

# EU funding opportunities for the Cultural and Creative Industries, Fashion and Textiles



## Financial Instruments for SMEs in COSME

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Entrepreneurship and SMEs  
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Instruments)

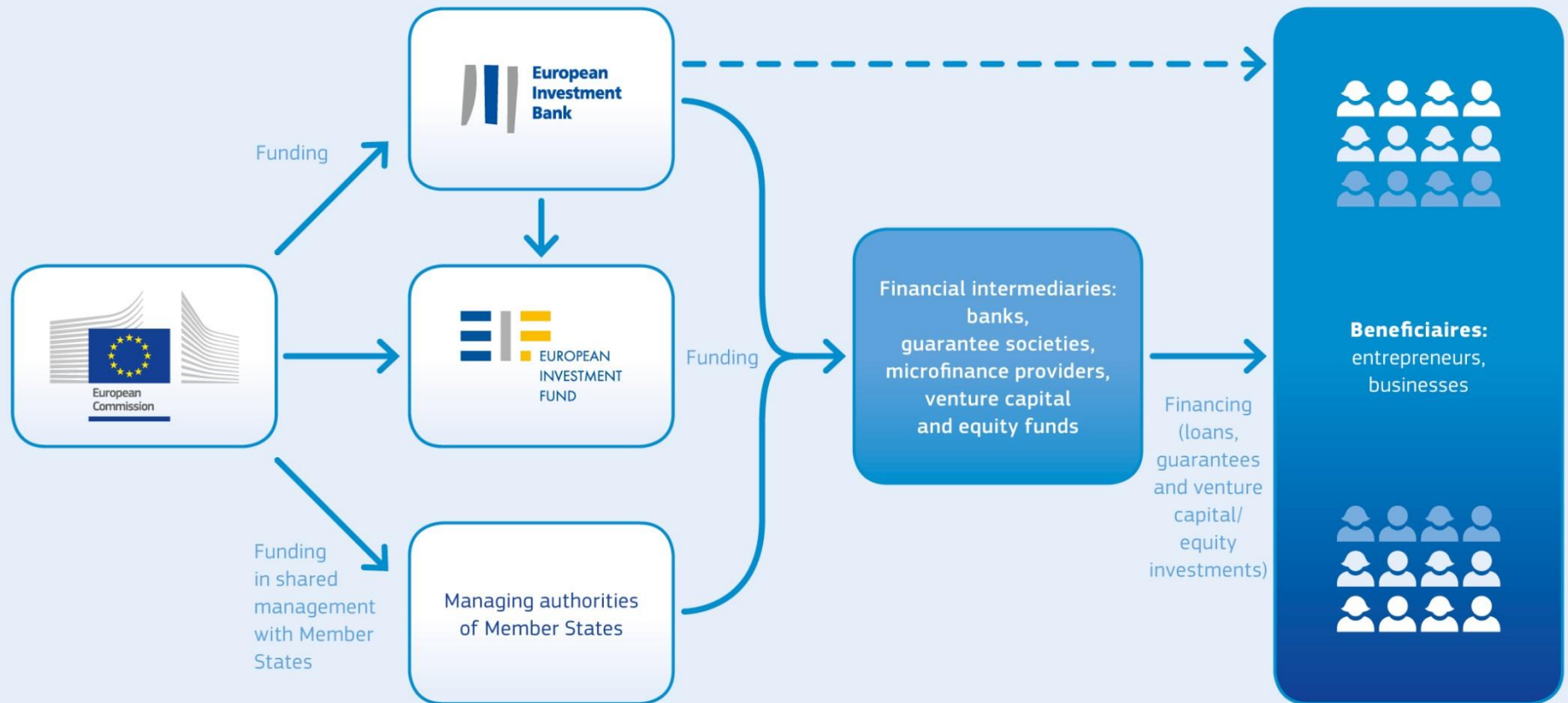
# COSME financial instruments overview

- Budget: 60% of total COSME programme - **over €1.3 billion**
- Support those SMEs which would otherwise not obtain financing
- Overall targets supporting up to **330 000 SMEs**
- Debt and equity financial instrument:
  - **Loan Guarantee Facility (LGF)**
  - **Equity Facility for Growth (EFG)**

# Targets of the Financial Instruments

- Loan Guarantee Facility – LGF:
  - Policy objective: provide support for transactions which otherwise would not have taken place (e.g. perceived higher SME risk, insufficient collateral across all sectors)
  - Guarantees to financial intermediaries for newly generated SME financing portfolios (commercial banks, promotional institutes, guarantee societies, alternative lending platforms)
  - Broad coverage: working capital, bank loans, subordinated loans, bank guarantees, leasing transactions
- Equity Facility for Growth – EFG:
  - Policy objective: attract private capital into venture capital (VC) investments and support creation of a pan-European VC market
  - Focuses on investments into equity funds which in turn invest into SMEs at the growth and expansion stage (complementary to Horizon 2020 early stage facility)
  - Joint investments with Horizon 2020 into funds that invest across development stages

# EU financial instruments in practice

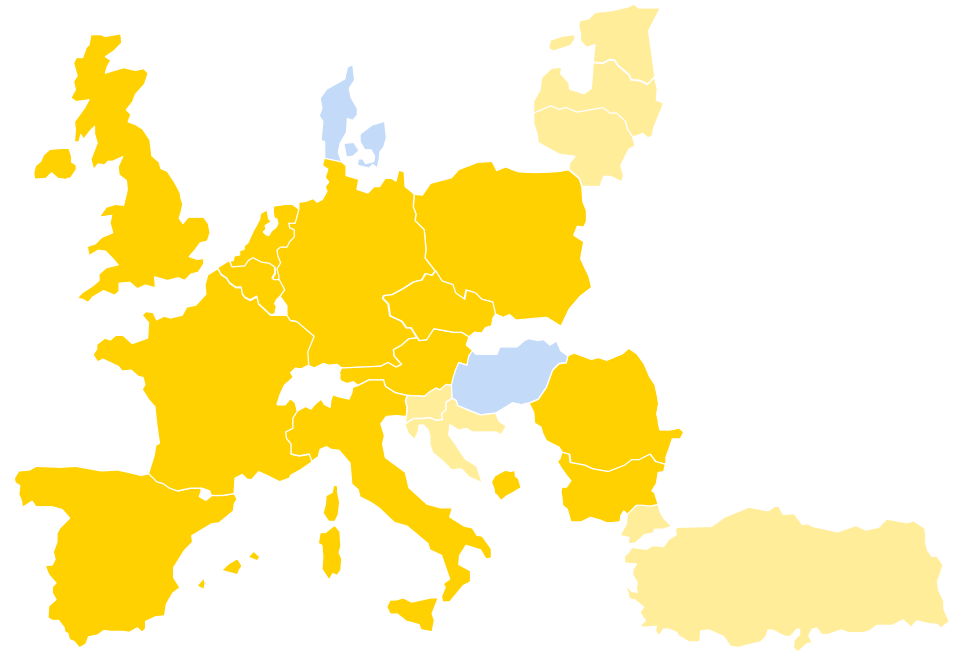


# COSME guarantee agreements signed

## *Financial Intermediaries: (as of 15 October 2015):*

- AWS, Austria
- BGK, Poland
- Bürgschaftsbanken, Germany
- CIBANK, Bulgaria
- CKB, Montenegro
- CMZRB, Czech Republic
- Credito Emiliano, Italy
- EZBOB, UK
- France Active Garantie, France
- Flemish Participation Fund, Belgium
- GE Capital Equipment Finance, France
- IdeaBank, Poland
- KfW, Germany
- LfA, Germany
- Libra Internet Bank, Romania
- MicroBank, Spain
- Qredits, the Netherlands
- SOCAMA, France
- Sowalfin, Belgium

- 13 Countries where agreements have been signed
- 2 Countries where transactions have been approved
- 6 Countries where applications have been received



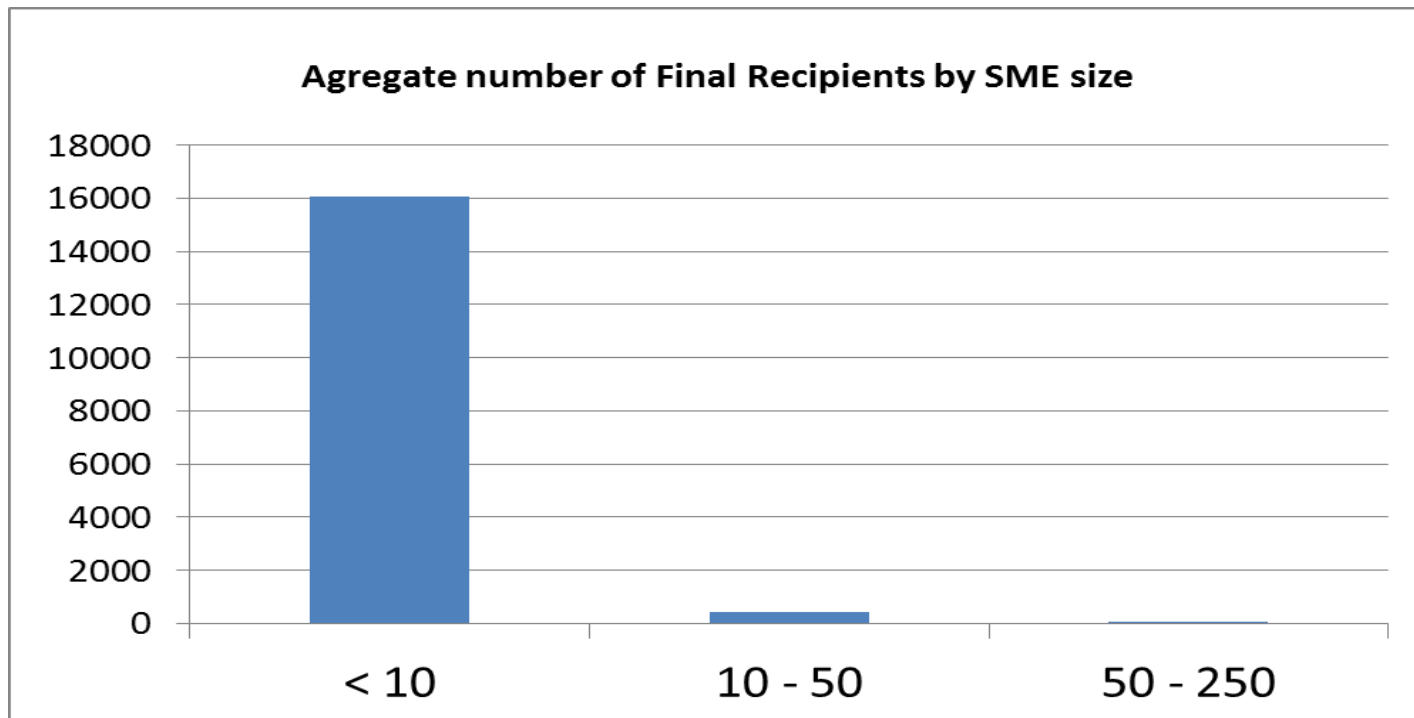
# SME loans supported by LGF – Sectors

## (as per 30/09/2015)

NACE lev.1		Final Recipients		Committed Amount	
Sector Code	Description	No	%	m EUR	%
A	Agriculture, forestry and fishing	652	2,1%	12,8	1,8%
B	Mining and quarrying	10	0,0%	0,2	0,0%
C	Manufacturing	2.538	8,2%	93,8	13,4%
D	Electricity, gas, steam and air conditioning supply	30	0,1%	0,5	0,1%
E	Water supply; sewerage; waste management and remediation activities	80	0,3%	2,7	0,4%
F	Construction	3.602	11,7%	71,6	10,2%
G	Wholesale and retail trade; repair of motor vehicles and motorcycles	7.933	25,7%	181,1	25,8%
H	Transporting and storage	1.818	5,9%	39,8	5,7%
I	Accommodation and food service activities	3.652	11,8%	69,3	9,9%
J	Information and communication	531	1,7%	12,2	1,7%
K	Financial and insurance activities	189	0,6%	8,8	1,3%
L	Real estate activities	313	1,0%	6,6	0,9%
M	Professional, scientific and technical activities	3.097	10,0%	51,6	7,4%
N	Administrative and support service activities	1.679	5,4%	40,5	5,8%
O	Public administration and defence; compulsory social security	1	0,0%	0,0	0,0%
P	Education	511	1,7%	8,4	1,2%
Q	Human health and social work activities	962	3,1%	24,8	3,5%
R	Arts, entertainment and recreation	623	2,0%	13,6	1,9%
S	Other services activities	2.403	7,8%	52,4	7,5%
T	Activities of households as employers; undifferentiated goods - and services - producing activities of households for own use	224	0,7%	10,1	1,4%
U	Activities of extraterritorial organisations and bodies	7	0,0%	0,0	0,0%
	<b>Total</b>	<b>30.855</b>	<b>100,0%</b>	<b>700,9</b>	<b>100,0%</b>

## SME loans supported by LGF – Size of SMEs

- More than 97% of SMEs have less than 10 employees



Source: LGF Quarterly Operational Report 30 June 2015

## COSME EFG Implementation

- First EFG transactions signed end of 2015:
  - Investment in 3 multi-stage funds, together with the early-stage equity facility under InnovFin (Horizon 2020); funds established in the **Netherlands, Italy** and **France**
  - Investment in 2 expansion and growth stage funds in **Germany** and **Austria**
  - Another 4 transactions already approved by the EIF Board of Directors and additional proposal currently under due diligence by the EIF



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## Case study

- **Kopfnuss: One of the first companies having received support through COSME Loan Guarantee Facility**



- **Business Planet programme, Euronews**  
<http://www.euronews.com/2015/10/16/enhancing-access-to-finance-with-cosme>

**Thank you for your  
attention!**