*[Data that has been automatically pre-filled in the templates for the cover notes is based on the operational arrangements which have last been updated on 2024-03-22. Should the respective CID and/or operational arrangements have been amended in the meantime, please reach out to ECFIN-RECOVER.]*

*[DATE]*

*[AUTHOR (Organisation, not name)]*

**LV-C[C2]-I[2-2-1-4-i-] Financial instruments to facilitate the digital transformation of economic operators**

**LV-C[C2]-I[2-2-1-4-i-]-T[50] Number of loan contracts signed**

**Date of completion:** **Q2 2024**

**1) Context: description of the measure and relevant context from the CID annex** [text in full from the English version]

The objectives of the investment are to boost the productivity and production process efficiency for maximum returns by supporting large-scale and productivity-oriented investments in digital transformation tools. The investments shall facilitate the introduction of Industry 4.0 solutions into production processes. The investment consists of a financial instrument scheme providing loans with grant elements for making significant changes to the overall production or service development process, to digitalise traditional processes in companies, introduce Industry 4.0 solutions (internet of things, artificial intelligence, machine learning, block chain, big data, cloud computing high performance computing (HPC)) for the core business of companies. The investment shall be implemented by 30 June 2026. In order to ensure that the measure complies with the ‘Do no significant harm’ Technical Guidance (2021/C58/01), the eligibility criteria contained in terms of reference for upcoming calls for projects shall exclude the following list of activities: (i) activities related to fossil fuels, including downstream use13; (ii) activities under the EU Emission Trading System (ETS) achieving projected greenhouse gas emissions that are not lower than the relevant benchmarks14; (iii) activities related to waste landfills, incinerators15 and mechanical biological treatment plants16; and (iv) activities where the long-term disposal of waste may cause harm to the environment. The terms of reference shall additionally require that only activities that comply with relevant EU and national environmental legislation can be selected.

**2) Copy of the milestone/target wording** [text in full from the English version]

| Seq.num | Measure (reform or investment) | Milestone/Target | Name | Qualitative indicators (for milestones) | Quantitative indicators (for targets) | | | Indicative timetable for completion | | Reporting and implementation responsibility | Description of each milestone and target |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| Unit of measure | Baseline | Goal | Quarter | Year |
| 50 | C2.2-2-1-4-i- Financial instruments to facilitate the digital transformation of economic operators | Target | Number of loan contracts signed |  | Number of loans | 0 | 51 | Q2 | 2024 | Altum | Number of loan contracts signed between Altum and economic operators to support digital transformation projects. The selection criteria shall ensure that the selected projects comply with the ‘Do no significant harm’ Technical Guidance (2021/C58/01) through the use of an exclusion list and the requirement of compliance with the relevant EU and national environmental legislation. |

Verification mechanism:

Summary document duly justifying how the target (including all the constitutive elements) was satisfactorily fulfilled, with appropriate links to the underlying evidence. This document shall include as an annex the following documentary evidence: a) list of contracts concluded between the aid provider and the beneficiary; b) list and descriptions of the supported projects and loan/grant transactions executed; c) extract of the official documents containing the selection criteria that ensure compliance with the ‘Do no significant harm’ Technical Guidance (2021/C58/01), as specified in the CID Annex.

Further specification: (if relevant)

**3) List of key evidence provided in FENIX**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Identifier [same as in FENIX] | Name of the evidence.  For legal acts please provide the full legal reference and date of entry into force | Short description | Link to the requirements below |
| 1 |  |  |  |  |
| 2 |  |  |  |  |
| 3 |  |  |  |  |

**4) Detailed justification**

*[Explain clearly how the achievement of the milestone/target is demonstrated by the evidence provided,* ***covering ALL elements of the milestone/target and the elements of the measure description that are directly or indirectly linked to the milestone/target’s requirements.***  *(e.g. the fact that (i) a certain institution had (ii) to accomplish something (iii) in a certain way in order (iv) to achieve a certain goal (v) by a certain date). Please provide* ***a clear link between all the below elements and the one or more evidence items listed above.***

Requirement 1: ‘[excerpt from the milestones/target or the measure description]’

*[Explanation of fulfilment]*

Requirement 2: ‘[excerpt from the milestones/target or the measure description]’

*[Explanation of fulfilment]*

Requirement 3: ‘[excerpt from the milestones/target or the measure description]’

*[Explanation of fulfilment]*

[…]

Contribution to the achievement of other elements from the measure description: [evidence related to the elements that are not directly addressing the M/T but in the measure, where relevant]