



EUROPEAN GUARANTEE FUND

EGF at a glance

The EIB Group set up the **€24.4 billion European Guarantee Fund (EGF)**, backed by 22 Member States, to help businesses weather the economic impact of COVID-19 and get back on track after the shock - and support innovation and transformation.

The EGF is part of the €540 billion EU recovery package agreed in 2020 by European leaders. It is the **largest crisis mechanism** that the EIB Group – European Investment Bank and European Investment Fund - has put on the market, enabling immediate impact.

Speed was essential to support European businesses - the first EGF transaction was signed in December 2020, only nine months after the European Council's endorsement of the EGF.

How EGF works

EGF is deployed through several products that have been adapted from existing EIB Group instruments. It derives from the European Investment Bank Group's rich experience to meet the needs caused by the pandemic.

The EGF products are:

- risk sharing, including guarantees to be deployed by national promotional institutions: at least 75% of EGF financing
- equity and equity-type instruments (including venture debt): up to 25% of EGF financing.

EGF in figures

354

finance contracts signed by February 2022 in participating countries, in less than 14 months from the first signature

End 2021, EGF had reached

€23.2bn

in approved investments about **95%** of available resources in little over a year

SMEs are on track to receive **at least 65%**

of the investment mobilised, mid-caps and larger corporates up to **28%**

and innovative companies will receive up to **7%**

as equity investments mobilised

Investments are set to reach **all 22 participating member states.**

On average, the geographical distribution of approved transactions exceeds 0.23% of the participating countries' GDP

These investments are expected to mobilise **close to 8 times the lending level, or**

€174.6bn

in total financing and investments