

ATM for SMEs

Interreg Europe

ATM for SMEs aims at improving the access of SMEs to microfinance in the participating regions by sharing and exchanging the local knowledge on innovative solutions.

PROJECT INFORMATION

Number of partners: **10**

Countries involved:

**Hungary, Germany,
Poland, Italy, Spain,
Norway, Croatia, Belgium**

Main outputs:

**9 regional action plans,
6 study trips, 9 improved
policies, 6 new projects
generated**

Project duration:

4/2016 – 3/2021

ERDF funding:

1,622,097 €

An interregional cooperation project for improving SME competitiveness policies

The lack of access to credit and financial exclusion can be a serious obstacle to business creation in many European regions. Micro-financing of SMEs and support to social entrepreneurship is an already tested and proven tool which can contribute to a high level of quality and sustainable employment, reducing disparities and poverty; and thus contributing to the realization of the « Inclusive growth » priority of the Europe 2020 strategy.



SME
competitiveness



European Union
European Regional
Development Fund

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ATM for SMEs
Interreg Europe



There is a wide variety of microfinance programs across Europe, however, there are significant differences in how these microfinance initiatives reach their target groups. Therefore, the “ATM for SMEs” project, implemented through the INTERREG Europe programme, is aiming at improving the access to microfinance in the participating regions by sharing and exchanging the local knowledge on innovative solutions.

The “ATM for SMEs” consortium is lead by Fejér Enterprise Agency (HU) and is characterized by a balanced proportion of managing authorities and microfinance institutions, and a European level advisory partner.

The intensive interregional policy exchange and learning process, planned in the framework of the project, allows the gathering of evidence on the feasibility of these good practices, and capitalising on the experience accumulated in the participating regions.

THE PROJECT IMPLEMENTATION IS DIVIDED INTO 2 PHASES:

PHASE I. (36 MONTHS)

Phase I is characterised by an intensive interregional learning process, allowing the partners to exchange good practices and experiences on policy implementation. By the end of phase I, the regional partners will prepare in total 9 action plans in order to integrate and deploy good practices learnt from interregional cooperation within the identified regional or national policies. The influence of the project can be demonstrated by the generation of new projects – tackling at enterprise development or improving the access to local microfinance programs – and improved management of the policy instruments by adopting new approaches in the way calls are organized and assessment methodologies are developed.

PHASE II. (24 MONTHS)

Phase II is about the monitoring of the implementation of the regional action plans in each participating region.

The project indicators show that the successful implementation of the project will influence 626 million EUR of Structural Funds related policies and 0,6 million EUR of other policies. The most important result of the project is the improvement of the 9 identified policy instruments.

The overall objective of the project is to improve the implementation of policies addressing enterprise development or sustainable employment in the participating regions, so that they can contribute to a better access to local microfinance programs for SMEs and self-entrepreneurs.

The project will enable regional authorities and business development organizations to develop adequate local responses to one of the key obstacles that start-ups and self-entrepreneurs are facing, i.e. the lack of credit, business development services, and financial exclusion.

As a HORIZONTAL OBJECTIVE, the project will address the issue of facilitating the access to microfinancing and enterprise development services for the members of specific target groups at risk of discrimination and financial exclusion, e.g. people who have disadvantaged position at the labour market, women.

TWO OPERATIONAL SUB-OBJECTIVES ARE CONTRIBUTING TO THE REALIZATION OF THE OVERALL OBJECTIVE:

To facilitate the interregional learning and exchange of experiences, practices among regional authorities and enterprise development institutions in terms of improving the access for local microfinance programs for priority groups; and reduce financial exclusion.

To support the capitalization and the deploying of the experiences and lessons learnt from inter-regional cooperation among actors of regional relevance, through the generation of new projects or the better management of their policies and strategies.

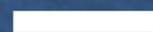
RESULT INDICATORS & TARGET

No. of Growth & Jobs or ETC programmes addressed by the project where measures inspired by the project will be implemented 100% of policy instruments addressed with structural funds link	6
No. of other policy instruments addressed by the project where measures inspired by the project will be implemented 100% of policy instruments addressed without structural funds link	3
Estimated amount of Structural Funds (from Growth & Jobs and/or ETC) influenced by the project (in EUR)	466.3 <i>million €</i>
Estimated amount of other funds influenced (in EUR)	5.7 <i>million €</i>

OUTPUT INDICATORS & TARGET

No. of policy learning events organised	116
No. of good practices identified	90
No. of people with increased professional capacity due to their participation in interregional cooperation activities	118
No. of action plans developed	10
No. of appearances in media (e.g. press)	36
No. of new visitors to project website since last reporting period	300

PARTNERS



...e's Growth



FEJÉR ENTERPRISE AGENCY

Fejér Enterprise Agency (FEA) was established in 1991 as a 47 member non-profit with a mission to provide high-level, easily accessible financial, advisory and training services in Hungary to start-ups and existing micro and small enterprises operating in the Transdanubian region and enable them to improve their financial, social and living conditions. Focus is placed in BDS, training for entrepreneurial knowledge and MC for enterprise financing.

Type of Organization: **NGO**

Country: **Hungary**

Products & Services provided:

Financial: **Business microloans**

Non-financial: **Entrepreneurship training, Financial education, E-learning courses**

Gross Loan Portfolio: **N/A**

Number of clients: **3,550**

Target Audience: **Rural population, Urban population, Youth (18-25 years old)**

Organization Website: **www.rva.hu**

POLICY

The Integrated Territorial Programme 2014–2020 (ITP) of Fejér County is an intrinsic part of the centralised Territorial and Settlement Development Operational Programme (TOP) of Hungary. The TOP incorporates the territorial development objectives of the Hungarian regions, and the funding of the projects will be managed in a decentralised manner, by the counties, based on the assessment system defined in the ITPs.

The main priorities of the ITP include:

- 1 local economic development and job creation
- 2 development of local public services
- 3 inclusive local society, elimination of segregation and human resources development
- 4 support of local employment promotion initiatives

The measures concerning the ATM for SMEs project fall under priority 6 – Support of local employment promotion initiatives.

The ITP sets up territorial assessment criteria for the evaluation of the projects applying for ERDF/ESF funding in the framework of the TOP. Some of these criteria are assessing the impact on the local economy, employment and enterprise promotion.

Reasons for improving the ITP in the framework of the project:

- a more sophisticated assessment scheme for projects dealing with enterprise promotion would be useful
- shaping a new methodology to assess the social and territorial impacts of enterprise promotion programmes
- generation of innovative projects in the field of enterprise promotion, including improved access to financing

MINISTRY OF FINANCE

The Deputy State Secretariat Responsible for Implementing Economic Development Programs in the Ministry of Finance acts as the Managing Authority for the Economic Development and Innovation Operational Programme 2014–2020 in Hungary (EDIOP). EDIOP covers the 6 convergence regions of Hungary (excluding Budapest and Pest County).

EDIOP is financed from ERDF, ESF and co-financed by the Hungarian state budget. Total financial frame is EUR 8 813 million.



EDIOP includes eight thematic priorities:

- 1 SME competitiveness
- 2 Research and Development and Innovation
- 3 Infocommunication Technologies
- 4 Energy
- 5 Employment
- 6 Training
- 7 Tourism
- 8 Financial instruments including loan, guarantee and equity products

Total volume of financial instruments is EUR 2 235 million.

Previously the State Secretariat acted as The Managing Authority (MA) of the Economic Development Operational Programme 2007–2013 in Hungary (EDOP). EDOP was financed from ERDF and co-financed by the Hungarian state budget. Total financial frame was EUR 3 363 million.

EDOP included four thematic priorities:

- R&D and innovation for competitiveness
- Complex development of enterprises (focusing on SMEs)
- Improvement of modern business environment
- Financial instruments including loan, guarantee and equity products

Total volume of financial instruments was EUR 727 million.

Throughout the past years we have accumulated considerable experience in the implementation of financial instruments in Hungary through launching and managing numerous FI projects in various product groups.

POLICY

Policy instrument: The addressed policy instrument of Ministry of Finance (HU) is Priority Axis 8 “Financial Instruments” of the Economic Development and Innovation Operational Programme (EDIOP). The specifically targeted product of our Regional Action Plan is the EDIOP-8.8.1 – Incentive for employment – Loan programme, which has a total financial frame of EUR 32 million of which only 9% is committed when the Action Plan is finalised. We can use the accumulated experience from the interregional learning process of ATM for SMEs very well for the improvement of the loan programme ranging from loan conditions, through scope of service, marketing and promotion to pre-screening and loan approval procedures.



EUROPEAN BUSINESS AND INNOVATION CENTRE OF BURGOS (CEEI-BURGOS)

CEEI Burgos is an Incubator and Business Centre that provides assistance by supporting and implementing business projects emerging from the entrepreneurial spirit of the citizens of Burgos, whether they involve companies or self-employed people. It was founded in 1994 as a tool that specializes in local development under the model, quality criteria and sponsorship of the European Commission, and promoted by regional and local organisations and institutions with a strong commitment to boost the social and economic development of Burgos.

Type of Organization: **Business Incubator**

Country: **Spain**

Products & Services provided:

Financial: **Business microloans**

Non-financial: **Entrepreneurship training, mentoring**

Gross Loan Portfolio: **EUR 1,097,354.88 (As of June 2017)**

Number of clients: **59 (As of June 2017)**

Target Audience: **Rural population, Urban Population**

Organization Website: **www.ceeiburgos.es**



POLICY

The youth self-employment support policy, specifically the youth self-employment subsidy policy of the City Council of Burgos by including a micro-finance facility.

Burgos City Council youth self-employment programme, currently integrated within the general "self-employment" programme is focusing on direct grants to the promoters of the projects on a regular and equal distribution basis (2000€ per project aprox.) This local financial instrument is dedicated to projects which aim at promoting self-employment and entrepreneurship among the young population of Burgos city.

This instrument, taking into account the lack of enough financial resources and the social, economic and political interest of the issue, could be improved in terms of spreading out the number of projects supported and funded, along with increasing the efficiency of its implementation.

KIZ SINNOVA COMPANY FOR SOCIAL INNOVATION GMBH



KIZ as a project partner has developed expertise in all three areas relevant for the call. Out of its so far 25,000 clients (aspiring entrepreneurs) approx. 2/3 were of migrant background. KIZ has a strong network across Germany and Europe. KIZ is the German partner of Youth Business International, and participates in European Microfinance Network. It has a valuable experience in establishing sustainable networking and multi-partner based structures, such as DMI (German umbrella microfinance organisation, with 77 members); BQZ Bundesqualitätszirkel Gründungsberatung, providing a quality label for organizations and consultants delivering services to entrepreneurs as well as Hessischen Gründertage, which focuses on the promotion of entrepreneurship and the recognition of entrepreneurial activities.

POLICY

Since 2002 the city of Offenbach has successfully been implementing the strategy "Start-Up City Offenbach – Promotion and strengthening of business starters". Various measures supporting people in getting self-employed or starting a business have been developed and are well-functioning, with a specific view on socially disadvantaged population groups, such as:

- ▶ Comprehensive information about the start-up process and contact points
- ▶ Counseling, training and seminars
- ▶ Funding possibilities including grants and loans such as microcredit
- ▶ Networking and office space
- ▶ Conferences and Business Start Up Awards

However, the city's current challenge is not only to support enterprises up to one year after start-up, but to particularly strengthen the business' growth phase in order to further develop the potential of a business through growth financing and support for growth and innovation.

So far several projects have been and are currently being carried out in the frame of the Municipal support strategy for the growth of SMEs. As such specific support is provided in the frame of 'Planstation Offenbach' to small and medium enterprises in the cultural and creative industries. Entrepreneurs can receive counseling and guidance as well as co-financing up to 25% for business investment for growth and innovation.

The objective of the overall strategy is to increase the number of jobs created by business starters during the first five years of their business by 25%.





ZALA COUNTY FOUNDATION FOR ENTERPRISE PROMOTION (ZMVA)

ZMVA has been established by the Zalaegerszeg County Self-government, as its sole founder in 1992. Its objective is to promote the economic development of Zalaegerszeg County, to support the establishment, survival and first of all the growth of micro and small enterprises by operating a central promotion office and a county-level sub-office network.



Type of Organization: **Foundation**

Country: **Hungary**

Products & Services provided:

Financial: **Business microloans**

Non-financial: **Mentoring and Coaching**

Gross Loan Portfolio: **EUR 7,812,132 (As of Dec 2016)**

Number of clients: **623 (As of Dec 2014)**

Target Audience: **Unemployed people or people on welfare, Youth, Micro and Small enterprises**

Organization Website: **www.zmva.hu**

POLICY

The Integrated Territorial Programme 2014–2020 (ITP) of Zala County is an intrinsic part of the centralised Territorial and Settlement Development Operational Programme (TOP) of Hungary. The TOP incorporates the territorial development objectives of the Hungarian regions, and the funding of the projects will be managed in a decentralised manner, by the counties, based on the assessment system defined in the ITPs.

The main priorities of the ITP include 1) Fostering local economic development and the capacity of the settlements to keep their population; 2) Preserving cultural heritage; 3) Local cooperation programmes ; 4) Human resource development

The measures concerning the « ATM for SMEs » project fall under priority 1 – Fostering local economic development. The ITP aims at fostering a high-employment economy in Zala county, and promoting entrepreneurship is a key factor in achieving this objective.

The ITP sets up territorial assessment criteria for the evaluation of the projects applying for ERDF/ESF funding in the framework of the TOP. Some of these criteria are assessing the impact on the local economy, employment and enterprise promotion.

Reasons for improving the ITP in the framework of the project:

- generation of innovative projects in the field of enterprise promotion, including improved access to financing
- shaping a new methodology to assess the social and territorial impacts of enterprise promotion programmes



**REGIONE AUTONOMA
DELLA SARDEGNA**

AUTONOMOUS REGION OF SARDINIA – REGIONAL DEPARTMENT FOR PLANNING

Autonomous Region of Sardinia – Labour Department. Management Authority (MA), in cooperation with its Support Office, gives direction and coordinates Fund's action, contracting the documentation for the implementation of Fund and enacting the approval/rejection of proposals. MA checks the implementation progress and guarantees the eligibility of expenditures.

Type of Organization: **Government Body**

Country: **Italy**

Products & Services provided:

Financial: **Business microloans**

Non-financial: **Training, Mentoring**

Gross Loan Portfolio: **N/A**

Number of clients: **N/A**

Target Audience: **Women, Unemployed people or people on welfare,
Ethnic minorities and/or immigrants**

Organization Website: **www.sardegnaprogrammazione.it**

POLICY

In line with the Europe 2020 strategy for smart, sustainable and inclusive economic growth in the European Union, the Regional Operational Programme (ROP) of Sardinia region is supporting small and medium-sized enterprises (SMEs), both through financial support and eased credit conditions, and through strengthened key e-services, in particular in the field of facilitations for setting up a business in the island. This should help to relieve the financial conditions of the Sardinian firms.

The Programme focuses on seven main priorities, including:

- 1** Competitiveness of the economy
- 2** Promoting social inclusion, fighting poverty and all forms of discrimination

The thematic priority « TO3 - SMEs competitiveness » contains measures to increase the performance and competitiveness of the SMEs in the region, in order to improve their capacities to increase in regional, national and international markets. The objective 3.6 under this priority is aiming at improving the access to credit and financing for enterprises. The specific measures are concerning the system of public guarantees (Action 3.6.1) and contribution to the development of venture capital funding market dedicated to startup's in pre-seed, seed and early stage (Action 3.6.4).

Reasons for improving the ROP in the framework of the project:

- shaping a new methodology for monitoring or evaluating measures;
- improve the way thematic calls are organized in order to measure the social impact of the actions.

PORA REGIONAL DEVELOPMENT AGENCY OF KOPRIVNICA-KRIŽEVCI COUNTY



PORA Regional Development Agency of Koprivnica-Križevci County is a regional coordinator and central institution for coordination of development in Koprivnica-Križevci County.

MISSION

Creating preconditions for quality management development in Koprivnica-Križevci County through implementation, monitoring and reporting on implementation of County strategic documents and development of partnerships between public, economic and civil sector stakeholders and the academic community.

Activities of PORA

- ▶ Strategic planning and regional development
- ▶ Entrepreneurship, investments and rural development
- ▶ Professional assistance for public bodies in preparation and implementation of development projects financed from EU and national sources
- ▶ Promotion of Koprivnica-Križevci County

POLICY

The implementation of the ATM for SME's project encouraged cooperation between PORA as one of the project partners with local stakeholders in Koprivnica-Križevci County on the field of microfinance. The project strongly addressed to the various possibilities of microfinance through good practices shared by project partners, and therefore the implementation of „ATM for SME's“ resulted with one new generated project under priority axis 3 of the Operational Programme Competitiveness and Cohesion 2014–2020 of Croatia – the project was submitted under the Call for proposal called „Development of Business Infrastructure“, with the main purpose of the development and improvement of the quality of entrepreneurial business infrastructure in the city of Križevci. Investment in business infrastructure facilitates the growth and development of small and medium enterprises in the area of Križevci and surrounding settlements and municipalities, so in that way preconditions are created for attracting investments and creating new working places. The project is now successfully implemented and the results include 30 small and medium enterprises that are using the services of the Križevci Entrepreneurial Center and 10 new SME's incubated during the implementation of the project.





ŚWIĘTOKRZYSKIE REGION – MARSHAL OFFICE OF ŚWIĘTOKRZYSKIE REGION

The Marshal's Office (UMWŚ) was established in 1999 as a regional government unit. Its competences include overall regional development, UE funds distribution for the whole region, transnational and transregional cooperation, development of SME`s, innovation, tourism, human capital development, infrastructural development etc. The Marshal`s Office closely cooperates with European and national experts, regional universities and other institutions within its scope of competences.

POLICY

The self-government of the Świętokrzyskie Voivodeship, on behalf of which the Marshal's Office of the Świętokrzyskie Voivodeship operates, manages its own policy instruments: Regional Operational Program of the Świętokrzyskie Voivodeship for the years 2014-2020 or Development Strategy for Świętokrzyskie Region till 2020. As a managing authority for those policy instruments it shapes the regional policy, defines the directions and coordinates contracted EU funds in the region. PP 9 monitors and controls the process of implementation the financial programmes and defines the directions through the tools such as: Development Strategy for Świętokrzyskie Region 2020+ or Research and Innovation Strategy (RIS). In order to improve our regional policy we are about to copy few good practices and ideas learned during the learning process in frames of ATM for SME`s Project implementation, especially in the field of entrepreneurs support and better access to microfinancing in the region.

The objective of the Regional Operational Programme (ROP) for Świętokrzyskie Voivodeship is to increase the competitiveness of the region, ensuring in parallel the improvement of the living conditions of its inhabitants through the principles of sustainable development. The priorities set out in the programme are aligned with the EU 2020 Strategy for a smart, sustainable and inclusive growth.

The programme provides for support on 10 thematic objectives, while concentrating resources on:

- 1 support to enterprises and innovation
- 2 low-carbon economy
- 3 transport infrastructure
- 4 labour market programmes, supporting social inclusion and education

The expected results, concerning enterprise development and social inclusion are:

- 1 an increase in the number of unemployed and inactive who found a job after support from the programme
- 2 an increase in the number of people who have improved their skills thanks to support by the programme
- 3 Support to more than 35,000 people at risk of exclusion

Reasons for improving the (ROP) in the framework of the project:

- improve the way thematic calls related to enterprise development are organized in order to include the social impact of the actions.
- generation of innovative projects in the field of enterprise promotion services and improving access to financing and business support services

EUROPEAN MICROFINANCE NETWORK (EMN)

EMN is a member-based not-for-profit organisation based in Brussels, which promotes microfinance as a tool to fight social and financial exclusion in Europe through self-employment and the creation of microenterprises. It is the Network's mission to facilitate capacity building and to advocate on behalf of the sector.



EMN's core membership is made up of microfinance Practitioners. These are social purpose organisations delivering financial services to the underserved or facilitating access to such services. The work of the network is also supported by Partners and Corporate Members; organisations such as national networks, academia, service providers to the sector or banks that are involved in European microfinance issues and that support the development of microfinance in Europe.

Activity

- Strengthening advocacy to increase recognition of the microfinance sector through promoting microfinance and start-ups in Europe, creating awareness at the EU level and improving EU financial resources for microfinance.
- Edit and disseminate various publications highlighting the sector's most important issues through research papers, e-magazines and biennial survey reports.
- Facilitating access to capacity building activities including debates, workshops, training programmes and annual conferences.
- Increasing the exchange of Best Practices amongst the microfinance institutions in Europe through collection and dissemination of good practices, e-magazine on good practices and peer-to-peer and exchange visits.
- Communicate to members on resources available in the microfinance sector on funding, international calls, new project proposals and partnerships.



OUTPUT

EUROPEAN GOOD PRACTICES: ATM FOR SMES INTERREG PROJECT'S EXPERIENCE

In the context of economic crisis and growing inequality that has faced Europe in the last years, microfinance has emerged as an important policy tool to fight against social and financial exclusion, promote self-employment and support microenterprises. In Europe today, there are a wide variety of microfinance initiatives (both private and public) providing financial and non-financial support to vulnerable people underserved by traditional lenders. These microfinance actors have the common goal of increasing social and financial inclusion for their clients; however, there are significant differences in how these initiatives reach and cater to the needs of their target groups. Building on the variety of actors and practices of the European microfinance sector, the Interreg project "Access to Microfinance for Small and Medium Enterprises" (ATM for SMEs) aims to improve access to microfinance in various European regions by exchanging local knowledge on innovative solutions adopted by project partners. In this framework, the EMN has worked on the selection and further elaboration of the Good Practices (GPs) shared by the project partners and which are compiled in this publication. The final result is a compilation of 16 GPs (out of the nearly 80 GPs shared by project partners) that provides a balanced representation among initiatives exploring the adoption of innovation (both technological and in the products offered) and development of partnerships in delivering microloans to new business funders and existing microenterprises. To complement the project's good practices and to provide supplementary insights and ideas to the project partners we included an additional innovative solution from external organisations for each category.

FIVE CASE STUDIES ON THE RELATION BETWEEN MICROFINANCE AND EUROPEAN SOCIAL FUND (ESF)

The following report aims to investigate and underscore the role of microfinance when using European Social Fund (ESF) funding. The main role of ESF is to support jobs, helping people get better jobs and working conditions, and ensuring fairer job opportunities for European citizens. It can offer both financial and non-financial services, and it has been used for co-financing entrepreneurship activities and guaranteeing funds around Europe.

In the last years, growing attention has been put on microfinance which can be seen as a tool for improving the work possibilities for those who are "non-bankable", i.e. people who do not have access to commercial banks and therefore, they cannot ask for a loan for their business activities.

Therefore, microfinance can be seen as a tool for boosting entrepreneurship around Europe, which exactly corresponds to the aim of ESF.

In the first part of the report, an introduction of the main topics is presented: firstly, the role of ESF and its functioning are explained. ESF works in cooperation with different European and national actors and funding is proportional to the Gross Domestic Product of the country. Secondly, the scope of microcredit is introduced and, as mentioned above, it is put in relation to entrepreneurship and self-employment. Following these first two parts, the link between ESF and microcredit is highlighted since they are both aiming at developing financial instruments, which respond to three Thematic Objectives conceived for the programming period 2014-2020. However,

ESF does arise market failures, presented in the fourth section of the introduction, together with "success stories", i.e. good practices of cooperation and coordination between ESF and microcredit, as well as the involvement of all concerned actors. Finally, Community-Led Local Development (CLLD) strategies are presented as a way to overcoming the impasse and a new bottom-up approach.

In the second part of the report, an answer to the research questions is given, i.e. how to improve the coordination and cooperation between Managing Authorities (MAs) and local Financial Intermediaries, as well as the chance to improve the over-mentioned CLLD strategies at all levels.

In the third, fourth, fifth, sixth and seventh chapters of the report, different case studies are explained: in particular, focus is on 5 specific territorial cases, Bulgaria, Italy, Poland, Spain, and Belgium. Sections are organized with the same structure: after a brief overview of the country, a mapping of Microfinance Institutions (MFIs) is given. Afterwards, the Operational Programmes for the country at national and regional level are presented, and finally the case study is explained. In the last section of these paragraphs, we have described the successful project and the related implementing MFI(s), as well as the strengths and weaknesses which have emerged from the interviews conducted.

In the last section, conclusions and recommendations for the next programming period 2021-2027 are drawn up as well as a brief overview of the evolution of ESF, namely ESF+.

A person wearing a white shirt is pointing at a laptop screen that displays a map. A smartphone is on the desk in front of the laptop. The scene is overlaid with a blue tint.

WHY IS IT GOOD TO PARTICIPATE IN ATM FOR SMES PROJECT?



FEJÉR ENTERPRISE AGENCY

When we want to develop a tool to tackle a social problem, at first we have to analyse the problem, then select the most appropriate tools to solve that problem.

In our case the main social problem is that even in industrialized countries there are a lot of people who can't have access to small loan amounts that would enable them to pursue an independent income generating activity.

The main reason for this is that the risk related to these small loans is usually so high that the banks simply can't undertake it due to the strict regulations.

Microfinance institutions were set up to satisfy these financing needs.

An excellent tool to handle this problem is to provide access to microloans through social microfinance institutions.

When we plan microcredit schemes, we mustn't forget that the microfinance sector has two different branches that operate under very different conditions.

One of the branches includes the non-profit funders, like foundations, the other one the profit-oriented financial enterprises.

Their operation, legal background and objectives differ significantly.

The European Union plays a very important role in funding the most successful microcredit schemes, yet we believe that the social impact of these schemes could be further increased.

Having examined a number of good practices we found that giving precedence to social goals often has a detrimental effect on the financial result. That is why it is important that these microfinance institutions should receive more attention and support from the public bodies.

The EU and the national authorities should launch new guarantee, debt and equity facilities combined with subsidies and grants.

Beside the European Investment Bank, new complementary channels should be set up so that social MFIs can also have access to the central funds.

It is important that the public money should promote social return and we shouldn't set unrealistic financial expectations for the sector.

We find it extremely important that the authorities should consider the professional recommendations of the professional organizations when making decisions.

If decision-makers act accordingly, they will not have to wait long for social success.

MINISTRY OF FINANCE



There were many novelties by participating in this project for us.

As a managing authority, we are responsible for the Economic and Innovation Operational Programme (EDIOP).

Primarily, our final recipients are SMEs who implement mostly technological development projects.

So we are, as a managing authority, a peculiar partner in the project, but at the same time we have a specific loan product with a social aspect related to the employment thematic objective.

This loan product we identified to be the one where we can use the good practices shared by the project partners and we have opportunity to re-think the conditions having a more attractive call.

Since, we aim to finance two types of groups with this product.

On the one hand, we provide loans to new firms founded by earlier unemployed persons or inactives, on the other hand to social enterprises.

This project was a great opportunity to exchange good practices and we hope to finalise the review of our loan product (EDIOP-8.8.1) by Q1, 2019.

Let me emphasize also that we had a very good partnership with the project partners which would be a pity to lose.

We really hope to keep such good relationships informally or in bilateral form and we can co-operate in designing new products in the future, as well.





EUROPEAN BUSINESS AND INNOVATION CENTRE OF BURGOS (CEEI-BURGOS)

Due to the particular circumstances that CEEI Burgos let's say face in this project for we are trying to replicate more or less something within the framework of another former Interreg project Difass. So first we will try to replicate or well, we have selected our own detected good practises, which are the one by CEEI Burgos and the one by Sodebur because is something similar to what we are trying to do. But also, there are some good practises from other partners within the framework again of the project that are really relevant for us for instance the one from the polish partner called Cash on the Start which reflects a perfect combination of training and financial facilities at the same time. So, this kind of other good practises could be of course obviously included in an action plan along with others or so extracted from the project.

There are as always, many lessons to be learn because for instance sometimes you have to realise that it's no easy to implement the actions you would like to because of different reasons or different aspects that sometimes you don't take into account beforehand. And for instance since we need, we are going to affect or to modify a policy or to improve a policy then you have to take into account that the policy is made by politicians, there are also elections and so on, so the different aspects you have to take into account and also the rythm of the actions to be taken should be aligned with also the environment where you are moving or you are working.

In our case, there are the same two main issues to be taken we are dealing with the first one is that we have to take into consideration as I have said before that aspect of a let's say, environment so there are local elections maybe the people in charge of the policies or the relevant policy could change so we are trying or it's important for us to get that consensus among all the political parties or our community in order that eventual change doesn't affect the potential result of the project. And also, another issue to be dealt with, it's everything in relation with competition so we have the traditional banking sector around so we have to be able to work in that environment with other actors that also are trying sometimes to reach the same targets than you.



KIZ SINNOVA COMPANY FOR SOCIAL INNOVATION GMBH



The most important learning for us was really to see how the other partners of the project implement really innovative solutions to support entrepreneurs locally, in their regions very successfully. So there was a wealth of suggestions, how we and Offenbach could improve our support for really entrepreneurs who have the potential to create jobs and to create sustainable businesses. That was really very helpful. Let me just say it was interesting to see how other countries use microfinance not only to support underserved communities but also use it really for very concrete political purpose and that is to support entrepreneurs and strength them their local economy.

The locally we reached out to a noon focus group so we try to attract for example students from universities, who are interested in setting up a business. This new generation needs a new form of support; they interested more in mentorship not so much in training, basically because there so much available these days. If you go on the Internet you find really wealth of information but especially these young talented people find difficult to apply that knowledge and for that we need a very targeted support mechanism. In this scope of this project we were able to develop this new methodology. Also we were able to develop new financial instruments, which are more targeted to the needs of this talented people.

In the future I would like to see some activities more on a political level that we have a better legal framework. So we should take into consideration that microcredit for example is provided for profit, but also we have a non-profit purpose. This is really focusing on underserved people for example, but also to strengthen the local economy. Currently the regulation we have is basically for profit orientated service provider so my suggestion is that we address this topic probably and find very good solutions for the non-profit sector as well.



ZALA COUNTY FOUNDATION FOR ENTERPRISE PROMOTION

The microcredit is very important tool for the micro companies in Zala county Hungary. It is very important social financing and employment growing tool. We are dealing with micro crediting for a long time and the ATM for SMEs project is the 13th project, in which we engage to financial tools. Our action plan topic will be; how can we implement the learned good practices in our region? It is very important for micro crediting the quality of life and how many jobs can we create with the help of it. This project is meaningful for our microfinancing efficiency. One of the most interesting good practices was from Germany, which is dealing with the social methods for young entrepreneurs. The main lesson learned that the microfinancing isn't only about financing but consulting as well. The non-profit crediting is little bit better than the profit orientated.



**REGIONE AUTONOMA
DELLA SARDEGNA**

AUTONOMOUS REGION OF SARDINIA - REGIONAL DEPARTMENT FOR PLANNING

Participating to ATM project under the Interreg Europe Programme, has been quite challenging for our organisation. For Sardinia Region there have been so many benefits from the participation to the project, for example we have a clearer overview of the microfinance policy in all Europe, thanks to the partners and now we can draw our action and our measures with direct knowledge what other countries are doing with this respect. There is another added value that comes from networking with partners, from this experience with can build up other projects, we can build up other paths and work together with EU partners. And to a certain concern, the project has also permitted to create networking inside Sardinia region, we have been dealing with so many actors, local actors, with microfinance themes and subjects and we want to put up the maximum results of the interactions that have been created thanks to the project. And last but not least, one of the other added values of the project is that when we work together with the partners in ATM's, we feel European, and this is something absolutely important for us. About the main outcomes, I think that we are in the right way to create a good regional action plan and a good instrument for the companies for the regional structure for benefitting for it.



PORA REGIONAL DEVELOPMENT AGENCY OF KOPRIVNICA KRIŽEVCI COUNTY



„During the last 2,5 – 3 years, all of the study trips and exchange reports that we have been doing throughout the project, from Offenbach to Croatia, the main good practices that we learned are all connected with the non-financial help; this is the most important I would say, a lesson learned for us, because besides the financial help and the microfinancing of loans, it is also very necessary to provide to the entrepreneurs non-financial help, such as advising them when starting their own business, and we could see throughout the study trips that we had that all of the partners think in the similar way regarding this, because when an unemployed person is trying to open up his own business, the most important thing is to get the information. So I would say that this is the most important lesson learned, and we also tackled this in our Action plan. Of course, we have faced some difficulties regarding the Action plan in the implementation phase; we will see now how we will manage to implement all of the lessons learned throughout 2,5 years, hopefully the non-financial help and non-financial advising that we learned through the ATM project will be implemented even more in Croatia. We now have a lot of programs helping entrepreneurs with their business plans and stuff like that, but we hope that our Regional action plan will emphasize this even more in the years that come.“



ŚWIĘTOKRZYSKIE REGION – MARSHAL OFFICE OF ŚWIĘTOKRZYSKIE REGION

This project is very important for our administration in Poland and the regional level because Interreg Europe means sharing the experience and microfinancing is very important tool and we can now estimate how important when we see good practices from other countries like for instance for us very important cases from Germany or from Norway when we see how they concentrate on the people who they are excluded, on the migrants or young people that try to find their chance in life and they offer this microfinancing and this support. It was very important for us to see different aspects of microfinancing that could be different good practices not only giving the money simply at the local level. Talking about now what we have learned in this project, lessons learned, it was very important to see this complex attitude not only thinking about money, thinking about mentoring about this that what we should offer complex support and this people to be honest maybe at the end wait for money and the beginning wait for the good talk, for good meeting, for explaining the rules what is the chance to set up business, what are the main conditions to get this money, so it was very good for us to see to prepare just friendly and people-oriented system and the same we would like to transfer in our region.

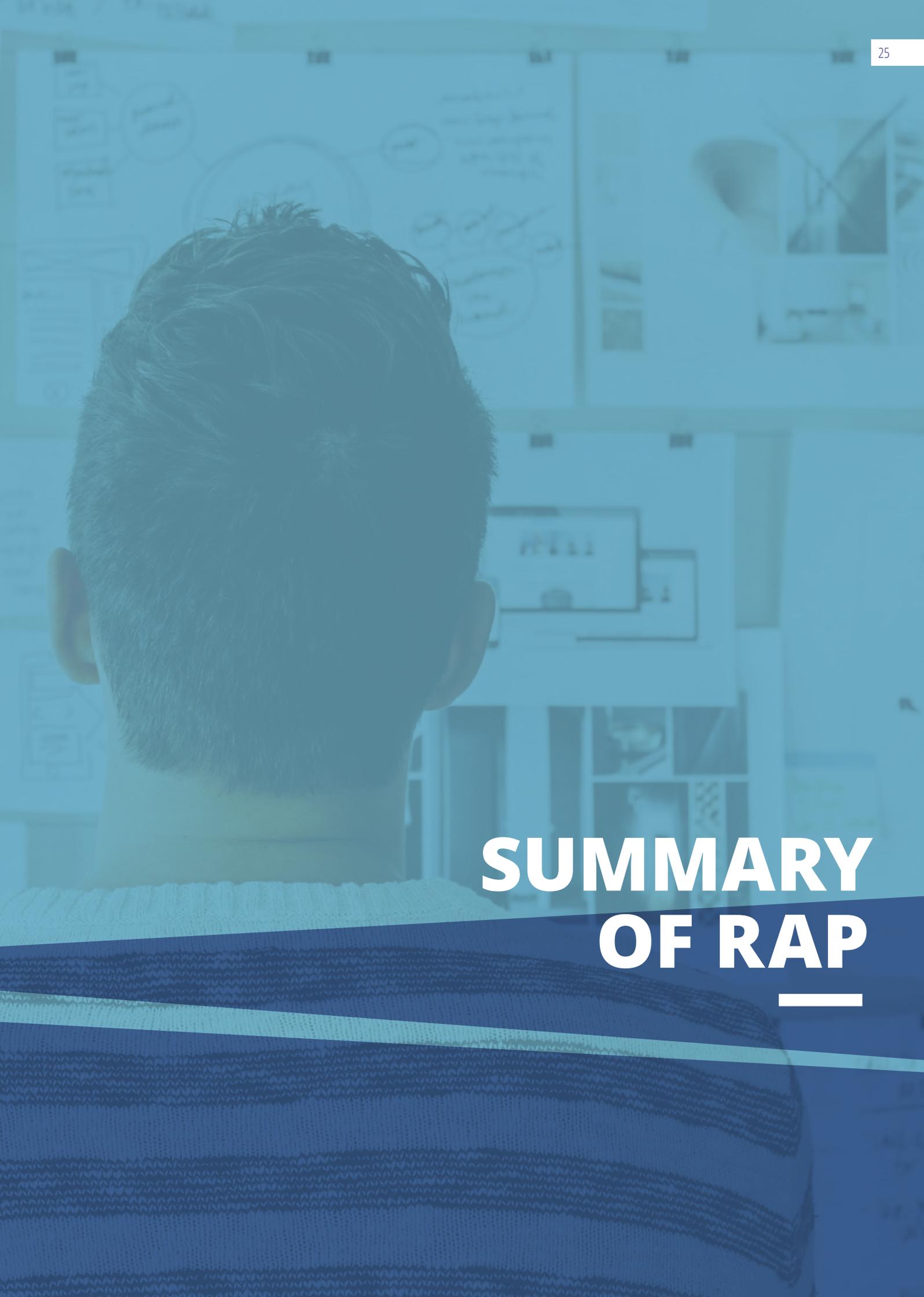
That's way we see that our action plan should be more complex, we should more express microfinancing in different aspects. We think about special tools for rural development, for start-ups in the meaning of our regional smart specializations, so we see different possibilities and that's way I hope that our European funds that are dedicated to the regions from European Regional Development Fund and European Social Found will be the best tool for the new perspective that we would like to prepare as the complex system for supporting entrepreneurship in the meaning of financing, in the meaning of microloans but at the same time also combining with grants in some cases and with complex advisory support by the voucher scheme that we also plan and it was inspiration from talks and meetings in our common projects so for us very fruitful, very good inspiring and we hope to programme our regional development in future based on experience and lessons learnt from Interreg and we have for this an idea and we would like to show it in our action plan.



EUROPEAN MICROFINANCE NETWORK – EMN AISBL

The main benefit was the fact that we got to know the different methodologies adopted by the partners of the project in the delivery of microloans to microenterprises and vulnerable groups. Also, it was interesting to see the different mix of public and private funds used for this purpose by the partners.

The conclusion that we can take at this point of the project is the fact that the exchange of good practices among managing authorities and microfinance institutions can be highly beneficial for adopting innovation in the different countries covered by the project.

The background of the page is a blue-tinted photograph of a person's back, showing their hair and the back of their head. In the background, there is a wall covered with various diagrams, flowcharts, and photographs, suggesting a creative or analytical workspace. The overall tone is professional and focused.

SUMMARY OF RAP

OBJECTIVE

ACTIVITIES

EXPECTED RESULTS

Action 4

Improving the employability of women, thus contributing to the strengthening of the competitiveness of the SME sector

The labour market potentials of women could be improved significantly by delivering the appropriate information efficiently, by increasing self-confidence, with the introduction and dissemination of services based on novel solutions, as well as through the reduction of the existing prejudices, in other words, through the application of a complex approach.

The purpose of the action is to improve the labour market potentials of women through the tailor-made application of new innovative methods, thus contributing to the increase of the chances of survival of SMEs operating in the region, and strengthening their competitiveness.

- Providing training, advisory services for women entrepreneurs
- The application of new web-based technologies.
- Familiarizing the professional decision-makers with the opportunities and possible results to develop joint methodologies and strategies.

- Special, tailor-made training materials, novel advisory and training methods;
- The launch of virtual incubation for women start-ups;
- Implementing a pilot project for women entrepreneurs in order to balance the roles played in the business and the family (complementing the EFOP-1.2.9-17
- Women in the family and the workplace programme);
- Developing and introducing mobile applications for more efficient access;
- By raising the awareness of professional decision-makers, the integration of novel services aiming at women into the "mainstream" SME development programmes

3 years

Action 5

Brownfield reutilization fund for the country

The future of under-utilized areas is an important issue for economic policy, regional development and town planning. Their utilization could be a tool for reducing regional differences and improving spatial structure, may serve long-term development goals, and with the replacement of greenfield investment areas they could promote the shift towards sustainable development.

The activities to be financed within the scope of the Fund may be performed with the help of the following tools:

- Financial leasing in order to reutilize under-utilized/unused brownfield areas
- Providing mortgage in order to purchase unused brownfield properties
- Lease agreements for businesses whose development programme focuses on innovation, internationalization or building on local resources

During the reutilization of brownfield areas existing buildings and (production) infrastructure are put into service and the utilization of additional greenfield areas decreases. The employment situation improves with the creation of new jobs. A healthier environment is created for the surrounding population.

2018-2023

Action 7

The creation of a convergence microfinance fund in Fejér county

At the moment there are no microfinance funds financed from public moneys and mediated by specialized non-profit microfinance organizations in order to support the transition of the target group into entrepreneurship and self-employment in Hungary. The so-called local enterprise agencies (LEAs) – like Fejér Enterprise Agency – are suitable for this, however, their opportunities are rather limited under the present conditions.

Set up a Convergence Microfinance Fund in Fejér County in order to support self-employment and the transition into entrepreneurship, mainly focusing on the regions at a disadvantage (districts belonging to Sárkögárd and Enying), in particular the unemployed and start-ups.

The Convergence Microfinance Fund of Fejér County would be a separate revolving fund managed by Fejér Enterprise Agency, its recommended size is HUF 200 million

- It affects the efforts aiming at the creation of sustainable local society and economy/favourably. The purchasing power will increase in the settlements.
- The social microcredit scheme helps to retain the inhabitants in the small villages and reduce migration therefrom, since sustainable entrepreneurial programmes may be implemented with its help.
- The social microcredit scheme also provides an opportunity to finance the social businesses of smaller communities, which receive greater attention within the EU.
- The programme may contribute to closing the gap in the southern region.

The payment period of the investment loan is 15 years. In case of the asset loan, the payment period is 5 years.

FEJÉR ENTERPRISE AGENCY

OBJECTIVE

Action 1
Change in the management of the policy instrument – New methodology for assessment criterion II.8 of the ITP of Fejér County

The purpose of the action is to realize a change in the management of the policy instrument "ITP of Fejér County" by introducing a new methodology for the assessment criterion II.8 – Enhancing the conditions of employability.

ACTIVITIES

The new methodology contains evaluation criteria which can be a basis when analysing new project and proposal, in the framework of the ITP of Fejér county. The set of criteria is as follows:

1. Addressing the target group of potential entrepreneurs.
2. Identifying the main factors which can be an obstacle to enterprise foundation.
3. Promoting entrepreneurship.
4. Developing financial awareness.
5. Developing the skills necessary for self-employment and entrepreneurship.
6. Business development services to SMEs in less developed regions, tailor-made support to micro entrepreneurs

EXPECTED RESULTS

The impact of the policy improvement can be traced through the implementation of the project "Improvement of employment and economic cooperation and services in Fejér county" and its sub-projects (low-scale actions which were developed in course of the implementation of the funded project).

The action started in Q4 2017. The official approval of the new assessment methodology happened in January 2018. The impacts can be measured till 2021.

Action 2

Continuation of the interest subsidy scheme of Székesfehérvár-based enterprises

In view of the great demand for subsidized microcredit and the needs of businesses, the further development of the Interest Subsidy Scheme of Székesfehérvár-based microenterprises and the creation of a new urban economic recovery fund are justified. The purpose of the action is to continue the already existing Interest Subsidy Scheme of Székesfehérvár-based microenterprises, and to establish a non-profit economic recovery fund, which would also stimulate the job-creating investments implemented in Székesfehérvár with grants.

New non-profit economic recovery fund will be separated from the budget of the Municipality within the scope of the action. The fund will also support the local developers and job-creating investments of enterprises having a seat in Székesfehérvár with grants and refundable credit.

On the basis of the experience of the IS, the following estimation may be made with regard to the results of the programme:

- number of new microcredit clients/year
- HUF microloans disbursed /year
- HUF grant/year

The timeframe for the operation of the Fund is 10 years.

Action 3

Improving the business development services of FEA

On the basis of the needs assessment conducted among the clients, it is essential to expand the business development services of FEA, and to support the management of micro and small enterprises with wide-ranging, tailor-made services. There is also demand for supporting companies other than start-ups with customized services (e.g. in case of generational renewal).

The purpose of the action is to further improve the business development services of FEA so that it can provide tailor-made services to the target SMEs during the entire corporate life cycle.

- Supporting corporate landmarks
- Optimizing management
- Investment promotion, counselling
- E-learning
- Complex promotion and marketing services

The customer base and the sales revenues of the clients are expected to increase as a result of the planned services. This way their employment potentials will also grow, and they will contribute to the improvement of the employment and economic situation of their operating field.

The timeframe for the activities described in section 3 is 6 months.

OBJECTIVE

ACTIVITIES

EXPECTED RESULTS

Action 1

Improve loan conditions of ediop-8.8.1 Incentive for employment loan programme

To improve the loan conditions so that the loan programme becomes more attractive for potential applicants

- Analysis of current loan conditions with regards to:**
1. Eligibility of wage costs
 2. Broad definition for social enterprises
 3. Preferential treatment of women, priority groups
 4. Preferential treatment of other priority groups
 5. Collateral requirements
 6. etc.
 7. Working out concrete proposals for the improvement of loan conditions as amendments of the programme
 8. Approval of amendments to the programme
 9. Publishing the amended programme

- Increased number of loan applications from the target groups of the loan programme
- Increased absorption rate of the loan programme

The action is implemented in 1 year until March 2020. Improved loan conditions effective as early as possible.

Action 2

Enrich scope of ediop-8.8.1 Incentive for employment loan programme

To enrich the scope of services so that the loan programme provides a comprehensive assistance for potential applicants

- Working out proposals for enriching the current scope of services including different implementation models in the fields of:**
1. Training for potential applicants
 2. Customised consultancy
 3. Mentoring, coaching
 4. Approval of proposals
 5. Publishing the amended loan programme / Launching the new services

- Improved quality of loan applications
- Improved project implementation quality
- Target groups with improved business skills

The action is implemented in 1 year until March 2020.

Action 3

Improve marketing and promotion of ediop-8.8.1 Incentive for employment loan programme

To improve marketing and promotion of the loan programme so that it is able to reach an increased number of potential applicants in the target groups

1. Selection of additional marketing tools (for example social media, short video, joining related promotional events)
2. Working out details of the marketing campaign
3. Approval of marketing campaign
4. Design and production of marketing materials
5. Launch of the marketing campaign

- An improved reach of the loan programme
- Increased number of loan applications from the target groups of the loan programme

The action is implemented in 1 year until March 2020 including launched marketing campaigns.

Action 4

Adjust pre-screening and loan approval of ediop-8.8.1 Incentive for employment loan programme

To adjust pre-screening and loan approval of the loan programme for improved quality of selected project and simplified loan application procedures

1. Analysis of current loan application procedures and identifying improvement opportunities
2. Working out details of proposals for changing the pre-screening and loan approval
3. Approval of proposed changes
4. Introducing the adjusted pre-screening and loan approval procedures

- Improved quality of selected projects
- Simplified loan application procedures

The action is implemented in 1 year until March 2020.

EUROPEAN BUSINESS AND INNOVATION CENTRE OF BURGOS (CEEI-BURGOS)

OBJECTIVE

Action 1
Establishment of a multi-sector microfinance mechanisms.
"Burgos, the boost capital, microcredits".

To create and implement a microfinancing instrument for the city of Burgos in the form of a social and multi-sector microcredit instrument.

ACTIVITIES

1. A Political Statement of interest in creating the instrument.
2. The Design of the instrument and corresponding policy, procedures (concession, rejection, contracts, payment, communication, project analysis, recovery, justification, verification, monitoring...), documentation, allocation of funds.
3. Verification of the technical/administrative/legal feasibility: Presentation and synchronisation of the City Council legal controller and economic departments
4. A political commitment: Achieving consensus among the main political forces represented on the City Council or in the instrumental company...
5. Presentation and consensus with local stakeholders. A local covenant for development.
6. Presentation in society, Public presentations.
7. Start of promotion and distribution of the instrument. Launch of the first annual call.
8. First recruitment of projects-start of operations.
9. Communication-publicity.
10. An analysis of the impact on employment, the local economy, innovation-entrepreneurism
11. Review-feedback

EXPECTED RESULTS

Implementing a microcredit fund with a four-year timeline allocated with 2 million euros by the end of the period.

The ideal situation is for the line to be permanently open throughout the year without any annual calls. It may be adjusted to a four-year period to coincide with the electoral cycle with annual reviews and a mid-term review at the end of the second year.

BURGOS OPEN FUTURE aims to attain the following goals:

1. Increase the added value of local entrepreneurship: The new model seeks to direct entrepreneurial talent towards resolving specific problems found in Burgos' industry and other sectors.
2. Assist companies that wish expand their capacity for innovation and accelerate their innovation and competitive enhancement processes.
3. Supporting technology entrepreneurial project promoters so they can validate their ideas and business models.
4. Creating and consolidating knowledge poles that facilitate the development of new projects in digital entrepreneurship.
5. Offering workplaces that facilitate the exchange of knowledge and innovation.
6. Integrating support resources offered to entrepreneurs in each of the local environments where space is found.
7. Meeting the new technological challenges currently posed, particularly in the fields of IoT, cybersecurity, blockchain, virtual reality, big data, etc.

Action 2

Accelerating entrepreneurship and innovation through open innovation

The programme is organised as follows:

- I. A select group of companies and pull entities with an interest in actively participating in an open innovation dynamic and community are invited to present their technology challenges.
- II. The technology challenges are defined by the pull companies (a working meeting is organised previously).
- III. A call is made for young innovative companies and/or entrepreneurs to offer solutions to the challenges indicated as digital enablers. At the same time, an open session will be organised to present the challenges.
- IV. Each pull company selects the solution considered most appropriate and its promoters will then participate in the five-month acceleration programme with individual and joint mentoring and the possibility of 2,000 euros in funding to prepare and define the pull/enabling project.
- V. Feasible pull/enabling projects developed will be given assistance to raise the funding necessary to begin operations or develop.

- Two annual calls in a period of four years for a total of eight calls.
- Five pull companies selected to raise innovation challenges for a total of forty participating companies by the end of the period.
- A maximum of two selected start-ups per participating pull company for a total of eighty start-ups by the end of the period.
- Innovative projects developed/companies created
- Impact on employment
- Investment made

The Burgos Open Innovation programme has been planned for a period of four years including calls and annual reviews.

KIZ SINNOVA COMPANY FOR SOCIAL INNOVATION GMBH

OBJECTIVE	ACTIVITIES	EXPECTED RESULTS
Action 1 Mentoring 2 years	<p>KIZ's mentoring programme increases the opportunities for high potential entrepreneurs to start, strengthen and scale a sustainable business</p> <ul style="list-style-type: none"> • More sustainable high-potential business are created • Young high-potential business are strengthened and better managed • Supported high potential business drive innovations and access to new markets <p>Strong networks are created including start-ups and existing large and small companies</p>	<ul style="list-style-type: none"> • Once a month training provided by a qualified trainer • More than 100 entrepreneurs completed the basic training • Once a month a coaching with a qualified trainer is provided to the entrepreneurs • YE attend the coaching session • Mentors trained and fill in profile • Mentees trained and fill in profile • More than 40 matches • Mentor and mentee work together for 12-24 months
Action 2 Beehive 2 years	<p>Implement the financing model Beehive in Offenbach:</p> <ul style="list-style-type: none"> • young entrepreneurs have access to order pre-financing • Delivering on orders helps YE to sharpen their business models 	<ul style="list-style-type: none"> • High-potential entrepreneurs make a substantial contribution to mastering structural change in Offenbach and creating a positive image as a start-up city • Knowledge-carriers and innovators are attracted and retained in Offenbach • The sustainable start-ups make a substantial contribution to public finance via social security contributions, corporate tax, personal income and VAT
Action 3 Engagement of Private Partners 18 months	<p>Capitalising on the trend of the engagement of corporations within their community, the project is to assess interest for cooperation and engagement with young entrepreneurs.</p> <ul style="list-style-type: none"> • obtaining mentors or facilities for the YE 	<p>The KIZ relationship manager will reach out to regional and global companies to win some of them for a cooperation: connecting these companies with the target group of young entrepreneurs and in return obtain funding, premises, know-how and/or mentors for the programme.</p> <p>The expectation is that a couple of companies engage, providing premises, have programmes to support start-ups or specific groups or are willing to encourage their managers to become mentors.</p>

ZALA COUNTY FOUNDATION FOR ENTERPRISE PROMOTION

OBJECTIVE	ACTIVITIES	EXPECTED RESULTS
<p>Action 1</p> <p>Implementation of innovative employment pact (ZMVA – project partner) – TOP-5, 1-15-ZAI-2016-0-0001</p> <p>January 2017 – June 2021 (activities of ZMVA started in January 2017)</p>	<p>The long-term goal of the Zala Innovative Employment Pact is to get employment-co-operations (already existing ones and those yet to be created) to contribute to the achievement of the Europe Strategy 2020 and economic development programs at regional and local level under the leadership of Zala County Municipality.</p> <p>ZMVA – Consultancy activities for Zala businesses within the SME and Micro-Enterprise work groups:</p> <p>ZMVA – Provision of labor market services</p>	<ul style="list-style-type: none"> • Provision of consulting services to 100-1000 SMEs and micro-enterprises • Pact operation • Organization of network working group conferences • Pact working group workshops on 2 topics (micro-enterprise, SME) • The Pact supports the recruitment of 246 people (+40 self-employed, indicated in other results) • Target group members recruited after 6 months of assisted employment: 177 people committed to work 6 months after assisted employment during implementation period • At the close of the Pact, 35 organizations will work together to ensure the Pact is sustained over the long term. • Labor market program target: During the project period 630 people will be involved in various labor market programs
<p>Action 2</p> <p>Business needs employment development program in Zalaegerszeg county town – TOP-6, 8,2-15-11-2016-0-0001</p> <p>January 2017 – December 2018</p>	<p>The basic aim of the Pact are:</p> <ul style="list-style-type: none"> • to increase the level of efficiency and employability of local businesses, thereby increasing local tax revenues; • the city should be able to retain its population, talents, human resources, and an attractive living space that provides a decent standard of jobs, housing and living conditions <p>Improve the productivity of local businesses, thereby increasing local tax revenues; training institutions should here with the knowledge required by the labor market</p> <p>Advisory areas:</p> <ul style="list-style-type: none"> • Financing • Start-up Business • Innovation • Marketing • Business development • Grant consultancy • Takeover of family businesses 	<ul style="list-style-type: none"> • employment expansion goals; wage subsidy opportunities from the project • advice for private individuals on becoming entrepreneurs; self-employed (forms of business, types of taxation, administrative tasks) • tender consultancy; grants for purchasing equipment, site development, etc. • change of generations in family businesses • credit options: microcredit, combined credit options, Széchenyi card, etc. • ZMVA advised businesses in Zalaegerszeg: 206 consulting hours for 93 businesses
<p>Action 3</p> <p>Establishing regional credit fund of Zala county</p> <p>Expected from 01 July 2020 to 10-12 years.</p>	<p>The primary objective is demand-driven support for local SMEs.</p> <p>For this purpose, an approx. 20 million euros ZALA REGIONAL CREDIT BASIS needs to be created, preferably within or closely integrated with the ZMVA organization.</p> <p>Establishing the legal and financial framework for forming the Fund.</p>	<p>ZMVA, as a local actor, can make a more substantial contribution to local SMEs.</p>
<p>Action 4</p> <p>The credit program of Furge (‘Quick’)</p> <p>2018-2022</p>	<ul style="list-style-type: none"> • Developing a loan program at the ZMVA which, based on the experience gained by the foundation, helps the clients to obtain fast and efficient credit from the bank financing for some reason. • A cooperation agreement with Garantiqa-Hitelgarancia Ltd. <p>Developing a loan program that, relying on the foundation’s experience, helps customers get out of bank financing for some reason, for quick and efficient credit. Improving the viability of already existing businesses and allows access to credit in small village settlements.</p>	<p>Numerically results:</p> <ul style="list-style-type: none"> • 50 new customers (2 millions HUF, calculated with the average loan size) • 10 new workplaces • 170 people: number of involved entrepreneurs and family members who have benefited from micro-credit to improve their living conditions
<p>Action 5</p> <p>The credit program of start-up enterprises</p> <p>2018-2022</p>	<p>Developing a loan program at the Zala County Foundation of Enterprise Promotion that, based on the experience gained by the foundation, will help finance start-ups and start-ups out of bank financing, as well as realize their business ideas as soon as possible.</p> <ul style="list-style-type: none"> • Establishing legal and financial frameworks, selecting intermediaries • Entrepreneurship education in e-learning • Mentoring: personalized consulting, wait on the process of becoming an entrepreneur • Entrepreneurial advisers: legal, tax, etc. issues • Business development services: revenue increase, company audit, promotional packages, tender advice 	<ul style="list-style-type: none"> • 50 new customers (3 million HUF calculated with an average loan size) • 50 new workplace • 200 people: number of involved entrepreneurs and family members who have benefited from micro-credit to improve their living conditions
<p>Action 6</p> <p>Increase of self-employment amongst newly graduated students</p> <p>01. 01. 2019 – 31. 12. 2022</p>	<p>It should be pointed out that the main problem in Zala is not unemployment but shortage of qualified workforce. Thus, in case of parallel introduction with the project, the extension of entrepreneurial knowledge, follow-up and mentoring of the self-employed would be the principal output.</p> <p>Non-repayable financial support would be provided for long-term unemployed graduates of vocational school or higher education under the age of 25, the amount of which would be equivalent to the original good practice</p>	<ul style="list-style-type: none"> • A positive message for young people – the local Government cares for them; thus, contributes to keeping them in the locality • Easy introduction as a pilot action • Contribution to the improvement of local young people’s business knowledge • Contribution to the development of relations
<p>Action 7</p> <p>County-level extension of Zalaegerszeg’s interest subsidy program</p> <p>Expected from 01 June 2019 min. 3 years (start date depends on the introduction of the Green Zala program).</p>	<p>Implementation of the interest subsidy measure.</p> <p>As part of the program, companies based in Zala County can receive interest rate subsidies for the Zala credit facility, thus reducing the basic interest rate of 3.9% to 1.5-2%.</p>	<ul style="list-style-type: none"> • The spread of an energy-efficient and environmental approach • CO₂ and greenhouse gas reduction • The recognition of municipal bodies is growing • Increased satisfaction among county SMEs • Energy efficiency tools also appear as investments

OBJECTIVE

ACTIVITIES

EXPECTED RESULTS

Action 1

Combined ERDF+ ESF Measures in favour of Economic Development and Social Inclusion

Supporting credit access through alternative channels (alternative to traditional banking) and promoting entrepreneurship development with social impact, in line with regional development orientations and EU 2020 strategy

- Support to the development and consolidation of the partnership between ERDF and ESF Managing Authorities
- Support to the publication of the call(s) of the Social Impact Investing Fund
- Assessment of the applicability and operability of the Social Impact Investing Fund
- Identification of other (ERDF & ESF) measures to be jointly implemented in favour of economic development and social inclusion
- Capitalisation of results and planning of similar partnerships and cross-funding initiatives to be developed in the programming period 2021–2027

- Increased number of entrepreneurial activities with social impact
- Experimentation of new social innovation projects
- Implementation of initiatives for the professional inclusion of disadvantaged groups

2019–2021

Action 2

Network of Microcredit Providers

Creation of a network of microcredit operators in order to foster synergies among the different actors involved in microcredit/microfinance provision and raise a better and widespread awareness of the different tools available in the region

- Mapping local microcredit providers in the different levels: public, private and civil society
- Identification of available services and target groups
- Networking activities in order to promote the involvement of relevant organisations and operators
- Setting up of the network and functioning rules
- Creation of an online platform for the dissemination of the network and the operators/services available
- Promotion of the network
- Regular meetings of the involved organisations and operators

- Online platform of microcredit organisations and operators
- Increased number of microcredit applications
- Increased joint initiatives and partnerships among relevant organisations/operators
- Definition of news services and tools

2019–2021

Action 3

Risk Assessment Methodology

Definition of an innovative risk assessment methodology to be used in relation to micro-loans provision in order to enhance the capacity of the so-called unbankable categories to access credit, and at favourable conditions

- Analysis of the local framework as for credit access and microloans facilities
- Identification of local unbankable categories and their obstacles/needs
- Outline of variables and indicators detecting social effects
- Benchmarking of risk assessment methodologies applied to microcredit and microfinance
- Definition of a risk assessment methodology with a flexible approach to local characteristics (e.g. context, providers' capacity, target groups etc...)
- Application of the methodology in appropriate calls launched by the Sardinia Region
- Promote the application of the methodology among other microcredit/microfinance providers

- Increased number of microloans
- Increased number of existing micro & SMEs
- Increased number of occupied persons
- Unemployment reduction
- Identification of social effects

2019–2021

PORA REGIONAL DEVELOPMENT AGENCY OF KOPRIVNICA KRIŽEVCI COUNTY

OBJECTIVE	ACTIVITIES	EXPECTED RESULTS
<p>Action 1 County programme of loans for micro- and small entrepreneurs</p> <p>2019–</p> <p>The main aim of the Programme is to expand the sources and forms of financing SMEs through regional incentive measures due to the gap in systematic solutions for financing micro- and small entrepreneurs.</p>	<p>In order to implement this Programme, it is necessary to establish a special County microcredit fund, which would gather public funds from the County and local self-government (cities and municipalities in Koprivnica-Križevci County) budgets. The pooled funds are to be placed in a deposit account at a commercial bank, and comprise a guarantee fund, subsidy fund and financial deposit that is increased by a credit multiplier (the overall credit fund is formed by being increased by the agreed credit multiplier). The programme implements measures of low-cost financing of SME entities through microcrediting with guarantees at County level.</p>	<p>This new model of county-level micro-crediting SMEs with guarantees and interest subsidies in the deposit contains a transferable financial mechanism – it is possible to divert funds within a single micro-credit fund according to users and purposes of a loan (multi-user account) with the option of revolving (continuous lending by linking the fund to incoming loan repayments).</p>
<p>Action 2 Establishing a County expert body and coordination for SME</p> <p>2019–2023</p> <p>Main objective of establishing an Expert group and coordination for Koprivnica-Križevci County SMEs is improvement of coordination among all stakeholders involved in support for SMEs. In order to improve the conditions for completing projects from the EU 2014-2020 financial perspective, prepare activities in the KKC connected to the Republic of Croatia's EU presidency and entering a new EU financial perspective from 2020 onwards, in which the strategic goals of the National development strategy 2030 and activities on its implementation are especially important.</p>	<p>The activities include building of an analytical and statistical system for SMEs in the KKC and linking statistical databases on entities' business activities, ownership, import/export activities, adding indicators on innovativeness, investment and similar.</p>	<p>Coordination of activities and departmental policies/programmes connected to this Action Plan, implementation of activities on creating a statistical underpinning for SMEs in the KKC, conducting analyses of needs for education and training in the field of grants and other forms of financing, financial, digital and media literacy and financing special forms of enterprise and cooperative enterprise, coordination of the activities with the education system with the aim of introducing broader informal and formal programmes for acquiring entrepreneurial capabilities and self-employment, as well as know-how on initiating business endeavours for young people, programmes of education and training specific to managing associated business entities, development of educational and advisory programmes for managing family enterprises, development of new models of education, training and professional development of women for managerial positions in ICT businesses, new technologies, creative industries, innovation application etc. and organising structure and partnerships for providing education and training services for all stakeholders.</p>
<p>Action 3 County programme of support for micro- and small entrepreneurs</p> <p>2 years</p> <p>Development of a special Programme for micro- and small entrepreneurs, drafted at County level, and intended for the target groups such as novice entrepreneurs, young unemployed people, older unemployed people, women entrepreneurs, entrepreneurs who have an entrepreneurial project but have not founded a business entity (pre-startup), students preparing to embark on entrepreneurship, young people with vocational degrees, employed people wishing to become entrepreneurs, people who are in a disadvantaged position in the labour market, existing micro-entrepreneurs, people whose employment contracts were cancelled due to an initiated insolvency proceeding and who are seeking a way out through self-employment, unemployed people who were removed from the records of a competent institution or never registered with it, and entrepreneurs facing difficulties of a kind other than insolvency, persons who are independently establishing a business entity, and people in a disadvantaged social position, national minorities and entrepreneurs with disabilities.</p>	<p>The Programme would be implemented following the "5+5", that is, "5+35" model, linking up sources of financing for micro- and small enterprise at County level. That is, grant beneficiaries who were approved grants of up to 5000 HRK in value are then allowed to apply for possible micro-crediting (described in Measure 1) in the amount of up to 5000 EUR (around 35000 HRK). For example: if 50 grants amounting to 250,000 HRK in total (if the upper limit of the value of the subsidy, or "5", is taken as the basis for the calculation) are approved, to aid the sustainability of their businesses the same beneficiaries can use the option of micro-crediting, which, calculated for the highest value of loans ("35") for the 50 of them, adds up to 1,750,000 HRK.</p>	<p>Facilitation of the initiation of business activities and employment, providing the assistance in creating market positions and strengthening competitiveness of newly established business entities and supporting entrepreneurial education</p>
<p>Action 4 Strengthening capacities of entrepreneurial support institutions</p> <p>2019–2023</p> <p>The aim is to provide adequate products and services to SME subjects, depending on their position in the growth cycle, with an emphasis on developing capacities for providing support to entrepreneurs so that they can enhance their managerial capacities for strategic business planning and innovation.</p>	<p>Activities to strengthen capacities of SIS and improve coordination between, and management of, different strategic fields and objectives of the Koprivnica Križevci County, will be implemented in four directions:</p> <ol style="list-style-type: none"> 1. enhancing the strategic management and coordinating structure with adequate human resources and capacity for comprehensive and integrated management of developmental processes in the County 2. improving the management of projects (co-)financed with EU grants, and developing continuous support in the field of preparing and using EU funds 3. strengthening activities to attract investors to the KKC and improve coordination with those carrying out activities of stimulating investment at all levels developing higher-level services, developing services contributing to a reduction in business failures (spotting opportunities, competence, financial literacy), to increasing competitiveness and internationalisation (design, higher financial and digital/media literacy, strengthening management, competitive intelligence) and to SME dynamism (financing, entrepreneurial education, second chances, family entrepreneurship, early signs of business troubles etc.). 	<p>Development of employees' capacities, as well as increased employment in order to satisfy the needs of SMEs in the County.</p>

OBJECTIVE	ACTIVITIES	EXPECTED RESULTS
<p>Action 1</p> <p>Developing a partner model for implementing financial instruments in development strategy of świętokrzyskie region</p> <p>2019–2020</p>	<p>The aim of the activity is to include in the updated Development Strategy of the świętokrzyskie Region the provisions regarding the enterprise support system in świętokrzyskie with the help of financial instruments consisting in close cooperation of loan and guarantee funds with local self-governments based on local partnerships.</p> <ul style="list-style-type: none"> • Elaborating the diagnosis of social & economic situation of świętokrzyskie region – its potential, underdeveloped areas and development trends. • Conducting social consultations for the draft of RSD SR 2030+ • Elaborating the proposal of vision and priorities of regional development, its aims and strategic projects. • Accepting the Resolution about RSD SR 2030+ by Regional Parliament • Elaborating the system of monitoring and RSD SR 2030+ evaluation. • Information campaign (or organization of regional conferences and public debates which engages regional institutions responsible for development of regional development as well as citizens of the region. 	<ul style="list-style-type: none"> • more effective, in line with the actual needs of companies, support for entrepreneurship development, • more effective access to information about the Fund offer to potential recipients, • initiating and developing dialogue and active cooperation of various environments at the local level in order to create a more effective economic policy, • favourable impact on the efforts aiming at the creation of sustainable local society and economy, • social microcredit scheme will be helpful in stopping inhabitants in small villages and reduce migration process.
<p>Action 2</p> <p>Launching additional repayable support for SME`s in the region and creating a regional development fund</p> <p>2019–2022</p>	<p>The objective of this action is to build the potential to support SME`s in the region after the end of EU grant financing.</p> <ul style="list-style-type: none"> • Reallocation of the European Regional Development Fund • update of the „Investment Strategy for the implementation of financial instruments under the Regional Operational Program for the świętokrzyskie Voivodeship for 2014-2020“ will be carried out • Establishment of the Regional Development Fund 	<ul style="list-style-type: none"> • launching additional support for SME`s in świętokrzyskie region • filling the gap in financing for SME`s on the market • more effective support for companies, in line with their needs, enabling development and strengthening their market position • increased number of microloans • increased number of existing micro & SMEs



ATM for SMEs

Interreg Europe



PROJECT MESSAGE

The “ATM for SMEs” project perceives microfinancing as a key factor for inclusive growth in the regions and therefore it improves the local policy environment in order to generate new projects and initiatives in the field of microfinance.

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