



PRESS RELEASE

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Germany: CHANCEN eG receives European support for providing student financing

- **The EIF guarantee of up to €24 million covers a portfolio volume of €30 million.**
- **It will support students investing in education and training via income sharing agreements (ISAs).**
- **The agreement is backed by the EFSI Skills & Education Guarantee Pilot.**

The European Investment Fund (EIF) has signed a guarantee agreement with CHANCEN eG covering a portfolio of up to €30 million of income sharing agreements (ISAs) to support students in Germany wishing to invest in their studies and upgrade their skills. The agreement is backed by the [EFSI Skills & Education Guarantee Pilot](#), a debt financing initiative under the Investment Plan for Europe launched in 2020 to stimulate investments in education, training and skills.

The EIF support will enable CHANCEN to back more than 2 000 students through ISAs. With an ISA, students only start paying for their education after they get a job and earn above a pre-determined minimum income threshold. This model removes potential financial barriers of accessing education, while aligning everyone's incentives towards helping students acquire the right skills to secure employment opportunities.

Thanks to the EIF guarantee, CHANCEN aims to substantially expand its ISA offering — three times more students are expected to be supported — and to broaden the scope of its operation by extending its financing to cover students' living expenses from 2022 onwards. The EIF will take on 80% of the risk of this financing.

EIF Chief Executive Alain Godard said: *"We are delighted to partner up with companies and organisations like CHANCEN to support the education sector in Germany. Investing in university students means investing in our future, contributing to economic growth, competitiveness, innovation and employment. These are vital elements for ensuring an inclusive recovery from the COVID-19 pandemic."*

European Commissioner for Jobs and Social Rights, Nicolas Schmit, said: *"Providing support to young Europeans is a fundamental aim of this Commission and goes to the heart of NextGenerationEU. Thanks to financial backing from the Investment Plan for Europe's skills and education pilot, the European Investment Fund is helping social business CHANCEN provide financing to three times as many students in Germany as before. I believe that with schemes like this, we will be able to achieve an inclusive and sustainable recovery."*

CHANCEN co-founder and CFO Olaf Lampson explained: *"This guarantee functions a first-loss protective shield. This is important for our investors, and therefore also for us: Because otherwise we would have to pay higher interest rates for our refinancing. And we would otherwise have to pass on these higher costs to our students as part of the ISA calculation."*

CHANCEN co-founder Florian Kollewijn said: *"The EIF attaches great importance to a broad range of training opportunities. This is fully in line with our vision: imagine a world where everyone is free to further their education and develop their full potential. In this respect we were immediately electrified when we heard about this EU programme."*

Background information

The [European Investment Fund](#) (EIF) is part of the European Investment Bank (EIB) Group. Its central mission is to support Europe's micro, small and medium-sized businesses (SMEs) by helping them to access finance. The EIF designs and develops venture and growth capital, guarantees and microfinance instruments that specifically target this market segment. In this role, the EIF fosters EU objectives in support of innovation, research and development, entrepreneurship, growth and employment.

The [Skills & Education Guarantee Pilot \(S&E Pilot\)](#) is a debt financing initiative focusing on stimulating investments in education, training and skills as part of the solution to get more people into jobs and to better respond to the European economy's changing needs. Investments in skills contribute to growth, competitiveness and social convergence, while addressing the challenges linked to digital transformations and the transition to a carbon-free economy. The EIF implements the S&E Pilot on behalf of the European Commission. The initiative benefits from EU support under the **European Fund for Strategic Investments (EFSI)**, the main pillar of the Investment Plan for Europe.

Since its founding in 2016, **CHANCEN eG** has made it its mission to enable young people to study what they want at non-public universities, independent of their financial means. The basis for this is the income sharing agreement (ISA), which was invented in 1995 by students of the University of Witten/Herdecke, GER. CHANCEN eG currently finances around 950 young people at almost 35 private universities and educational institutions in more than 100 courses of study. [CHANCEN International gGmbH](#) has also offered the same model in Africa since 2018. In Rwanda, the CHANCEN eG subsidiary provides financing to 1 400 young people in six courses of study at two educational institutions.

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