

Innovation Romania Holding Fund

Questions and Answers¹ regarding the Call for Expression of Interest²

Q1 – What is the minimum private participation percentage for a co-investment fund?

A1 – There are no supplemental requirements for the minimum percentage of private participation alongside the future co-investment fund, apart from those derived from state aid rules, which influence the type of company that can be financed, the amount that can be invested and the potential incentives to such private investors. For instance, a 10% participation of the private co-investor in the investment round can be framed within the GBER 651³, art. 21, para. 3 point (a) and para 12 point (a). In such a case, the maximum investment per SME can be EUR 16.5m and the private investor can be incentivised by preferential returns. However, if the investment is small, it can also be framed under *de minimis* or GBER 651 art. 22/ start-up aid, but without the need to leverage private co-investors.

Q2 – Will the selected funds' strategy have to comply with Romania's smart specialization strategy?

A2 – The only sectoral guidance is in the form of sectoral exclusions and restrictions described in the Call⁴ Annex VI. As stipulated in Appendix A of the Funding Agreement signed in December 2024⁵, *“(...) the risk capital funds supported through the Innovation Romania Holding Fund may be expected to contribute to the development of the national level smart specialization domains identified in Romania's 2022-2027 National Strategy for Research, Innovation and Smart Specialization (“SNCISI”), i.e. bioeconomy, digital economy and space technologies, energy and mobility, advanced manufacturing, advanced functional materials, environment and eco-technologies and health prevention, diagnosis and advanced treatment; furthermore, the HF may support the development of technology transfer and entrepreneurship identified as priorities in SNCISI. For avoidance of doubt, a) the Innovation Romania Holding Fund is not designated as one of the actions or specific instruments for the implementation of*

¹ Summary of discussions held during the Innovation Romania information session held on 16 October 2025 in Bucharest.

² [Innovation Romania Holding Fund](#)

³ Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty Text with EEA relevance

⁴ [Innovation Romania Holding Fund](#)

⁵ See for instance [ACORD 04/12/2024 - Portal Legislativ](#) or consult Monitorul Oficial 430 bis / 9 May 2025.

SNCISI and b) the aforementioned investment themes do not constitute eligibility criteria under this Appendix A – Investment Strategy and the Agreement”.

Q3 – Can financial intermediaries propose certain investment themes or do they have to propose a generalist strategy?

A3 – The applicants may propose any strategy considered appropriate for their experience or expertise within the specifications set out in the Call.

Q4 – Is it allowed to have international partners in the team?

A4 – There is no restriction in the Call, provided that the team meets deal flow generation capabilities and other requirements linked to Romania as described in the Call.

Q5 – How will the success of the accelerator window be measured?

A5 – Apart from the usual commercial indicators, the accelerator also needs to have an impact in the ecosystem, for example through its mentorship, advice structure and competitive application rounds.

Q6 – Can an application be submitted only on the basis of private participation being present, without having identified a team?

A6 – As detailed in the Call, Appendix 2 to the Expression of Interest “Business Plan”, the application is expected to include full details on the proposed team, including: team composition (full-time vs part-time), detailed CVs, potential team additions. Assessing a fund management team is in essence people assessment, therefore we expect at least the senior team to be presented in the application. The intended Specific Fund structure and all related entities (such as but without limitation, the general partner, the carried vehicle (if any), the investment advisor or the investment manager) must be described (i.e. legal structure, governing laws and whether regulated or not), but not necessarily established, at the point of submission of the Expression of Interest.

Q7 – Will the funds financed through this mandate be used as feeder funds to existing VC funds?

A7 – There is no such requirement; at the same time, by virtue of the Innovation Romania Holding Fund portfolio targeting early-stage companies, there may be occasions when larger VC or PE funds also operating in Romania and financed from public resources may participate in follow-on rounds or even acquire deals from Specific Funds, on the basis of direct negotiation.

Q8 – What is the selection timeline?

A8 – The timeline depends on the number of applications received and how many are considered for each increasingly detailed step – quality assessment, due diligence, negotiation etc. Due diligence is an extensive, comprehensive process in which a wealth of information is analysed and interviews are held, and preselected teams are also expected to draft the relevant agreements and submit them for negotiation to the EIF. The EIF investment team may be required to provide significant structuring input in advanced stages.

Q9 – For the technology transfer window, is the final outcome the transfer of technology from public or private entities?

A9 – Indeed, this is the objective of the technology transfer window and the transfer can happen from both public and private entities; the eligibility of investments (final recipient transactions) shall be also assessed based on the innovation-specific criteria listed in the Call.

Q10 – For compliance with the Market Economy Operator Test, can the 30% be achieved as an average of private co-investments at final recipient level?

A10 – The minimum 30% independent private participation on a *pari passu* basis has to be achieved either at fund level (to be transmitted at SME level) or directly for each SME.

Q11 – Is the intermediary/ fund manager contribution counted as private participation?

A11 – There is no explicit regulatory stipulation on this; in practice, it is taken into account so long as the fund manager is privately held.

Q12 – Can a fund invest in a combined state aid framework, e.g. initial investments under *de minimis* with no private participation and for follow-on investments under GBER 651 art. 21 with 10% private participation, particularly for a co-investment fund?

A12 – In principle, this is possible, provided that the state aid compliance options are outlined in the proposal. If necessary, the applicant can propose dividing the fund into compartments to allow for different state aid regimes with different eligibility criteria.

Q13 – How are previous public investments treated from a state aid perspective?

A13 – At the time of making an investment from the Innovation Romania Holding Fund, previous aid (e.g. in the form of grants or public investments) has to be taken into account for cumulation (in this case, the final recipient has the information and it is also available in the state aid registry REGAS). Previous investments which did not constitute state aid (e.g. from funds operating under the Market Economy Operator Principle) are not taken into account for

cumulation. An entity which does not meet the independent private investor definition comprised in the Call and the GBER art. 2 para. 72 is considered public.

Q14 – Does there need to be a cumulation if a fund invests firstly under *de minimis* and subsequently under GBER?

A14 – The principle is that any aid should be cumulated according to relevant rules, for instance GBER 651 art. 8, by applying the higher ceiling. For example, an SME which has received EUR 300,000 *de minimis* investment (GGE) can only receive a maximum GBER investment calculated as the GBER threshold of EUR 16.5m minus that *de minimis* amount. The business plan submitted with the application should envisage the state aid regime(s) applicable throughout the fund duration, including if the private participation will be ensured at fund and/or final recipient level.

Q15 – What is the treatment of multilateral development banks as private investor under state aid rules?

A15 – The treatment of multilateral development institutions investing their own resources is different from state aid to no-aid. GBER 651 art. 2 para. 72 stipulates that “the European Investment Bank the European Investment Fund, an international financial institution in which a Member State is a shareholder, or a legal entity that carries out financial activities on a professional basis which has been given a mandate by a Member State or a Member State’s entity at central, regional or local level to carry out development or promotional activities (national promotional bank or another promotional institution), will not be considered private investors for the purposes of this definition.” In the context of the Market Economy Operator Test, the European Commission has clarified in a recent guidance note⁶ which resources (i.e. EIB/EIF) can be partly taken into consideration as a *pari passu* reference for the minimum 30% private participation, if “the investment of genuine private investors represents at least 15% of the overall investment volume”.

⁶[20240126_practical_guidance_for_member_states_the_market_economy_operator_test_for_risk_finance_measures.pdf](#)