Making it happen: European Commission Seminar on circular economy financing:

COSME / Green Action Plan for SMEs

Nicola-Elizabeth Morris

DG Internal Market, Industry, Entrepreneurship and SMEs
Unit Enterprise Europe Network and SMEs Internationalisation

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Flash Eurobarometer on SMEs: Resource efficiency pays off (02/12/2015)

Key findings for the SMEs that participated

- **87% have taken at least 1 action** to be more resource efficient (down from 93% in 2013).

- **Environment is a top priority for 39%** of these SMEs (+11%).

- **Cost saving** is the most common reason for RE actions.

- 40% say that **RE actions have cut production costs** in last 2 years.

- **80% are satisfied with return on RE investments.**

- Most popular actions: **minimising waste (60%), saving energy (59%), saving materials (54%)** (% down since 2013).

- Approx. 25% of SMEs offer green products or services (7% plan to in the next 2 years).

- **11% bid for a procurement tender with environmental requirements** in last 2 years (50% of them succeeded with no problems).
Green Action Plan

- Greening SMEs
- Green entrepreneurship
- Greener value chains
- Access to markets
Green Action Plan

The Green Win-Win How to make it happen in practice?

The context: Systemic eco-innovation: Green Action Plan (framework) + regulation

- The actors: Best intermediaries, e.g. cluster organisations
- The smart use of limited money
- Learning from mistakes
European Resource Efficiency Excellence Centre

Practical information, advice and support on how to improve RE in a cost-effective manner

Virtual centre with services for:
SMEs, business intermediaries, RE practitioners, regional authorities and other interested parties

Services/tools:
• RE Self-Assessment tool for SMEs
• Catalogue of RE improvement measures
• RE information database
• Call for tenders published in 2015 to select service provider

Centre due to start operations in 2nd half of 2016
Useful links

Green Action Plan for SMEs


Call for tenders: European Resource Efficiency Excellence Centre (closing date 22/02/2016)

COSME: Programme for the Competitiveness of Enterprises and SMEs

1st EU programme targeted to SMEs
- Promoting the creation and growth of SMEs
- Strengthening their competitiveness

Access to markets
Access to Finance
Improving framework conditions for business
Promoting entrepreneurship
COSME: Financial instruments

Loan Guarantee Facility (LGF)
Equity Facility for Growth (EFG)

- For **SMEs** that are already established
- Both instruments can be used for **resource efficiency activities**
- For **promising activities, slightly riskier** than those usually financed (**good business plans**)
- These instruments are part of coordinated framework with similar loan and equity instruments for innovation
- SME-friendly application procedures: contact intermediary and present business plan

The intermediaries must make available **new/extra finance**

(Target: to mobilize up to € 25 billion to finance up to 330,000 SMEs)

Loan Guarantee Facility

Managed by intermediaries (the facility provides them a guarantee for making available a new portfolio of SME finance)

Enables intermediaries to provide new finance to support SMEs with a higher risk profile (e.g. start-ups, less collateral, longer maturity)

Working capital, investment loans, subordinated loans, bank guarantees, leasing

min. 12 months (transaction) – max. 10 years (guarantee)

Principal amount ≤ € 150,000: for any type of SME

> € 150,000: for SMEs not eligible under Horizon 2020 (InnovFin)

≤ € 150,000: for any type of SME
Equity Facility For Growth

Managed by intermediaries (at least 30% private investors)

≥50% must be invested in SMEs:
- Headcount: with <250 employees
- Turnover ≤€50m or bal. sheet: ≤€43m

Growth & expansion stage: ≥50% will go into businesses that already established a product and generate revenues

Focus on long-term investments (5 to 15 years)

EU contribution: 7-25% of total commitment made by the financial intermediary

Possibility of joint investments with the early-stage equity facility of InnovFin (Horizon 2020)
Enterprise Europe Network: advice, information and cross-border partnership services for European SMEs

- How to find new markets abroad
- **European funding and access to finance**, EU law / formalities
- Business/technology partners
- **Innovation services**: Specialised support for high potential, innovative SMEs

- 3,000 local experts, 600+ locations (more than 60 countries worldwide)
- Host organizations with long experience in advising SMEs (chambers of commerce, development organizations, technology organizations)
- More than 13,000 SMEs per year benefit from EEN tech audits and business reviews
- 85% client satisfaction rate
**How EEN can help businesses become more resource efficient**

- Business and technology partnership services can help SMEs become more resource efficient (eg introducing green technologies into value chains):
  - Partnership services using the network's database
  - B2B events focusing on specific sectors or challenges
- Longstanding experience with relevant EU programmes (+ its wider access to finance role is being strengthened)
- There is increased focus on **strengthening EEN's regional positioning**: EEN partners cooperate with other local organizations delivering resource efficiency services
- The Commission (DG GROW) is supporting this process at policy level:
  - EEN partners active in the area of resource efficiency will be integrated in to the Resource Efficiency excellence centre.
Examples of EEN Events

**H2020 International Circular Economy, Resource Efficiency and Eco-innovation Matchmaking Event, 22 Jun 2016**

*(Liverpool, UK)*

- Organized by Enterprise Europe Network, Knowledge Transfer Network and Innovate UK
- Brokerage, matchmaking and information event.
- Focus on opportunities within Horizon 2020 for businesses making the transition to a circular economy and becoming more resource efficient.

**Networking4Innovation, Bratislava, 30 Nov 2016**

- Matchmaking event focused on research, innovation or business cooperation in the field of energy efficiency and renewable energy
- Organised under Slovak EU Presidency as a side event to the SET Plan conference & Central European Energy Conference 2016.
Thank you for your attention!

Nicola-Elizabeth Morris
Enterprise Europe Network and Internationalisation of SMEs
DG Internal Market, Industry, Entrepreneurship and SMEs

nicola-elizabeth.morris@ec.europa.eu