

An interregional cooperation project for improving SME competitiveness policies.

Project Partners

Normandy Development Agency (FR)

Investment and Business Development Bank Lower Saxony - NBank (DE)  
Business Development Centre North Denmark (DK)  
Murcia Business Innovation Center (BIC Murcia) (ES)  
IFKA Public Benefit NonProfit Ltd. for the Development of the Industry (HU)  
Metropolitan City of Turin (IT)  
Kaunas Science and Technology Park (LT)  
Podlaska Regional Development Foundation (PL)

# FFWD EUROPE

Interreg Europe



FFWD EUROPE encourages SMEs to participate in public supported accelerator models in order to enhance their competitiveness through access to private funding and international market opportunities.



[www.interregeurope.eu/ffwdeurope](http://www.interregeurope.eu/ffwdeurope)



# Good practice of INVEGA Fund:

## Access to finance for business creation and development in Lithuania

# Business support

## Partial financing of Loan Interest

- 50-100 percent of the interest actually paid can be compensated for SMEs.

## Business Start-up Subsidies

- Up to 75 percent of labour costs can be compensated to the borrowers.

## Partial Financing of Staff Training

- Up to 4500 EUR can be compensated for the costs of employee training over a period of 12 months.

## Consultation Services Reimbursement

- Counselling expenses on export, business start-up and development, more efficient use of resources and conservation of natural resources can be compensated.

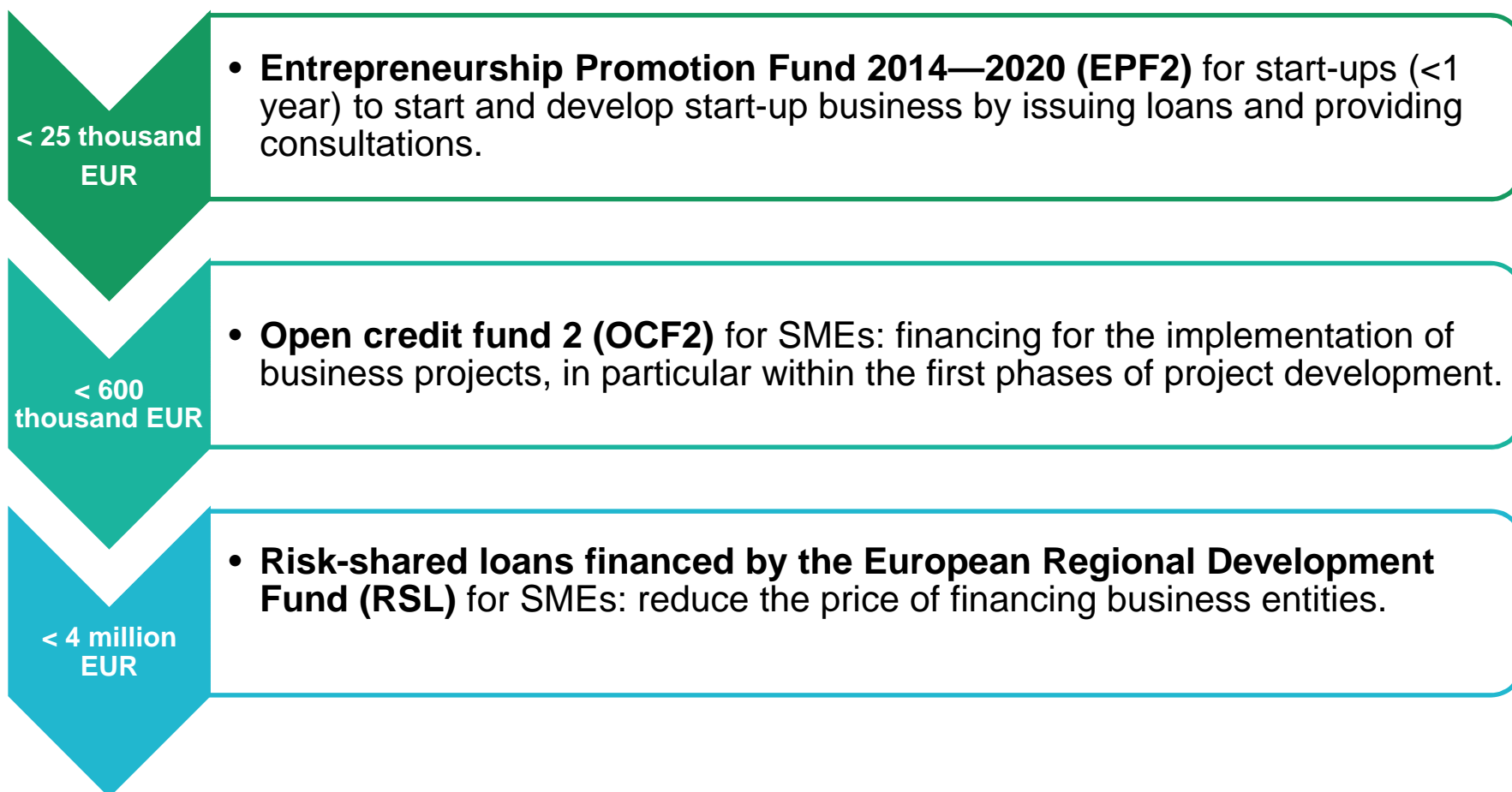
# Resources needed

Measures, managed by INVEGA fund:

1. **Individual guarantees:** guarantee the unattractive or insufficient security deposit.
2. **Portfolio guarantees:** reduce the down payment and apply a lower interest rate as compared to market conditions.
3. **Soft Loans:** enhance SME's access to finance.
4. **Venture Capital Investments:** investments for early-stage, innovative, high-potential business.
5. **Subsidies:** global grants aimed to help secure the SME's market entry and development.

# Soft loans

For starting or expanding of SMEs activities:



# Entrepreneurship promotion fund (EPF2)

The entrepreneurship promotion loans are designed to finance investments and/or working capital.

EUR 21.5 million has been allocated for the issue of these loans from the European Social Fund.

## Eligible borrowers:

- Natural persons working under the business licence or self-employed, micro and small companies.
- People intending to set up a business and recently established entrepreneurs (up to 1 year since entity's registration).

## Maximum amount

EUR 25.000 with a maximum loan term of 120 months.

# Evidence of success (EPF2)

<b>Entrepreneurship Promotion 2014–2020</b>	<b>Target</b>	<b>Results as of 30-06-2018</b>
Number of individuals and companies using the financial instrument for business start-ups	1000	402
Number of persons and companies encountering labour market or business organisation difficulties	440	263
Number of jobs created	1800	789
Number of jobs created for persons and companies encountering labour market or business organisation difficulties	810	507
Percentage of successfully operating start-ups after 12 months	82	99,11 %

# Difficulties encountered

## EPF2 Fund:

- The demand for funding was not as high as expected due to economical business conditions.

## Start-ups (during the evaluation phase):

### Inobservance of employment law requirements:

- Debts for State Social Insurance Fund or State Tax Inspectorate;
- Any employed person.

## INVEGA Fund (in general):

- Limited flexibility due to public procurement regulations and procedures.



# Potential for learning or transfer

- SMEs can obtain the necessary funding for business start or business development;
- Financial institutions in cooperation with INVEGA are prone to lend for business;
- The continuity of investments is ensured;
- The Fund proves the power of cooperation.

# Contact



**Vaiva Kelmelyte** [vaiva.kelmelyte@kaunomtp.lt](mailto:vaiva.kelmelyte@kaunomtp.lt)



Kaunas Science and  
Technology Park

**Twitter: @FFWD\_EU**

**Website: <https://www.interregeurope.eu/ffwdeurope/>**

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European Union  
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Development Fund

**THANK YOU FOR  
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