



## The Romania EAFRD Fund of Funds Portfolio Risk Sharing Loan ("PRSL" or "Financial Instrument")

### OPEN CALL FOR EXPRESSION OF INTEREST TO SELECT FINANCIAL INTERMEDIARIES UNDER THE PRSL (Reference number: Call for EoI – EAFRD-FOF-RO 2018/4)

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The objective of this Call for Expression of Interest (the "Call"), launched by the European Investment Fund ("EIF"), is to select eligible financial institutions to become Financial Intermediaries under the Romania EAFRD Fund of Funds (the "Romania EAFRD FoF" or the "FoF"), as further described below.

All applications under EAFRD-FOF-RO 2018/4 (each an "Expression of Interest") to be submitted to the EIF should conform to the Call.

In addition to this explanatory document, the Call contains the following documents:

- Annex I: Expression of Interest to be completed by applicants, including Appendices 1-3
- Annex II: Financial Intermediaries' Selection Criteria
- Annex III: Indicative term-sheet of the PRSL, including Appendices I – IV
- Annex VI: Terms of Confidentiality

#### 1. Background

According to the conclusions of the ex-ante assessment entitled "Ex-ante Assessment for Financial Instruments within NRDP 2014-2020" and its updates (the "Ex-ante Assessment") and approved by the Ministry of Agriculture and Rural Development ("MARD") on 9 September 2016, a market failure was identified in the provision of finance to farmers and rural entrepreneurs in Romania, which results in a gap between the supply and demand for financing agriculture and non-agricultural activities in rural areas - an amount estimated to be around EUR 2.4 billion.

As an instrument to address the market failure evidenced in the Ex-ante Assessment, the Government of Romania (the "Member State" or "MS"), represented by the Ministry of Agriculture and Rural Development has entrusted EIF under a Funding Agreement with the creation of a fund-of-funds (the "FoF") within the meaning of Article 2 (27) of the CPR (as defined below) with the object of addressing the above market failure by facilitating access to finance to Final Recipients in cooperation with selected Financial Intermediaries active in the MS market and improving funding conditions for local farmers and rural entrepreneurs through the implementation of the Financial Instrument. The FoF is financed by the European Agricultural Fund

for Rural Development (“EAFRD”) from the National Rural Development Programme (“NRDP”), in an amount of EUR 87,769,438 and is co-financed by the MS out of its national budget and resources in an amount of EUR 6,106,049.

Relevant rules for implementing the Financial Instrument are primarily stipulated in the CPR, the Delegated Act, the Implementing Regulation and the EAFRD Regulation (respectively as defined below) and applicable Romanian law and regulations.

This Call is addressed to credit or financial institutions, whether public or private, which are interested in receiving resources out of the FoF, as Financial Intermediaries for the implementation of the PRSL, which shall be carried out in accordance with the contractual agreements to be entered into by the EIF and the selected Financial Intermediaries (“Operational Agreement(s)”).

On a continuous basis until the Deadline (as described below), EIF will select eligible financial institutions to become Financial Intermediaries under the FoF.

The objectives and main indicative terms of the Operational Agreements to be entered into between EIF and the Financial Intermediaries pursuant to the FoF are further described in Annex III to this Call.

## **2. Eligible Financial Intermediaries**

The EIF shall select one or more Financial Intermediaries to implement the PRSL in accordance with the procedure described in section 6 below. The selection of Financial Intermediaries shall be made on a continuous basis, taking into account the above as well as the resources available from time to time, and shall be based on a specific set of criteria.

This Call is addressed and restricted to public or private credit or financial institutions, in each case, duly authorised to carry out lending activities according to the applicable legislation which shall be in all cases established and/or operating in Romania.

Eligible financial institutions shall comply with relevant standards and applicable legislation on the prevention of money laundering, the fight against terrorism and tax fraud to which they may be subject and shall not be established, and shall not maintain business relations with entities incorporated, in territories whose jurisdictions do not co-operate with the European Union in relation to the application of the internationally agreed tax standard, or their tax practice do not follow the Commission Recommendation of 6 December 2012 regarding measures intended to encourage third countries to apply minimum standards of good governance in tax matters (C(2012)8805). For the avoidance of doubt, this includes jurisdictions that have been placed on the EU list of non-cooperative jurisdictions for tax purposes, as adopted by the Council of the European Union.

Financial institutions shall acknowledge the EIF Anti-Fraud Policy which sets out the policy of EIF for preventing and deterring corruption, fraud, collusion, coercion, obstruction, money laundering and terrorist financing (please refer to [http://www.eif.org/news\\_centre/publications/anti\\_fraud\\_policy.htm?lang=-en](http://www.eif.org/news_centre/publications/anti_fraud_policy.htm?lang=-en)) and shall take appropriate measures (as may be further specified in the Operational Agreements) to (i) facilitate implementation of such policy as well as to (ii) undertake to support investigations performed by the EIF in connection with actual or suspected prohibited conduct.

## **3. Language and governing laws**

The Expression of Interest (in the form attached in Annex I to this Call) shall be prepared in English.

The terms of the Operational Agreements shall be in English. The Operational Agreements shall be governed by the laws of Luxembourg.

#### 4. Application procedure

Financial institutions interested (“Applicants”) in applying under this Call should submit an application (the “Expression of Interest”) to EIF by the Deadline to be considered as a potential Financial Intermediary under the PRSL, depending, inter alia, on the availability of the budgetary resources for PRSL, as described below.

In accordance with Annex I to this Call, the Expressions of Interest should include the Applicant’s identification and the Applicant has to provide the information requested in Appendix 3 to the Annex I (the “Information Requirements”), together with supporting documents.

Any personal data provided by the Applicants shall be processed by EIF in compliance with its Data Protection Statement and the Regulation (EC) 45/2001 on the protection of individuals with regard to the processing of personal data by the Community institutions and bodies and on the free movement of such data.

The information provided under Appendix 3 to Annex I - Information Requirements should place particular emphasis on:

- Envisaged actions for the successful implementation of the PRSL, particularly with regard to its launch (timing, target customers, promotional activities, type of products, changes to the underlying legal documentation, etc.);
- Estimated absorption capacity in terms of expected volumes of Final Recipient Transactions to be included in the Portfolio;
- Proposed improvements to the terms (e.g. pricing, collateral requirements) offered to Final Recipients as compared to standard conditions;
- Origination and credit risk management capacity;
- Composition and characteristics of the proposed Portfolio (details to be provided in accordance with Section 5.2 of Appendix 3 of Annex I to this Call), taking explicitly into account the Eligibility Criteria set out in Appendix I to Annex III of this Call;
- Historical data on performance and track record in lending in the agricultural and agri-business sectors (details to be provided in accordance with Section 5.3 of Appendix 3 of Annex I to this Call).

Applicants may send questions regarding the Call or the nature and features of the PRSL to the email: [Info.eafrdfof@eif.org](mailto:Info.eafrdfof@eif.org). EIF may publish from time to time the resulting answers in the form of FAQ (Frequently Asked Questions) document posted in the FoF section of the EIF’s website ([www.eif.org](http://www.eif.org)). EIF reserves the right to update the FAQ document from time to time as and when it regards appropriate.

#### Note on joint applications:

Financial institutions may group together and submit a joint Expression of Interest. In this case, the Expression of Interest has to specify which of the financial institutions (“Participating Entities”) will act as the Applicant. The Applicant shall apply in its own name and in the name and on behalf of the Participating Entities and shall indicate to the EIF the basis for the joint Expression of Interest. Following selection of such joint Expression of Interest and an agreement on all terms and conditions, one operational agreement may be signed with the selected Applicant acting in its own name and in the name and on behalf of the other Participating Entities; alternatively, separate operational agreements may be signed with the selected Applicant and each of the Participating Entities. The ultimate decision on the form of the operational agreement(s) shall be made by EIF.

All information required under Appendix 3 to the Annex I must be provided for the Applicant and each and every Participating Entity, covered by the joint Expression of Interest.

## **5. Submission of Expression of Interest**

The Expression of Interest shall be submitted before the Deadline both by (i) email and (ii) registered mail or professional courier service. The Deadline applies (i) in case of e-mails to the date of receipt of the e-mail by EIF and (ii) in case of registered mail or professional courier service to the date of dispatch proven by the post office stamp or a dispatch receipt.

The Deadline is **30 September 2018** provided that EIF may, at its sole discretion, determine that the Deadline will end on an earlier date or will be extended, depending, inter alia, on the availability of budgetary resources for the PRSL product. Any change in the Deadline will be announced officially in the Romania EAFRD FoF dedicated web page on EIF's website.

### **Submission by registered mail or professional courier service**

The Expressions of Interest sent by registered mail or professional courier service shall consist of a closed single package, and shall contain the Expression of Interest, together with its attachments, in paper form and in removable electronic storage medium (e.g. CD-ROM, USB). The annual reports requested should be provided only on the removable electronic storage medium.

The Expressions of Interest shall indicate the name of the Applicant and be sent to the following address:

*European Investment Fund  
Regional Mandates Division – Expression of Interest  
Guarantees and Securitisation  
37B, avenue J.F. Kennedy  
L-2968 Luxembourg  
LUXEMBOURG*

### **Submission by e-mail**

An electronic version of the Expression of Interest should be sent to: [Info.eafrdfof@eif.org](mailto:Info.eafrdfof@eif.org) stating in the subject of the email "Romania EAFRD FoF – Expression of Interest: [name of the Applicant]". The requested annual reports may be provided via a link to the Applicant's website or, if preferable, as an attachment to the email.

### **Receipt of Expressions of Interest by EIF**

Following submission of an Expression of Interest, an acknowledgement of receipt will be sent to the relevant Applicants by EIF via e-mail, which shall state the following:

- Unique application identifier (Expression of Interest number), to be used in all subsequent communications relating to the Expression of Interest;
- Confirmation that the Expression of Interest was received/submitted (as applicable) by the Deadline.

The acknowledgement of receipt shall not be construed as a declaration of completeness of the Expression of Interest and the documents submitted therewith, nor any kind of assessment or acceptance of the same.

The Applicants may withdraw their Expression of Interest at any stage of the Selection process, by sending (i) an email and/or (ii) a letter to the above-mentioned address.

## 6. Selection procedure

Financial Intermediaries shall be selected on the basis of EIF's policies, rules, procedures and statutes and in conformity with best practices with an open, transparent, proportionate, non-discriminatory and objective selection procedure, avoiding conflicts of interest, taking into account the criteria and principles underpinning the program and the experience and financial capacity of the Applicants, with a view to maximising the efficient use of the resources made available to the FoF.

Following the receipt of the Expression of Interest, EIF shall select the Applicants pursuant to the selection process outlined herewith. This process comprises:

1. Pre-selection
2. Due diligence
3. Selection

Following the pre-selection based on the Expression of Interest, EIF shall perform a due diligence process of the pre-selected Applicant, as a result of which EIF will decide whether or not to propose to its governing bodies a request for the approval of an Operational Agreement under the FoF with the pre-selected Applicant. The contractual negotiation process will not be concluded prior to the approval from the EIF's governing bodies, and will not, in any case, be concluded until EIF and the Applicants have agreed on all relevant terms and conditions. Each of these three steps is described in more detail below in section 6.1.

In any phase of the selection process before entering into a legally binding agreement with an Applicant, EIF reserves full discretion to consider or not Applicants (and Participating Entities, in case of joint Expressions of Interest), in accordance with the criteria for the selection, and no Applicant has any claim or other right or may expect to be ultimately selected as Financial Intermediary. Any negotiation of terms and conditions of Operational Agreements by no means entails any obligation for EIF to enter into such agreement with the relevant Applicant. EIF shall also have sole discretion to decide on the allocation of available amounts to Financial Intermediaries, including proposing a reduction of the volumes requested by the Financial Intermediary.

EIF will send a rejection notice to Applicants whose Expression of Interest was rejected during any stage of the selection process.

Those Applicants, whose Expression of Interest is rejected, shall have the right to submit a written complaint about selection process by e-mail and registered mail or professional courier service, to the same address used for the submission of the Expressions of Interest above, within thirty (30) days of receipt of the rejection notice. Any complaints will be dealt with within the framework and in accordance with the EIB Group complaints policy (for further information visit <http://www.eib.org/infocentre/publications/all/complaints-mechanism-policy.htm>).

### 6.1. Pre-selection

Expressions of Interest submitted/received (as applicable) by the Deadline will be assessed by the EIF for pre-selection on a "first come, first assessed" basis. Expressions of Interest submitted/received (as applicable) by the Deadline shall be processed by the EIF in accordance with the provisions of this section 6.1 and sections 6.2 and 6.3 below.

When assessing the Expression of Interest, EIF will use its professional analysis and judgment.

The pre-selection comprises:

1. **Pre-selection stage 1: Formal assessment** of the Expression of Interest (as set out in section 6.1.1 below);
2. **Pre-selection stage 2: Quality assessment** of the Expression of Interest (as set out in sections 6.1.2 and 6.1.3 below);

Only Expressions of Interest that pass pre-selection stage 1 will go through pre-selection stage 2.

During stage 2 of the pre-selection, EIF will evaluate the overall quality of the Expression of Interest. All criteria listed under section 6.1.2 and 6.1.3 are assessed at the discretion of EIF, giving a pre-defined weight to each one of these criteria, as specified in Annex II hereto.

EIF will assess the quality criteria listed under section 6.1.2. Based on this assessment, EIF shall assign the “quality score” to the Expression of Interest, being A, B or C.


EIF will also assess the risk profile of the expected Portfolio indicated in the Expression of Interest, according to the section 6.1.3. Based on this assessment EIF shall assign the “portfolio risk profile score” to the Expression of Interest, being 1, 2 or 3.

Only Expressions of Interest with combined “quality” and “portfolio” scores A1, A2 or B1 are pre-selected and carried forward to the Due Diligence stage.

Expressions of Interest with combined scores A3, B2, B3 are included in a reserve list, which remains valid until 31 December 2020.

Expressions of Interest with combined scores C1, C2 or C3 are not pre-selected.

A summary of the pre-selection final scorings resulting from the combination of the scores (i.e. A, B or C and 1, 2 or 3) assigned by the EIF at the end of the pre-selection process is set out in the classification table 1 below:

A1	B1	C1	
A2	B2	C2	
A3	B3	C3	

All Applicants will be sent a notification about the result of the pre-selection process which can be either:

1. Pre-selection for the Due Diligence phase;
2. Placement of the Expression of Interest on the reserve list; or
3. Rejection of the Expression of Interest for not fulfilling the pre-selection criteria.

Pre-selected Applicants are advanced to the Due Diligence phase (see section 6.2). Applicants on the reserve list may be further considered for pre-selection.

### **Reserve List**

In addition to the placement of Applicants on a reserve list on the basis of the outcome of the assessment process described above, EIF reserves the right to also place Applicants on a reserve list in case that the aggregate demand expressed from already pre-selected Applicants is equal to or exceeds the funds available under the Call. The reserve list will remain valid until 31 December 2020.

During this period of time and in case EIF does not proceed further with any of the pre-selected Applicant(s) or if additional funding is made available, Applicants on the reserve list may be considered for pre-selection depending upon the availability of the budgetary resources.

EIF may suspend or abandon the pre-selection process at any time and no Applicant may claim any right to be pre-selected or included on the reserve list as described above.

#### **6.1.1 Formal assessment**

EIF shall assess whether the Expression of Interest for the PRSL has been submitted and prepared in accordance with the provisions of this Call according to the following formal criteria:

1. The Applicant (and each Participating Entity in case of joint Expressions of Interest):
  - i. has significant presence in Romania, with relevant track record and branch network coverage therein;
  - ii. has the legal capacity and is authorised to carry out its business in Romania under the applicable regulatory framework;
  - iii. presents a viable economic and financial situation in the Expression of Interest;
  - iv. has adequate capacity to implement the financial instrument, including organisational structure and governance framework;
  - v. presents an adequate internal control system;
  - vi. presents an adequate reporting/accounting system which provides accurate, complete and reliable information in a timely manner;
  - vii. is not established, and does not maintain business relations with entities incorporated, in territories whose jurisdictions are Non-Cooperative Jurisdictions; and
2. The Expression of Interest has been submitted and prepared in accordance with the Call, has been duly signed, and all required representations, information and supporting documentation required thereunder have been provided (in the form requested, where specified).

If needed for the assessment of the above formal criteria, EIF may require the Applicants to provide additional information or clarifications. The Expressions of Interest that do not conform to the formal criteria are rejected. In case of joint Expressions of Interest, if the Applicant or any Participating Entity covered by the Expression of Interest does not comply with the formal criteria, the entire Expression of Interest is rejected.

#### **6.1.2 Quality assessment**

After successful assessment of the formal criteria, and after having obtained any additional information or clarifications from Applicants, if and as needed, EIF will perform a quality assessment of the Expression of Interest (and any Participating Entities in case of joint Expressions

of Interest) according to the evaluation criteria set out below and according to the weights specified in Annex II to this Call:

#### RELEVANCE

- i. Quality and plausibility of the PRSL implementation proposal, with particular focus on: implementation and rollout strategy, marketing and publicity of the PRSL, strategy of the branch network (including incentives for sales force), previous experience working with international financial institutions, etc.;

#### SUSTAINABILITY

- ii. Operational capability of the Applicant (and any Participating Entities in case of joint Expressions of Interest) to assess and manage risk;

#### QUALITY AND MATURITY

- iii. Ability to provide the required data for EIF to properly conduct its analysis and assessment of the Applicant's (and any Participating Entities in case of joint Expressions of Interest) track record and future activity;
- iv. Experience and ability of the Applicant (and any Participating Entities in case of joint Expressions of Interest) to enter into Final Recipient Transactions within a predefined timeframe. This shall be assessed by EIF based inter alia on: track record of financing Final Recipients and the business plan for building a Portfolio;
- v. Envisaged Portfolio assessment, inter alia, in terms of proposed volumes, geographical reach, financial products used under the PRSL, granularity and diversification, proposed interest rate reduction (if any) on the portion of the Final Recipient Transaction funded by the Applicant (and each Participating Entities in case of joint Expressions of Interest) and / or reduced collateral requirements, the intention of the Applicant to place a particular focus on financing of (i) small agricultural enterprises and farmers ("Small Farms")<sup>1</sup>, Young Farmers<sup>2</sup> and Final Recipients located in mountainous regions<sup>3</sup> (jointly with Small Farms and Young Farmers, the "Special Focus Group") and (ii) Micro Final Recipient Transactions<sup>4</sup>;
- vi. Proven ability of the Applicant (and any Participating Entities in case of joint Expressions of Interest) to comply with the specific reporting requirements;
- vii. Ability of the Applicant (and any Participating Entities in case of joint Expressions of Interest) to comply with all contractual obligations under the Operational Agreement;
- viii. Level of management fees requested by the Applicant (and any Participating Entities in case of joint Expressions of Interest) (management fee level will be assessed in consideration of the administration fees charged to Final Recipients).

#### **6.1.3 Quality assessment of the risk profile of the envisaged Portfolio and the Applicant (and any Participating Entities in case of joint Expressions of Interest)**

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<sup>1</sup> As per the NRDP small agricultural enterprises and farmers is an agricultural holding with economic dimension up to 11,999 of standard output. The coefficients for the standard output and the calculation methodology can be consulted at the following link: <http://www.madr.ro/pndr-2014-2020/instrument-financiar-de-creditare/documente.html>

<sup>2</sup> Young Farmer means a person who is no more than 40 years of age at the moment of submitting the application for a Final Recipient Transaction.

<sup>3</sup> A list of mountainous regions is available at the following link: <http://www.madr.ro/pndr-2014-2020/instrument-financiar-de-creditare/documente.html>

<sup>4</sup> Micro Final Recipient Transaction means a Final Recipient Transaction with an initial principal amount not exceeding EUR 50,000, expressed in RON where relevant.



EIF will also consider, *inter alia*, the impact of the Expression of Interest in terms of:

1. The expected composition of the proposed Portfolio, including its credit risk profile granularity and diversification; and
2. Financial standing and financing capacity of the Applicant (and any Participating Entities in case of joint Expressions of Interest).

## **6.2. Due diligence**

Applicants whose Expressions of Interest are pre-selected will be followed up with the due diligence process which will be carried out promptly after the pre-selection of an Applicant.

The due diligence is carried out in accordance with EIF's internal rules and procedures, where financial and operational matters relating to the PRSL agreement implementation shall be analysed in more detail. The aim of the due diligence is to assess the content of the Expressions of Interest based on, *inter alia*, the ability to build up the envisaged Portfolio, the favourable lending conditions to Final Recipients suggested by the Applicant (if any), the risk nature of the envisaged Portfolio, the quality of origination, marketing and publicity of the PRSL, strategy for the branch network (including incentives to sell for sales force), risk management, collection recovery/workout processes, systems and ability to comply with the reporting requirements. The due diligence process may comprise an on-site visit, which shall be at the discretion of the EIF. The due diligence process does not comprise legal negotiations, however EIF may negotiate the Applicant's commercial terms of the proposal as regards the PRSL implementation.

## **6.3. Selection**

Based on the results of the pre-selection and the outcome of the due diligence process the EIF will either:

1. select the Expression of Interest;
2. place the Expression of Interest on the reserve list; or
3. reject the Expression of Interest.

EIF may proceed with requesting the approval of its governing bodies for an Operational Agreement to be entered into with the selected Applicant under this Call. EIF has no obligation to enter into an Operational Agreement with a selected Applicant.

## **6.4. Re-allocations / Allocations during the implementation of the PRSL**

During the implementation of the Operational Agreement(s), and with a view to maximising the efficient use of the resources of the FoF and maximising the impact of the FoF, EIF shall have sole discretion to allocate any available amounts, including any additional budget being allocated to the PRSL of the FoF.

## **7. Publishing of information on the Financial Intermediaries and Final Recipients**

EIF may publish, from time to time, on their websites, a list of Financial Intermediaries and Participating Entities, which may include the name and the registered addresses, types of the contract entered into and the respective amounts. EIF and/or Managing Authority may also publish a list of Final Recipients benefiting from the Operational Agreement(s), as further detailed in Annexes to this Call.

## **8. EIF Transparency Policy**

Within the framework of the EIF's Transparency Policy (the "EIF Transparency Policy"), EIF is committed to the guiding principle of promoting transparency with respect to its operational and institutional activities.

Pursuant to this guiding principle, and in accordance with the EIB Group approach and undertakings to promote transparency and good administrative practice, EIF has adopted the practice of publishing the minutes of the Board of Directors ("Board minutes") on its website, following their approval and signature.

The published Board minutes only indicate those operations presented for decision which have been approved and, as a general rule, contain a summary indicating the project name, the nature of the operation, the geographical focus and the relevant EIF-managed resources.

The EIF Transparency Policy also recognises the need for EIF to balance transparency with confidentiality undertakings and the protection of commercially sensitive or personal data, with a view to EIF satisfying its legal obligations to, and maintaining the confidence and trust of, its business partners, investors and third parties.

Consequently, should an Application receive the relevant EIF internal authorisation for submission to EIF's Board of Directors and be approved by the Board thereafter, and should an Applicant deem that the publication of such a summary would expose sensitive or confidential information, for which there would be a compelling reason not to disclose, the Applicant shall make a declaration to that effect in the submission of the Expression of Interest resulting in the information in question will being edited out of the published Board minutes and, subject to any applicable confidentiality undertakings, only being made public in connection with the signature of the operation in question.

If EIF has not received such declaration confirming that an Applicant does not agree to the publication of the aforementioned operational overview in the Board minutes, EIF will consider that it is acceptable to the Applicant and each Participating Entity, if applicable, and will proceed with publication on EIF's website as indicated above.

## 9. Definitions and Interpretations

In this Call, capitalised terms and expressions shall have the meaning attributed to them below or as elsewhere defined in this document and its Annexes.

<b>Anti-Fraud Policy</b>	means the policy of EIF for preventing and deterring corruption, fraud, collusion, coercion, obstruction, money laundering and terrorist financing, as published on EIF's website. ( <a href="http://www.eif.org/news_centre/publications/anti_fraud_policy.htm?lang=-en">http://www.eif.org/news_centre/publications/anti_fraud_policy.htm?lang=-en</a> )
<b>Applicant</b>	means a Financial Intermediary applying to this Call;
<b>Business Day</b>	means a day during which EIF Luxembourg office is open, and banks are open for general business in Bucharest and Luxembourg;
<b>Common Provision Regulation or CPR</b>	means Regulation (EU) No 1303/2013 of the European Parliament and of the Council of 17 December 2013;

<b>Data Protection Statement</b>	means the EIF statement on the processing operations of Applicants and Financial Intermediaries' personal data, as published on the EIF's website ( <a href="http://www.eif.org/attachments/eif_data_protection_statement_financial_intermediaries_due_diligence_en.pdf">http://www.eif.org/attachments/eif_data_protection_statement_financial_intermediaries_due_diligence_en.pdf</a> );
<b>Deadline</b>	means 30 September 2018;
<b>Delegated Act</b>	means the Commission Delegated Regulation (EU) No 480/2014 of 3 March 2014 supplementing the CPR;
<b>EIB Group</b>	means the European Investment Bank (EIB) and the European Investment Fund (EIF);
<b>Eligibility Criteria</b>	means the criteria with which the Expressions of Interest and the Applicants must comply and which are listed in Annex III hereof;
<b>Expression of Interest</b>	means a proposal sent by an Applicant in response to this Call, within the Deadline, to be drafted in accordance with the template attached hereto;
<b>EAFRD Regulation</b>	means Regulation (EU) No 1305/2013 of the European Parliament and of the Council of 17 December 2013;
<b>Final Recipient</b>	means a natural or legal person authorized according to the legislation in force, which falls within the category of eligible beneficiaries defined in sub-measures 4.1, 4.1a, 4.2, 4.2a and 6.4 of the NRDP as referred to in Appendix I to Annex III of this Call;
<b>Final Recipient Transaction</b>	means loans entered into with Final Recipients which comply with the relevant Eligibility Criteria;
<b>Financial Intermediary</b>	means a financial or credit institution duly authorised to carry out lending activities according to the applicable legislation. Financial intermediaries shall comply with relevant standards and applicable legislation on the prevention of money laundering, the fight against terrorism and tax fraud to which they may be subject, shall not be in any exclusion situation and shall not be established in a Non-Cooperative Jurisdiction;
<b>Fund-of-Funds or FoF</b>	means, as defined by Article 2 (27) of the CPR and established through the Funding Agreement, the Romania EAFRD Fund-of-Funds, set up with the objective of contributing support from the NRDP to financial instruments;
<b>Implementing Regulation</b>	means the Commission Implementing Regulation (EU) No 821/2014 of 28 July 2014 laying down rules for the application of the CPR;
<b>Inclusion Period</b>	means the period during which Final Recipient Transactions to be included in the Portfolio may be approved by the Financial Intermediaries and entered into with Final Recipients;

**Non-Cooperative Jurisdictions**

a jurisdiction which does not cooperate with the European Union in relation to the application of the internationally agreed tax standard (of the Organisation for Economic Cooperation and Development (OECD) and its Global Forum on Transparency and Exchange for Tax Purposes), or their tax practices do not follow the Commission Recommendation of 6.12.2012 regarding measures intended to encourage third countries to apply minimum standards of good governance in tax matters (C(2012)8805); for the avoidance of doubt, this includes jurisdictions that have been placed on the EU list of non-cooperative jurisdictions for tax purposes, as adopted by the Council of the European Union<sup>5</sup>;

**Operational Agreement**

means an agreement entered into between a Financial Intermediary and the EIF regarding a Financial Instrument on the basis of this Call and the selection process, in accordance with the CPR and the Delegated Act;

**Portfolio**

means the portfolio of Final Recipient Transactions originated by each Financial Intermediary and co-financed by the PRSL, on the basis of reports received by EIF from the Financial Intermediary.

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<sup>5</sup> <http://www.consilium.europa.eu/media/31945/st15429en17.pdf> - the Dec 17 conclusions

[https://ec.europa.eu/taxation\\_customs/tax-common-eu-list\\_en](https://ec.europa.eu/taxation_customs/tax-common-eu-list_en) - the Jan 18 amendments