# InnovFin Advisory







# IFA – What do we do?



## **Projects Advisory**

- Improve bankability/investment readiness
- Enable earlier/ faster access to finance
- Light Project Advisory

Projects
Advisory

InnovFin
Advisory

Transfer of

### **Horizontal Activities**

- Improve framework conditions for financing
- Develop "business case" for new financing mechanisms in RDI sectors
- Prepare studies on increasing effectiveness of financial instruments to address specific sector/RDI policy objectives

## Support Investment Platforms:

- Independent advisory
- Support pipeline development
- Upstream project advisory where needed (technical, financial)

### **Investment Platforms**

Lessons

Learned

- Leverage horizontal (market) studies to identify funding gaps
- Where necessary, recommend internal EIB-managed instruments and/or Investment Platforms (IP)
- Structure/implement IP that mobilise public/private investors

Leverage horizontal (market) studies:

- ECS/Photonics
- High Performance Computing (HPC)
- digitisation of SMEs & Innovation Hubs
- Key Enabling Technologies (KETs)

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## **Access-to-Finance for digitisation of SMEs Study**

### The objective of the Study:

- ➤ Provide an overview about the current access-to-finance conditions, trends and challenges related to the financing of programs supporting the Digitisation of SMEs in key sectors of the European economy
- Analyse access-to finance conditions for the financing of Digitisation programs, in particular for SMEs and the development of Digital Innovation Hubs
- ➤ Identify principle national and European programs that support the Digitisation of SMEs in Europe and provide recommendations on how European programs can complement and strengthen existing national programs
- ➤ Provide a set of policy relevant inputs and recommendations on how to set up financial instruments (such as digitisation fund) at EU level with possible cofinancing with national or regional schemes/contributors (the concept of EFSI platforms)
- Explore if there are collaborative funding models (involving public and private investors) that can improve financing conditions of DIHs
- Close collaboration with EC (DG Connect and DGRTD)

# Inno√Fin

Mapping of existing

programs

## Advisory



## Digital Economy 3: Scope of work

Mapping of Existing Programs supporting digitisation of industry and SMEs in Europe

Desktop analysis of financing models

Study financing models of digitisation/DIHs programs

Study collaborative financing models for

4- 6 case studies of DIHS

digitisation

Interviews with DIHS and digitisation programs

- 4 Assess key factors causing Investment Gap
  - Analyze Risk Sharing
    Models (Gov and private sector)

Existing models to combine international and national resources

- Identify key obstacles for Financial Intermediaries
- 5 Analyze how to fund digitisation and DIH programs under existing financial instruments (EFSI, Innovfin, ESIF)
- Identify high priority projects to be supported through Project Advisory and EIB/EIF financing

Provide recommendations on how to set up a Digitisation Fund for SMEs at the EU level

**Proposed Activities** 





## **Next meeting - Food for thoughts**

- 1. Can DIHs develop a revenue generating business model to attract repayable capital and reduce dependence from grants?
- 2. What is the potential role of DIHs in supporting SME to improve the access to finance of SMEs?
- 3. How to better integrate the DIHs services with financial products (beyond public grants)? Partnership with lenders/banks? Direct lending from DIHs?
- 4. Where is the funding gap? Is in the adoption of digital technologies (such as ERP, e-commerce website, digital marketing, robot technologies, etc) by SMEs in traditional sectors (such as construction, agriculture, etc) or is in the development of new and innovative digital business models, digital products, digital services or digital processes by SMEs?



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