



EFSI Operation Scoreboard¹

<u>PROJECT PRESENTATION</u>	
<u>Project name</u>	MEDTECH RESEARCH AND DEVELOPMENT
<u>Promoter or financial intermediary</u>	[...]
<u>Country of implementation</u>	Germany
<u>Summary project description</u>	The project concerns the company's research and development (R&D) in medical technology [...].

¹ This Scoreboard of indicators reflects the information presented to the EFSI Investment Committee (IC) for its decision on the use of the EU guarantee for this operation. Therefore, the document does not take into account possible developments that could have occurred after this decision. Parts of this document that fall under the exceptions for disclosure defined by the EIB Group Transparency Policy, notably under the articles 5.5 (protection of commercial interests) and 5.6 (protection of the Bank's internal decision-making process), have been replaced by the symbol [...].

PROJECT PILLAR ASSESSMENT

Pillar 1

Contribution to EU policy	Significant
EFSI	
Contribution to EFSI	100.00%
EFSI: Research, development and innovation	100.00%
Projects that are in line with Horizon 2020	100.00%

Pillar 2

Quality and soundness of the project	Excellent
1. Growth	[...]
2. Promoter capabilities	[...]
3. Sustainability	[...]
4. Employment	[...]

This pillar evaluates the quality and soundness of the operation. This pillar is composed of four indicators which include:

- (i) "Growth" i.e. for example and where relevant the economic rate of return ('ERR'), which considers the project's socioeconomic costs and benefits, including its spillover effects;*
- (ii) "Promoter capabilities" i.e. the capacity of the promoter/intermediary to implement the project and create the expected impact at the [final] beneficiary level;*
- (iii) "Sustainability" i.e. environmental and social sustainability²;*
- (iv) "Employment" i.e. the project's direct employment effect.*

Pillar 3

EIB Technical and financial contribution to the project	Moderate
1. Financial contribution	[...]
2. Financial facilitation	[...]
3. Advice	[...]

This pillar measures the EIB's particular contribution to the project and its financing scheme in the form of financial and non-financial benefits which go beyond what commercial players would normally be able to offer. This dimension of value added is assessed through three indicators:

- (i) "Financial Contribution" i.e. improving the counterpart's funding terms compared to market sources of finance (interest rate reduction and/or longer lending tenor),*
- (ii) "Financial Facilitation" i.e. helping to attract private financiers (for example through positive signaling effects), promoting synergies in co-financing with other public sources of funds including National Promotional Banks or EU financial instruments,*
- (iii) "Technical Contribution and Advice" i.e. providing advice with a view to optimizing the financing package (financial structuring), or technical advisory services in the form of expert input / knowledge transfer – provided in-house by the EIB or in the form of assignments to external consultants – to facilitate the preparation or implementation of a project.*

² For additional information on the EIB's assessment of the project's environmental and social aspects, please refer to the project's Environmental and Social Data Sheet (ESDS) published on the EIB website.

Pillar 4 – Complementary indicators

Additionality

The project supports RDI (Research, Development and Innovation) activities [...] for the development of products and services for European patients. The operation directly contributes to EFSI RDI objectives and Horizon 2020 (i.e. biotechnology and medical technologies, boosting European industries' competitiveness and innovation).

The operation addresses a structural market failure in the sector and ensuing sub-optimal investment situation. While continued RDI is pivotal for medical technology development, the perceived riskiness of the sector hinders its access to long-term finance. Medical RDI activities are inherently risky, characterised by high upfront payments, uncertainty of outcomes and returns, stiff competition, evolving technological environment, high degree of public regulation and constrained health budgets. In addition, the beneficiary, which is an innovative and high-growth company, strongly relies on its in-house RDI activities as it competes against significantly larger players on a global scale and consequently lacks the size and financial strength of its competitors.

The operation presents high-risks related to the sector and the planned investment project and falls under EIB Special Activities. Without EFSI, it would not have been financed, or not to the same extent and conditions. The EIB lending tenor, unavailable in the market, is commensurate with the investments' timeframe.

The EFSI financing will support a new counterpart for the Bank and accelerate its RDI strategy, helping it maintain its competitiveness and pinpoint its market position and expected growth, as well as positive externalities generated including for employment.

EIB's financing, under EFSI, will send a positive signal to other lenders and investors on the company's investment strategy, thereby crowding-in further financing at favourable terms. It will also back the RDI industry and know-how in Europe in the area of health and medical technology.

Set of indicators related to the macroeconomic environment

Germany - Economic environment

Economic Performance

	DE	EU	US	DE
	2016	2016	2016	2001-2007
GDP per capita (EUR, PPS)	36,232	29,440	42,615	32,614
GDP growth (%)	1.0	1.9	1.6	1.4
Potential GDP growth (%)	1.8	1.3	2.1	1.3
Output gap (% of potential GDP)	-0.15	-0.75	-0.03	-0.27
Unemployment Rate (%)	3.9	8.2	4.7	9.4
Unemployment Rate (%) - Y/Y change (% points)	-0.5	-0.8	-0.3	0.06
Bank-interest rates to non-financial corporations (%)	1.3	1.4	1.8	4.1
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	-0.15	-0.21	-1.4	-0.04
Investment rate (GFCF as % of GDP) - Total	20.0	19.7	19.6	19.9
Investment rate (GFCF as % of GDP) - Public	2.1	2.7	3.4	2.0
Investment rate (GFCF as % of GDP) - Private	17.9	17.0	16.2	17.9

General Sector Indicators

	2013	2014	2015	2016	EU (latest available)
Value added in Manufacture of furniture; other manufacturing (% of total)	--	--	--	--	0.7
Employment in Manufacture of furniture; other manufacturing (% of total)	--	--	--	--	0.9

Research, development and innovation

	2013	2014	2015	2016	EU (latest available)
Gross domestic expenditure on R&D (GERD) (% of GDP)	2.8	2.9	2.9	--	2.0
Gross domestic expenditure on R&D (GERD) distance to EU 2020 target (% of GDP)	0.18	0.11	0.13	--	0.07
Research and development expenditure - Government (% of GDP)	0.42	0.43	0.43	--	0.24
Research and development expenditure - Higher education (% of GDP)	0.51	0.51	0.6	--	0.47
Research and development expenditure - Business (% of GDP)	1.9	2.0	2.0	--	1.3
Research and development expenditure - Private non-profit sector (% of GDP)	--	--	--	--	--
Eco-innovation index (EU =100)	132.0	134.0	129.0	--	100.0

- Country average for "GDP per capita (EUR, PPS)" is calculated in real terms
- EU value for "Bank-Interest rates to non-financial corporations" corresponds to Euro Area average; Country average is the simple average between 2003 and 2007
- The EU value is displayed as the value in the year that corresponds to the latest value of the indicator in a particular country

Other indicators³

Key project characteristics

	Expected at PCR
Start of works	01.01.2018
End of works	31.12.2021
Project investment cost	393.00 MEUR
EIB/EFSI eligible investment mobilised	393.00 MEUR
External EFSI multiplier	2.62
External EIB (non-EFSI) multiplier	
Amount of private financing	93.00 MEUR
Quick start (% of expenditure during 2015-2018)	
Co-financing with national promotional banks	150.00 MEUR
Co-financing with structural funds (ESIF)	0.00 MEUR
Co-financing with other EU instruments (i.e. Horizon 2020, Connecting Europe Facility, etc)	
Energy efficiencies realised	0.00 MWh/a
Climate Action indicator	
Employment during construction - temporary jobs	2,400 person years
Employment during operation - new permanent jobs	0 FTE

³ For additional information on the EIB's assessment of the project's environmental and social aspects, please refer to the project's Environmental and Social Data Sheet (ESDS) published on the EIB website. The abbreviation PCR stands for Project Completion Report.