



EFSI Operation Scoreboard¹

PROJECT PRESENTATION	
<u>Project name</u>	CREDIT MUTUEL ALLIANCE FEDERALE CO-FINANCING
<u>Promoter or financial intermediary</u>	BANQUE EUROPEENNE DU CREDIT MUTUEL CREDIT INDUSTRIEL ET COMMERCIAL And any other subsidiary of the Crédit Mutuel Alliance Fédérale as Financial Intermediary
<u>Country of implementation</u>	France
<u>Summary project description</u>	<p>The proposed linked funded risk sharing operation (under partial delegation) with Crédit Mutuel Alliance Fédérale would support loans to large SMEs and Mid-Caps, especially targeting SMEs and Mid-Caps (i) located in cohesion regions or (ii) considered as innovative. The portfolio of newly originated loans will be non-granular.</p> <p>The EIB has already done several operations with Crédit Mutuel Alliance Fédérale (especially with Banque Fédérative du Crédit Mutuel (“BFCM”) as a Borrower) to support SMEs and Mid-Caps over the last few years. The proposed transaction would be the first funded risk-sharing operation with Crédit Mutuel Alliance Fédérale targeting SMEs and Mid-Caps, and the first operation of this type in France.</p> <p>In addition to improving access to finance for SMEs and Mid-Caps, the project will contribute to the following lending objectives:</p> <ol style="list-style-type: none"> a. Innovation (20%) b. Cohesion Regions (20%)

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5.5 (protection of commercial interests) and 5.6 (protection of the Bank’s internal decision-making process), have been replaced by the symbol [...].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
Cross-cutting objectives	
EIB Cohesion Priority Regions / Economic and Social Cohesion	20.00%
Climate Action	2.00%
EFSI	
Contribution to EFSI	100.00%
EFSI: Research, development and innovation	20.00%
Projects that are in line with Horizon 2020	20.00%
EFSI: Financial support through the EIF and the EIB to entities having up to 3 000 employees	80.00%
Provision of working capital and investment	80.00%

Pillar 2

Quality and soundness of the project	Good
1. Capacity and soundness of the Intermediary and quality of the operating environment	[...]
2. Increasing access to finance and improving financing conditions including for final beneficiaries	[...]
3. 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	Significant
1. Financial contribution	[...]
2. Financial facilitation	[...]

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

In line with the EFSI objective of supporting entities having up to 3,000 employees, the operation shall support SMEs and Mid-Caps in France, for which access to finance remains limited, especially targeting those (i) located or investing in Cohesion Regions (minimum 20%) and/or (ii) presenting innovative features (minimum 20%). The operation will thus also contribute to the Union priorities on convergence and social cohesion.

Thanks to EFSI, this will be the first operation dedicated to SMEs and Midcaps with a special target on innovation and cohesion, hence expanding the number of products/initiatives offered by the EIB in respect of SME & Midcap financing. The financing will be deployed by Crédit Mutuel Alliance Fédérale, a bank with a strong market position in the SME and Mid-cap lending segment in France implying significant potential in terms of reaching underserved final beneficiaries. [...].

Thanks to EFSI, this operation addresses an existing financing gap by supporting working capital and investments of SMEs and Mid-Caps, thus contributing to sustainable growth and stimulating employment. The transaction, building upon EIB's expertise in the field of risk sharing via co-financing, is expected to catalyse new private funding to eligible SMEs and Midcaps as Crédit Mutuel Alliance Fédérale will co-finance each underlying loan with EIB. Effective and efficient deployment through financial intermediation will thus make it possible for the EIB to support a large number of SMEs and midcaps, which would otherwise not be able to secure financing at adequate terms.

The transaction will qualify as Special Activities considering the high-risk profile of the underlying SMEs and Midcaps; the transaction will especially target SMEs and Midcap with implicit rating in the cross-over or sub-investment grade area. Thanks to the support of EFSI, EIB can intervene in such a high-risk operation, spurring Crédit Mutuel Alliance Fédérale's new lending capacity to SMEs and Mid-Caps. Without EFSI, the EIB would not be able to provide such support and reach out to the French SME and Mid-Cap market segment in such volumes.

Set of indicators related to the macroeconomic environment

France - Economic environment

Economic Performance

	FR 2016	EU 2016	US 2016	FR 2001-2007
GDP per capita (EUR, PPS)	30,910	29,440	42,615	30,572
GDP growth (%)	1,2	1,9	1,6	1,9
Potential GDP growth (%)	1,1	1,3	2,1	1,8
Output gap (% of potential GDP)	-1,3	-0,75	-0,03	1,9
Unemployment Rate (%)	10,1	8,2	4,7	8,5
Unemployment Rate (%) - Y/Y change (% points)	-0,1	-0,8	-0,3	-0,19
Bank-interest rates to non-financial corporations (%)	1,2	1,4	1,8	3,5
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	-0,19	-0,21	-1,4	0
Investment rate (GFCF as % of GDP) - Total	21,9	19,7	19,6	21,7
Investment rate (GFCF as % of GDP) - Public	3,4	2,7	3,4	3,9
Investment rate (GFCF as % of GDP) - Private	18,4	17,0	16,2	17,8

SME/midcap

	2013	2014	2015	2016	EU (latest available)
Share of SMEs with Access to Finance Difficulties (%)	24,2	22,6	21,2	13,4	20,9
Availability of Private equity (Thousand euro)	8,902,096	10,753,230	11,899,567	12,456,799	50,091,574
Availability of Venture Capital (Thousand euro)	639,937	570,907	796,020	816,630	4,035,807

- 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
EIB/EFSI eligible investment mobilised	420.00 MEUR
External EFSI multiplier	2.80
External EIB (non-EFSI) multiplier	
Amount of private financing	270.00 MEUR
Sum of number of employees of all final beneficiaries (no additionality) (Relative to the SME/Mid-Cap share)	26,250
Allocation volume dedicated to SME/ Mid-Caps	100.00 %
Co-financing with national promotional banks	0.00 MEUR
Co-financing with structural funds (ESIF)	0.00 MEUR
Co-financing with other EU instruments (i.e. Horizon 2020, Connecting Europe Facility, etc)	0.00 MEUR

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. If applicable, a difference between the amount of Project investment costs and EIB/EFSI eligible investment mobilized might derive from the fluctuation of the underlying exchange rate.