

**SZÉCHENYI**

2020



European Union



MINISTRY FOR  
NATIONAL ECONOMY

**ATM for SMEs**  
Interreg Europe



# SOCIAL AND TECHNOLOGICAL INNOVATION IN MICROFINANCE

## SUPPORTING IT SYSTEMS IN MICROFINANCE AND COMBINED SCHEMES 2007-2013 AND 2014-2020 IN HUNGARY

Krisztina Júlia Szabó  
Managing Authority for EDIOP

2nd study trip  
Oslo, 20-22 March 2017

# Ministry for National Economy, Hungary

## Covered policy areas

## State secretariats

## Deputy state secretariats

Tax regulation

Accounting

Customs

Tax & customs frauds

**Taxation**

Deputy State Secretariat  
for Economic Planning  
and Competitiveness

Labour market

Vocational training

Adult training

**Labour market  
and training**

National Budget

State treasury

**State budget**

Deputy State Secretariat  
for the Management of  
Regional Development  
Programmes

Macroeconomy

International  
finances

**Macroeconomy**

Deputy State Secretariat  
for the Management of  
Economic Development  
Operational Programmes

Domestic economy

Tourism

International  
economic relations

**Economic  
development,  
economic regulation**

Competitiveness

Regional  
development  
programmes

Economic  
development  
programmes

**EU funds**



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# Deputy State Secretariat for the Management of Economic Development Operational Programmes

The Deputy State Secretariat acts as Managing Authority for

## Economic Development Operational Programme (EDOP) – 2007-2013

- Source of funding: ERDF, national co-financing (85%-15%)
- Volume: EUR 3 363 million
- 22% of which financial instruments in a dedicated priority axis, i. e. EUR 727 million
- Priorities:
  1. R&D and innovation for competitiveness
  2. Complex development of enterprises (focusing on SMEs)
  3. Improvement of modern business environment
  4. Financial instruments

## Economic Development and Innovation Operational Programme (EDIOP) – 2014-2020

- Source of funding: ERDF, ESF, national co-financing (85%-15%)
- Volume: EUR 8 813 million
- 29% of which financial instruments in a dedicated priority axis, i. e. EUR 2 235 million
- Priorities:
  1. SME competitiveness
  2. R&D&I
  3. ICT
  4. Energy
  5. Employment
  6. Training
  7. Tourism
  8. Financial instruments (95%-5%)



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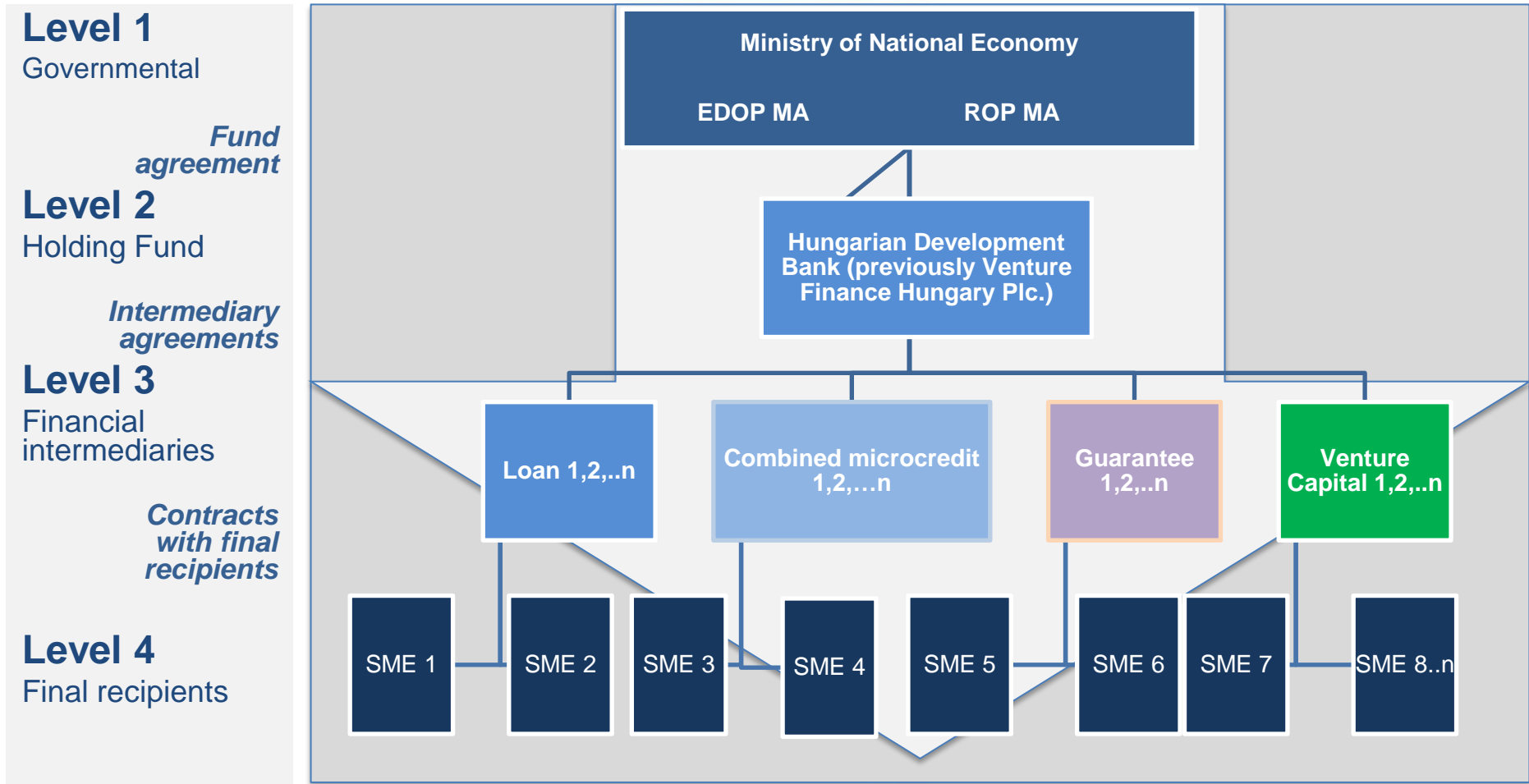


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# Institutional structure of financial instruments 2007-2013 (JEREMIE)

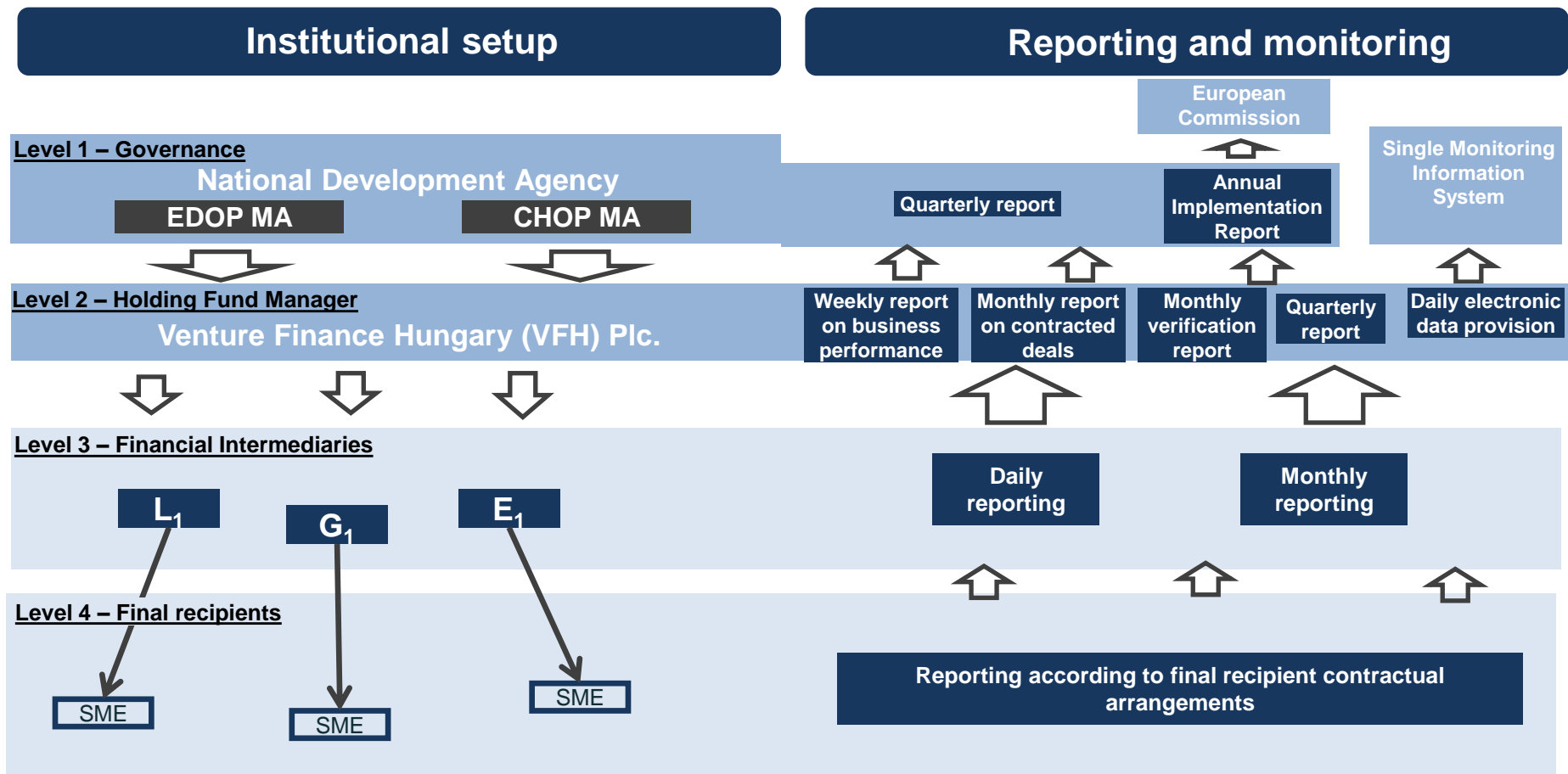


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# Monitoring and reporting procedures of the FEI implementation system in Hungary in 2007-2013



EDOP – Economic Development Op. Programme  
 CHOP – Central Hungary Op. Programme  
 L – Loans, G – Guarantees, E – Equity



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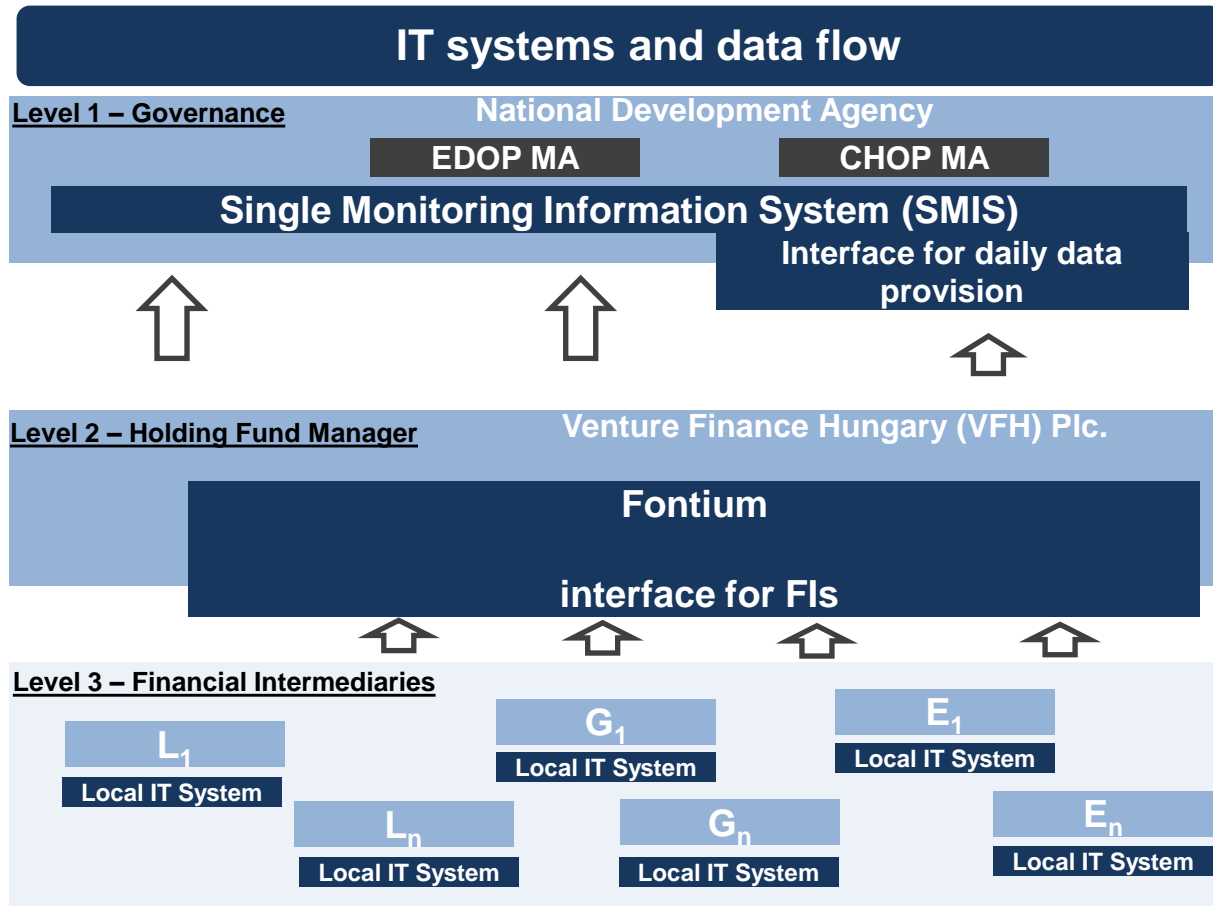
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# IT systems of the FEI implementation system in Hungary 2007-2013



## Notes

- The SMIS serves the FEI implementation and SF implementation monitoring
- SMIS stores draw-down of funds by the HFM and financial transactions of major FEI and programme accounts
- MAs generate specific reports and analyses
- The HFM runs its own IT system called Fontium
- Fontium has numerous built-in watch functions, queries
- Various local IT systems at FIs storing data of single deals and final recipients
- Data flow through an interface to Fontium

SMIS – Single Monitoring Information System, EDOP – Economic Development Op. Programme, CHOP – Central Hungary Op. Programme  
L – Loans, G – Guarantees, C – Equity



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# Institutional structure of financial instruments 2014-2020

## Loan/combined loan and grant

Ministry for National Economy  
EDIOP MA

Hungarian  
Development Bank

Loan 1,2,..  
n

Combined loan  
1,2,..n

SME  
1

SME  
2

SME 3

SME  
4..n

## Venture capital

Ministry for National Economy  
EDIOP MA

Hungarian Development Bank  
Fund of Funds

Fund  
manager 1  
Fund 1

Fund  
manager 1  
Fund 1

Fund  
manager 1  
Fund 1

SME1

SME2

SME4

SME7

SME3

SME5

SME6

SME n

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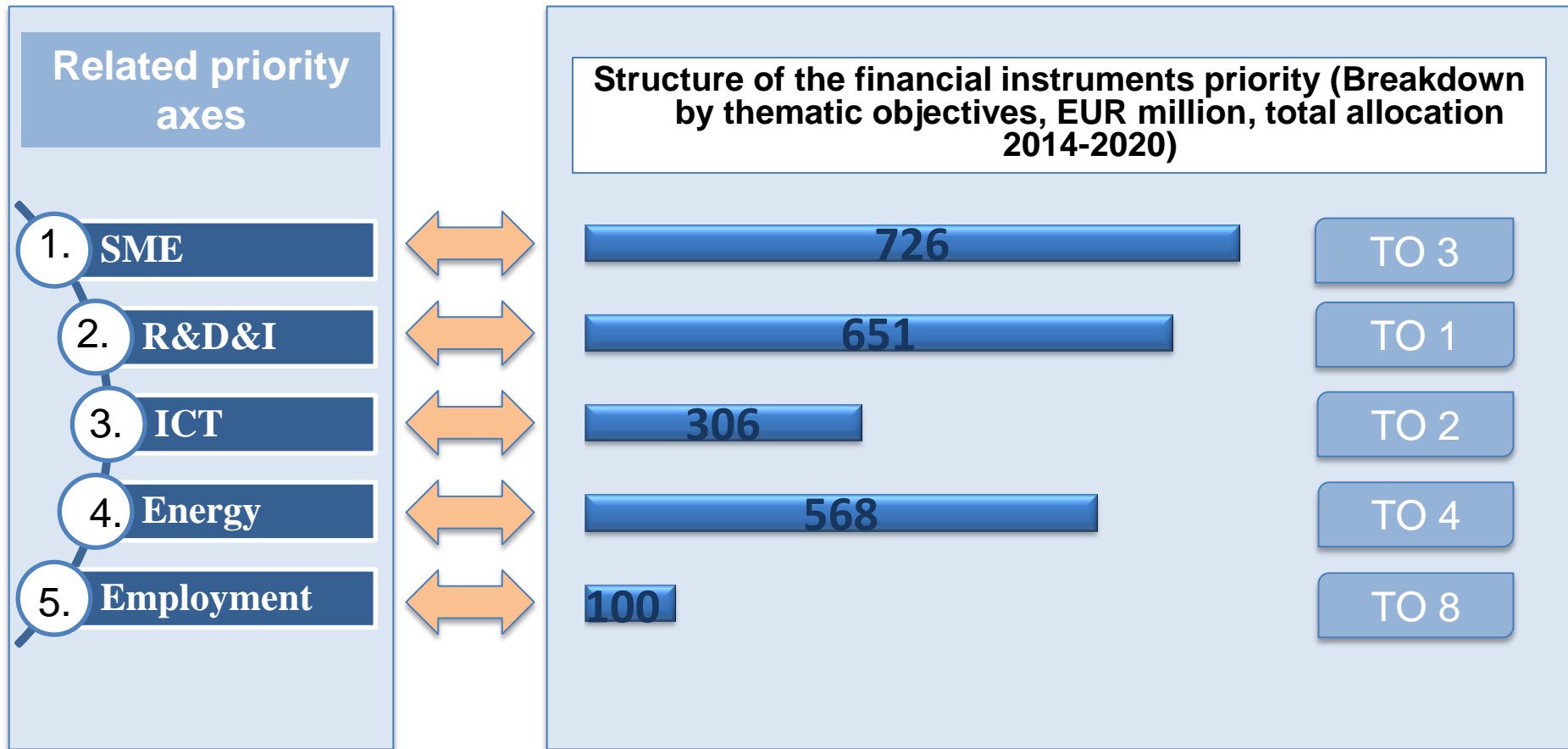
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# Priority axis No. 8 (Financial instruments) is linked to 5 other priority axes in EDIOP 2014-2020





# EDIOP 2014-2020 planned product structure and financial allocation

Allocations in EUR million

Thematic Objective/ FI products	TO1 R&D support	TO2 ICT support	TO3 SME support	TO4 Low- carbon energy	TO8 Employment support	Number of products
<b>Loan</b>	103.2	66.4	225.7	436.0	53.2	6
<b>Combined loan</b> 	112.9	96.7	403.1	103.5	41.9	9
<b>Venture capital</b>	322.5	16.4	187.0	0.0	0.0	6
<b>Total</b>	538.6	179.5	815.8	539.5	95.1	21



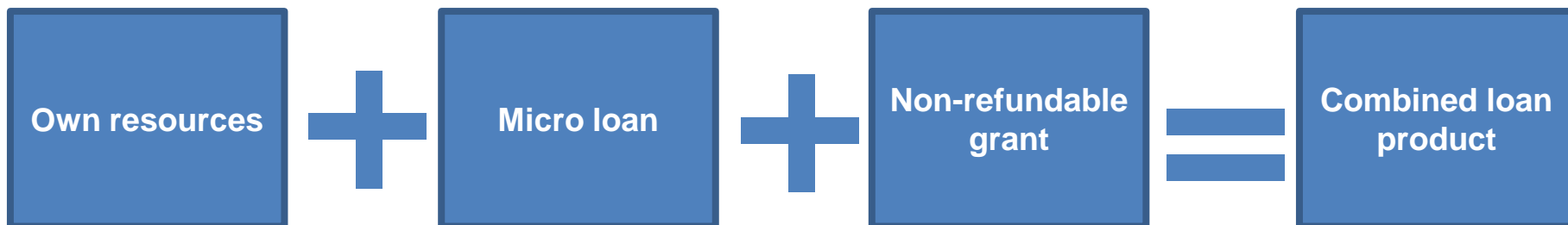
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# Main features of combined loan products 2014-2020

## Composition of the combined loan products



## Main features

- Project proposal shall be submitted before project starts (at least 1 day before)
- All relevant information is included in the call documentations
- Applicants need to have adequate own resources
- Possibility to request advance payment (only for the non-refundable grant component)
- Retention period for 3 years in case of SMEs. Beneficiaries must fulfilment compulsory indicators.
- Budgeted costs have to be supported by 3 independent bids



# List of combined loan products 2014-2020

Call id	Title of call	Financial allocation of loan component (EUR mill)	Financial allocation of linked non-refundable grant component (EUR mill)	Launch schedule
EDIOP-2.1.2-8.1.4-16	Support to RDI activities of companies	116.7 (under revision)	233.3	Launched in 12/2016
EDIOP-3.1.2-8.2.4-16 EDIOP-3.2.2-8.2.4-16 EDIOP-3.2.4-8.2.4-16	Support to infocommunication technology developments of companies	100	80	Launched in 12/2016
EDIOP-1.2.3-8.3.4-16	Support to technology development of MSMEs	250	125	Launched in 22/2016
EDIOP-1.2.6-8.3.4-16	Support to complex investments in the food industry	166.7	166.7	Launched in 12/2016
EDIOP-4.1.1-8.4.4-16	Support to energy efficiency developments (including renewables) in buildings	106.9	198.2	Launched in 12/2016
EDIOP-8.8.4-17	Support to young entrepreneurs and job seekers	26.7	80	06/2017 (under revision)
EDIOP-5.1.7-8.8.4-17	Support to development of social enterprises	16.7	50	06/2017 (under revision)



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# Applications for combined products to be submitted through a unified online platform in the 2014-2020 period

Unified online platform for applications in combined (grant and loan) instruments:  
It serves as the prime administrative platform for the beneficiaries/final recipients

**PÁLYÁZATI E-ÜGYINTÉZÉS FELÜLET 2014-2020**

Üdvözljük a Pályázati e-Ügyintézés 2014-2020 felületen, az Elektronikus Pályázó Tájékoztató és Kommunikációs Rendszerben! A személyes felületeinek indításához kérjük, jelentkezzen be, vagy regisztráljon!

További sikeres ügyintézés!

▶ BEJELENTKEZÉS

Értesítési email cím \*

Jelszó \*

A csillaggal \* jelölt mezők kitöltése kötelező.

Bejelentkezés Bejelentkezés jelszóváltoztatással

Regisztráció Elfelejtett jelszó

# Applications for combined products to be submitted through a unified online platform in the 2014-2020 period

## Comparison of administrative procedures for combined products

### 2007-2013

- One-stop, off-line submission platform at financial intermediaries
- Separate project selection procedures
- Joint approval decision for the applicant SME
- Separate procedures for contracting (two contracts with the beneficiary: loan contract and subsidy contract)
- Separate administration procedures for the grant and loan

### 2014-2020

- One-stop, web-based, online submission platform and communication surface
- Separate project selection procedures using harmonised project selection criteria
- Joint approval decision for the applicant SME
- Separate procedures for contracting (two contracts with the beneficiary: loan contract and subsidy contract)
- Separate administration procedures for the grant and loan, but joint core documentation for each tenders elaborated



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**Thank you for your kind attention!**

**E-mail: [szabo2.krisztina@ngm.gov.hu](mailto:szabo2.krisztina@ngm.gov.hu)**

**[www.palyazat.gov.hu](http://www.palyazat.gov.hu)**