science and create a sustainable food system from farm to fork.” stated **Søren Westh Lønning**, CFO of Chr. Hansen.

EIB Vice-President **Alexander Stubb** commented: *“Modern times have taken a toll on our lifestyles, which not only affects our physical wellbeing, but can have significant costs for society as a whole. Many Europeans struggle with their health, so apart from promoting healthier lifestyles, I think it is important to stimulate research in foods science and natural solutions that can improve this situation. The EIB is proud to support such an innovative company and, through Chr. Hansen, contribute to improving people’s lives.”*

The project not only strengthens European R&D, but will also have an impact on the safeguarding and creation of highly-skilled jobs in the EU. The main effort of the research will be carried out in Denmark, with smaller parts being performed in France and Germany.

Background Information:

Chr. Hansen Holding A/S is a global bioscience company founded in 1874 and based in Denmark. The company produces cultures, enzymes, probiotics and natural colours for the food and beverage industry, the human and animal health industries and the plant protection industry. Chr. Hansen owns one of the world’s largest commercial collections of bacteria (around 40,000 strains). The group has approx. 3,700 employees, customers in 140 countries and subsidiaries in more than 30 countries.

[Water reuse for agricultural irrigation: Council approves provisional deal](#)



Using reclaimed water for agricultural irrigation is good for the environment.

The EU is taking new measures to **reduce the risk of shortages of water** for irrigating crops. The EU ambassadors of the member states today endorsed the provisional agreement which had been found with the European Parliament on a regulation which will facilitate the use of treated urban waste water for agricultural irrigation. This endorsement clears the way for final adoption.

The rules will help Europe adapt to the consequences of climate change. The regulation, which is fully in line with the circular economy, will **improve the availability of water and encourage its efficient use**. Ensuring that enough water is available for the irrigation of fields, in particular during heatwaves and severe droughts, can help prevent crop shortfall and food shortages.

Given that the **geographic and climatic conditions vary greatly across member states**, a member state may decide that it is not appropriate to use reclaimed water for agricultural irrigation in part or all of its territory.

Member states may also decide to use reclaimed water for other uses such as **industrial water reuse** and for amenity-related and environmental purposes.

The regulation contains strict requirements for the quality of reclaimed water and its monitoring to ensure that **human and animal health as well as the environment are protected**.

Savings of water resources as a result of water reuse will be the subject of general awareness raising campaigns in member states where reclaimed water is used for agricultural irrigation.

The Commission is required to assess the need to **review the minimum requirements of the reclaimed water**, based on the results of an evaluation of the implementation of this regulation or whenever **new technical and scientific knowledge** so requires.

Background

Several member states have a long and successful experience in using reclaimed water for different purposes, including for agricultural irrigation. This is better for the environment than alternative water supply methods such as water transfers or desalination. The new rules will be particularly useful in regions where the demand for water still exceeds supply, despite preventive measures to lower demand. The existing EU rules on the hygiene of foodstuffs continue to apply and will be fully respected.

The European Commission adopted the proposal for a regulation on minimum requirements for water reuse on 28 May 2018 as part of delivering on the circular economy action plan. The European Parliament adopted its position on the proposal on 12 February 2019. The Council agreed its position (general approach) on 26 June 2019.

Negotiations with the European Parliament started on 10 October and ended in a provisional agreement on 2 December, which was confirmed by the EU ambassadors of the member states today. This paves the way for the formal adoption of the new rules, which will happen in 2020.

The regulation will then be published in the Official Journal of the EU, and will enter into force on the twentieth day after its publication. It shall apply from three years after the date of entry into force.