



EUROPEAN COMMISSION
EMPLOYMENT, SOCIAL AFFAIRS
AND INCLUSION DG

Phase I	24-04-2018
Phase II	26-11-2018
Phase II Update	12-03-2019

EU PROGRAMME FOR EMPLOYMENT AND SOCIAL INNOVATION - EaSI (2014 - 2020)

GRANTS AWARDED AS A RESULT OF THE CALL FOR PROPOSALS VP/2017/013 - Phase I and II

EaSI - Transaction cost support for social enterprise finance

Budget line : 04.03 02 03

Program(s): EaSI

Action title	EU grant (€)	Application reference
SEFEA IMPACT	500 000,00	VP/2017/013/0011
Summary of the action		
<p>The project aims at developing the internal framework needed to develop in the long run a pipeline of long term risk capital investments for social enterprises in ticket sizes of less than 500.000 € (that otherwise would not happen), taking as a reference the procedures already developed for investments in ticket sizes higher than 500.000 €.</p> <p>The project will therefore implement all needed activities related to the preparation, conclusion and follow-up of such target investments, as follows:</p> <ul style="list-style-type: none"> - First Screening. This phase is divided into three consecutive steps: 1) the analysis of eligibility of investment applications; 2) the qualitative assessment of the applications deemed eligible, including the provision of investment readiness support for the preparation of the information material required by the Fund; 3) the drafting and subscription of the Term Sheet for applications evaluated positively. - Due diligence. This phase involves a detailed verification of all the data that were provided by the applicant for the previous qualitative assessment, as well as the legal and fiscal aspects. At the end of this phase, an Information Memorandum will be drawn up, i.e. an investment proposal that will contain all the information necessary to allow the Board of Directors to make a decision on the investment. At this stage, the research activities of other potential co-investors are also carried out, when feasible. - Investment management. It deals with the ordinary management of the investment, from the moment of disbursement to the exit. The main focus at this stage will be the monitoring of the beneficiary and of the results achieved. <p>At the end of the project implementation period, the methodology adopted for such investments will be fine-tuned on the basis of the lessons learned. A document describing this methodology and additional recommendations will be drafted, in order to ensure long-term continuity and potential dissemination in other contexts.</p>		
Beneficiary organisation/Coordinator	Address	Country
SEFEA IMPACT SOCIETA' PER AZIONI SOCIETA' DI GESTIONE DEL RISPARMIO	PIAZZA ALCIDE DE GASPERI 41, 35131 Padova	IT - Italy

Action title	EU grant (€)	Application reference
"Creas Impacto". First to be established EuSEF in Spain, pathway to attain economic sustainability. A cost support scheme by the	344 294,49	VP/2017/013/0047

Summary of the action

The lack of early stage finance is still a barrier for social start-ups in Spain, in their majority SMEs. Creas has observed that regardless of ticket size investment decisions in social enterprises are frequently extended in time and consequently so are the related transaction costs, this is due most likely to the specific characteristics of the social enterprise such as a measurable impact embedded in its business model, relatively new practices, public sector stakeholders, multi-partners etc.

Creas team has recently identified an increase in the number of eligible social companies and in the quality of the deal flow in the Spanish market. The investment needs of the social enterprises identified to date are effectively between EUR 100k and 500k however within this range Creas has observed the financing needs of social enterprises have increased over the last year.

Consequently, Creas is currently in the process of launching "Creas Impacto", the first to be established EuSEF in Spain for early stage social enterprises.

The objective of Creas Impacto EuSEF is to carry out a first closing once a target of EUR 4 Million is reached. The date estimated is May 2018 however this could be later or earlier and the estimation is based on a current fundraising of near to EUR 2 Million.

The action for which the cost support scheme is requested consists of 10 investments into 7 social enterprises across the 26 months, this is time estimated until the potential targeted size of EUR 12-15 M could be reached by Creas Impacto EuSEF. This period is what Creas has defined as the period to attain economic sustainability.

It is therefore vital to lower transaction cost to enable the investing activity during the evolving 26 month period through which Creas Impacto EuSEF attains economic sustainability.

In this regard, no grant support is requested after November 30th 2019 as, if growth expectations are attained, the EuSEF will become sustainable solely through its management fee.

Beneficiary organisation/Coordinator	Address	Country
FUNDACIÓN CREAS VALOR SOCIAL	C/ SAN MIGUEL, 20, 2º, 50001 Zaragoza	ES - Spain

Action title	EU grant (€)	Application reference
Building an open, pan-European pipeline of early-stage, investment-ready social enterprises with customized deal-by-deal support	700,000	VP/2017/013/0083

Summary of the action

The objective of the action is to build an open, pan-European pipeline of investment-ready, early-stage social enterprises with a customized deal-by-deal support. This orchestrated approach was successfully tested in Germany, Austria and Benelux with multiple cases. The action will catalyze smaller risk-capital investments of below EUR 500k that otherwise would not be possible. The transaction cost of sourcing, preparing and executing these small, customized deals are disproportionately high compared to the ticket sizes and the often limited financial upside.

The action will strive to lower these transaction costs through five activities: (i) Extension of transaction support to 3-4 new European regions (ii) Deal sourcing of social enterprises. (iii) Extension of investor network by adding >200 impact investors interested in smaller deals. (iv) Transaction support for 20-30 selected social enterprises seeking smaller risk-capital investments in current markets and new European regions. (v) Knowledge dissemination.

The action will address the shortage of smaller financings for social enterprises and mobilize EUR 7 Mn of risk-capital investments. It will extend the scope of the successfully piloted deal-by-deal support to further European regions and increase the penetration in existing markets. This will allow us to reach a critical mass of pan-European activities to operate on a sustainable basis.

Since 2013, FASE has built a successful track record: an investor base with >500 impact investors and successful support for >30 social enterprises in Germany, Austria and Benelux, raising EUR >14 Mn in hybrid growth capital. In addition, an early-stage co-investment fund is set up to mobilize more capital for social enterprises. FASE is an accepted thought leader in social finance across Europe and receives support from a consortium of impact investors prepared to (co-)invest as well as multiple associate organisations helping with deal sourcing and network access.

Beneficiary organisation/Coordinator	Address	Country
FINANZIERUNGSAGENTUR FÜR SOCIAL ENTREPRENEURSHIP GMBH	PRINZREGENTENPLATZ 10 81675 MÜNCHEN	DE - Germany

Action title	EU grant (€)	Application reference
BIF - Belgian Investment Fund for Social Enterprises	579,982.8	VP/2017/013/0088
Summary of the action		
<p>The Group Credal (Credal SC and its affiliates) together with its European partners (TAMA and FEBEA) are currently working on the development of the Belgian Investment Fund for Social Enterprises (BIF). The purpose of the BIF is to develop an offer of investment products to satisfy the demand for equity and quasi-equity of Social Enterprises in Belgium and particularly within the Social Economy Sector. This includes starting grants, equity participations, subordinated loans and convertible loans.</p> <p>The BIF team will conduct a pre-screening of potential projects to be invested in and submit its proposals to the eligibility committee. Those social enterprises selected will undergo a full due diligence and will be presented to the Investment committee. In order to complete and strengthen its due diligence process, the BIF team will use the services of external experts.</p> <p>Besides its investment mechanism, the BIF team will work on establishing its social impact evaluation criteria and follow up indicators. Such criteria will be used to select investments and the indicators will be used in the monitoring of the social and environmental performance during the overall investment period.</p> <p>Together with its impact strategy, the BIF team understands that many potential investees need to undergo a process of investment readiness that will be part of the BIF activity.</p> <p>Thanks to the partnership with FEBEA, the BIF team will also conduct exchanges with other impact investors in Europe, in order to learn and adopt best practices and successful strategies from other countries and markets.</p> <p>The BIF Team will also rely on TAMA's network to expand its pool of investors at European level.</p> <p>The EU Transaction Cost support grant will allow for the establishment of the BIF team and a gradual reduction of the due diligence and transaction cost over time. In terms of productivity the BIF intends to invest €7,5M in at least 25 social enterprises.</p>		
Beneficiary organisation/Coordinator	Address	Country
CREDAL SC	RUE D'ALOST 7 1000 BRUXELLES	BE - Belgium

Action title	EU grant (€)	Application reference
Increasing the number of quality impact investments into investment ready early-stage social enterprises in Spain and Portugal	351,439.79	VP/2017/013/0092
Summary of the action		
<p>The goal of the action is to strengthen the social entrepreneurship sector in Spain and Portugal by creating the necessary conditions for connecting impact investors and early-stage social enterprises and produce, as a result, higher number of equity investments of below EUR 500.000. The action will serve to lower the transaction costs for such small investment rounds and thus help overcome an important market failure in the social enterprise finance ecosystem in Spain and Portugal.</p> <p>The proposed action comprises four activities:</p> <ul style="list-style-type: none"> (i) Contribute to create an investment-ready pipeline of social enterprises that are in initial stages of development and in need of investments in capital between EUR 100.000 and 500.000, in Spain and Portugal. (ii) Provide, on a deal-by-deal basis, full deal support for 10 to 15 selected social enterprises seeking equity investments of below EUR 500.000 in Spain and Portugal. (iii) Expand the investors network that support these deals through a match-funding system and with the support of a professional participative financing mechanism. (iv) Follow-on, manage investments and ensure that the social enterprises financed report regularly to investors about their performance and social impact. <p>The most visible expected result of the action is to conclude successfully 10 to 15 investment deals below EUR 500.000 in early stage social enterprises in Spain and Portugal in 2018 and 2019.</p> <p>In addition, as a result of the public events foreseen in the action, we envisage an increase of awareness among conventional investors, public administrations and public in general about the socio-economic relevance of the social enterprises and impact investment.</p> <p>Thanks to the IT reporting system, the action will also contribute to the accountability of the social enterprises financed and, as a result, increase trust among the impact investors in Spain and Portugal.</p> <p>For more details, please read the Summary of the proposal attached in the annexes.</p>		
Beneficiary organisation/Coordinator	Address	Country
LA BOLSA SOCIAL SL	CALLE ALAMEDA 22 28014 MADRID	ES - Spain

Action title	EU grant (€)	Application reference
FSSE (Financing Small Social Enterprises)	327,361.8	VP/2017/013/0095
Summary of the action		
<p>INCO, premier consortium mondial d'une nouvelle économie, inclusive et durable, développant 4 activités :</p> <ul style="list-style-type: none"> • Incubation : INCO développe des programmes d'incubation et d'accompagnement afin d'encourager et d'accélérer le développement des entreprises à fort impact social, en France et dans le monde. • Formation : 3 programmes de formation dédiés aux personnes éloignées de l'emploi ont été développés sur la formation aux nouveaux métiers. • Média: promotion de l'entrepreneuriat social et de l'impact investing à travers une série d'événements nationaux et internationaux. • Investissement: Grâce à ses fonds de capital-investissement, dotés de 105 millions d'euros, le INCO investit dans des entreprises françaises à fort impact social ou environnemental pour les accompagner dans leur changement d'échelle. <p>Les investissements d'INCO sont des investissements patients (5 à 7 ans), avec des prises de participations minoritaires, qui permettent un renforcement des fonds propres et quasi-fonds propres des entreprises sociales de l'amorçage au changement d'échelle, contribuant ainsi à leur développement, quels que soient leurs statuts (associations, coopératives, sociétés de capitaux).</p> <p>Outre ses outils de financement, le INCO offre un accompagnement stratégique dans la durée, incluant la possibilité de mobiliser son réseau international et son expertise.</p> <p>A travers ses investissements, INCO contribue à soutenir la création de 10 000 emplois.</p>		
Beneficiary organisation/Coordinator	Address	Country
INCO	71 RUE SAINT-ANTOINE 75004 PARIS	FR - France

Action title	EU grant (€)	Application reference
EaSI Transaction Cost Support Project	535,250.05	VP/2017/013/0099
Summary of the action		
<p>Ship2b are a Spanish Social Investment and business acceleration platform founded in 2014. With a non-profit founding, we have successfully accelerated 51 start-ups winning recognition by the Spanish Savings Banks Foundation (FUNCAS) as Spain's second-best accelerator. In 2016 we launched a social Impact investment vehicle (B-FUND).</p> <p>While this fund brings together multiple investors, minimising their risk perception, the fund is not currently self-sustaining for the investment tickets that we are targeting (40 to 400K Euros). Our transaction costs are not recovered with the 2.5% commission that we perceive to manage the B-Fund vehicle and the 5% that we charge per investment raised from our investors network.</p> <p>We have recently reached an agreement with the European Investment Fund (EIF) whereby they will effectively inject 2/3 of a needed investment to the 1/3 invested by our B-Fund. To this, we can add further investments from our pool of 474 social impact investors. This is excellent and will be launched as 'B-FUND II'. However, as of today we still do not have our transaction costs covered.</p> <p>With this project, hereafter known as 'EaSI TC Project', we propose using the 2-year grant to support our cost structure, to investigate current and future predicted efficiency levels, to improve our Social Impact measurement metrics and to put in place a framework to reach Sustainability with B-FUND II by 2020.</p>		
Beneficiary organisation/Coordinator	Address	Country
FUNDACION SHIP2B	C BALMES 305 PLANTA ENT PUERTA 4 08006 BARCELONA	ES - Spain

Action title	EU grant (€)	Application reference
SEED CAPITAL - FEIS	109,699.54	VP/2017/013/0090
Summary of the action		
<p>The Entrepreneurship and Social Innovation Fund (FEIS) is a Venture Capital Fund which initially receives a provision of 1.6 million euros from the DFB (Provincial Council of Bizkaia) (fund participant 100 %)</p> <p>It depends directly on the DFB (Provincial Council of Bizkaia), in two different departments: Social Action Department and Economic Development Department</p> <p>Its main objective is to support the promotion and consolidation of socially innovative business initiatives and to finance novel, profitable and valuable initiatives for people and the environment.</p> <p>It is aimed at new companies or existing SMEs which promote entrepreneurship and social innovation.</p> <p>The Fund has already began its operation and has experience in one company (KOIKI). Working with this company, we have had to face many problems, such as the lack of entrepreneurial vision or experience.</p> <p>The main selection criteria will be the professionalism and willingness of the entrepreneurial team, the potential of the business project and the valuation and entry conditions.</p> <p>Investment requirements:</p> <ul style="list-style-type: none"> - Registered address and production centre in Bizkaia. - Companies with added social value in sectors of: renewable energy, ecological agriculture, bioconstruction, supporting people at risk of social exclusion, development cooperation, fair trade, ... - Economic participation of the group promoting the project. - Growth and job creation potential - Be up to date with the tax and social security obligations. <p>We will search for social innovative companies and after analyzing their potential, we will help them to implement and operate their project. We want to promote employment and social inclusion by increasing access to finance.</p> <p>This is the main issue of the action, due to the lack of entrepreneurial knowledge of these kind of companies.</p> <p>After screening and processing the investment applications we will give them legal advice and support to manage the investment and measure the social impact of the project.</p>		
Beneficiary organisation/Coordinator	Address	Country
SEED CAPITAL DE BIZKAIA, SOCIEDAD GESTORA DE ENTIDADES DE INVERSIÓN DE TIPO CERRADO, S.A.	SABINO ARANA, 8, 5ª PLANTA 48013 BILBAO	ES - Spain