

Conclusions

(Fourth) Framework Operation #56 for Skills, Education and Training (Capped Guarantee) (Multi-country, Norway, Iceland)

INVEU-ICR-0064-2025 - Social Investment and Skills Policy Window (SISW)

Short description of the financing or investment operation and its objectives

Name of financial recipient	Intermediaries such as alternative lenders, financial institutions, guarantee institutions, microfinance institutions, education providers such as schools/universities, etc. providing debt financing
Type of the final recipients	SMES; Individuals; Mid-Caps; Non-profit organisations; Other
Countries of Implementation	Germany; Italy; France; Portugal; Romania; Spain
Implementing Partner	European Investment Fund (EIF)

The purpose of this Framework Operation is to support Sub-Projects addressing the area of Skills, Education and Training. Each Sub-Project under this Framework Operation will typically entail at least one of the following features: a) Reduction of cost of financing b) Reduction of collateral requirements c) Reduction in down-payment in respect of Final Recipient Transactions, which are in the form of leases d) Increase in financing volumes e) Support to excluded segments f) Financing at longer maturities g) Bespoke financing arrangements h) Any Subordinated Debt Transactions i) Other measures.

Global Assessment and rationale for approval

The Investment Committee of the InvestEU Fund approved the use of the InvestEU guarantee on 10 July 2025 for the above-mentioned operation.

Additionality

The use of the InvestEU Guarantee allows EIF to enter into (counter-) guarantee with financial intermediaries supporting final recipients operating in the Skills, Education and Training area, which otherwise would have remained underserved due to lack of programmes targeting these specific policy areas at such scale. Benefiting from the InvestEU guarantee coverage, financial intermediaries will be able to mobilise funding resources tailored to the needs of the specific categories of final recipients, contributing toward creating further social inclusion of the respective individuals or enterprises.

This operation is expected to permit higher social mobility of excellent students, partially with migration background. Here the catalytic effect of the InvestEU guarantee is expected to help crowd-in private and institutional investors to fund the activity.

Market gap



Investment Committee of the InvestEU Fund

Meeting IC 43 of 10-11 July 2025

Day 1 on 10 July Foyer Européen, Room Schuman - 10 rue Heinrich Heine,
Luxembourg (Gare)

Day 2 on 11 July Mercier-Post building, Room Arena - 20 rue de Reims,
Luxembourg (Gare)

Conclusions

Education finance is still very nascent and limited number of financial institutions are serving this segment. For student financing especially, reliance on future earnings and employment risk of students drives financial institutions to require collateral coverage from parents. The resulting high risk, collateral requirements (and inability to provide it) as well as small loan amounts are key reasons why student financing lacks popularity amongst financing institutions, in particular traditional lenders. Moreover, because of the high risk inherent to this financing segment, student financing could be costly, and students may have to face over-indebtedness since early on in their careers. In addition, SMEs and education and related service providers need financing to keep up with the evolving needs for skills and education.