



CLIPPER
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Development Fund

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Creating a Leadership for Maritime Industries New opportunities in Europe

Benchmark

FOREWORD

The CLIPPER project wants to bring forward the implementation of new public policies or the improvement of existing tools (governance or structure) in order to support the competitiveness of SMEs in the maritime industries sector.

To do so, this benchmark has been produced from territorial diagnostics conducted in each partner region. Beyond the achievement of project objectives, it is meant to be shared with other interested regions looking for good practices transferable on their territories.

The lists of schemes and public supports mentioned in the present document are not exhaustive, they give a summarised overview of possibilities. For more information, please contact the Lead Partner (Pays de la Loire Region: croissancebleue@paysdelaloire.fr)

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GLOSSARY

Ast.	Asturias Region
CPMR	Conference of Peripheral Maritime Regions
DLTM	Distretto Ligure delle Tecnologie Marine
ERDF	European Regional Development Fund
FTE	full-time equivalent
ICT	Information and communication technologies
Lig.	Liguria Region
LNG	Liquefied natural gas
MRE	Marine renewable energy
PDL	Pays de la Loire Region
RDI	Research, development and innovation
RIS3	Regional Innovation Smart Specialization Strategy
SD	Split-Dalmatia County
SH	Schleswig-Holstein Land
SWF	South-West Finland Region
SME	Small and Medium Enterprises
VSE	Very Small Enterprises

CLIPPER partners



FIFE

190km of coastline
 Third largest local authority in Scotland, (Population 368,100)
 11% of Scottish manufacturing turnover generated in Fife (2015)
 14.8% of those employed in Fife work in Manufacturing
 Rosyth Dockyard, (5.3 km²) completed 2 new aircraft carriers
 2.5 GW offshore wind farms consented off the coast of Fife
 7MW ORE Catapult largest open access test and demonstration offshore wind turbine



PAYS DE LA LOIRE (PDL)

450km of coastline
 Largest port on French Atlantic coast - 25 000 employees
 Chantiers de l'Atlantique (12 billions order book for 14 ships till 2026)
 France leading test location for MRE solutions - 1000 researchers
 2 offshore wind parks - generating capacity of 1000MW by 2020
 Leisure marine industry generates 1 billion turnover per year



ASTURIAS (AST.)

334 km of coastline
 2 industrial ports: Gijón (solid bulk and EU "core ports" list)
 Avilés (offshore structure to international offshore wind farms)
 Windar Ltd - 2nd biggest manufacturer of towers for wind turbines in the world (2013-2016 : around 200 towers)
 Dynamic metal mechanic industry - ArcelorMittal - one of the most important steel factories in Europe (around 20 000t of steel)
 Test site for materials specialised in steel





SOUTH WEST FINLAND (SWF)

Baltic Sea coast
 archipelago of 20 000 islands - more than 14 000 km of shoreline
 Population of 458,000 inhabitants - 3rd biggest region in Finland
 GDP per capita : € 33,836 euro (2013)
 Leading region of the Finnish maritime industry : host over 50% of all Finnish maritime technology industry companies
 About 250 companies operating in maritime industry, 20 design agencies, 15 shipping companies and 3 shipyards



SCHLESWIG HOLSTEIN (SH)

1105km of coastline
 Over 1.800 companies (ca. 1,5% of all SH's companies);
 About 42.000 employees (ca. 4,5% of all insurable employments in the region) ;
 Turnover of about Euro 9,2 billion p.a. (ca. 10% of SH's GDP).
 Every 4th German shipping company, every 5th German shipyard and Europe's biggest marine national park.



SPLIT DALMATIA (SD)

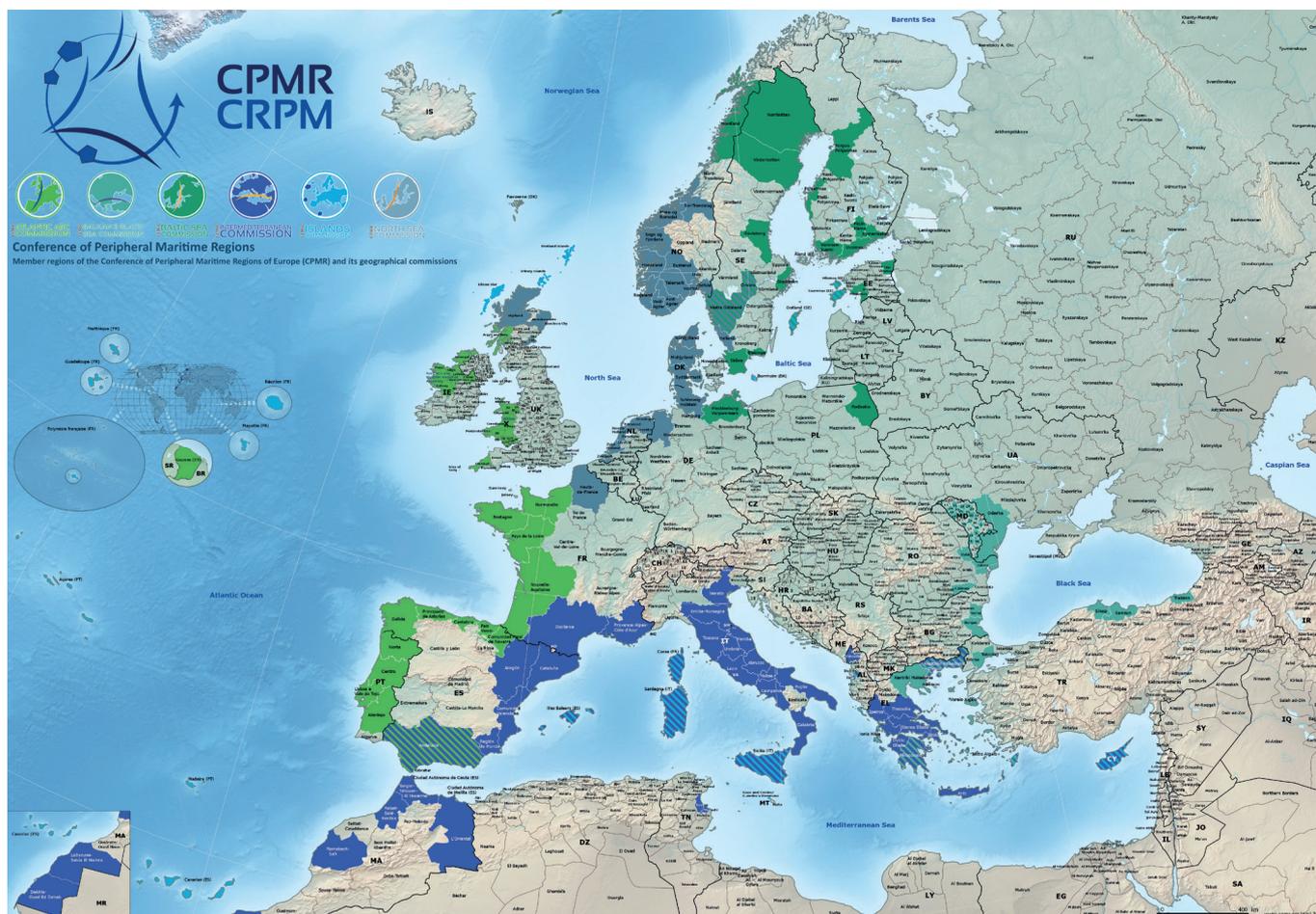
Largest Croatian County - 9 473 km² of sea
 6 industrial ports, 10 ports for nautical tourism (sport and recreational), 4 shipyards, 8 docks
 30 SMEs in shipbuilding industry and 20 SMEs in repair and maintenance. More than 141 SMEs are maritime industry's suppliers
 Maritime industry represent 50,3% of manufacturing industry



LIGURIA (LIG.)

With 330 km of coastline (4,4% of the total Italian coastline), a geographical coverage of only 5.422 km and 1,5 million inhabitants (2,7% of the Italian population) a significant share of SMEs is active in the following sectors: tourism, electrical engineering, mechanics, medicine, robotics, marine and shipbuilding, plant and floriculture, transport and logistics. Blue economy represents 35 600 jobs and €1,8 billion turnover. The Liguria port system includes 3 industrial and commercial ports: Genoa, La Spezia and Savona-Vado. Ligurian maritime traffic represents the 27,9% of the national maritime traffic.

The Conference of Peripheral Maritime Regions



The Conference of Peripheral Maritime Regions brings together some 160 Regions from 25 States from the European Union and beyond. Representing about 200 million people, the CPMR campaigns in favour of a more balanced development of the European territory. It operates both as a think tank and as a lobby for Regions.

Since its creation in 1973, through its extensive network of contacts within the EU institutions and national governments, the CPMR has been targeting, its action towards ensuring that the needs and interests of its Member Regions are taken into account in policies with a high territorial impact. It focuses mainly on social, economic and territorial cohesion, maritime policies and blue growth, and accessibility.

Representing several key Regions for European Maritime Industry, the CPMR has included maritime industries in its focus on maritime policies for years.

The CPMR pushes for an ambitious and strong industrial policy to support diversification and differentiation of maritime industries in Europe in order for the sector to face the increasing worldwide competition. In this respect, it has strongly supported the development of LeaderShip 2020. The CPMR has been a member of the expert panel for the production of the LeaderShip 2020 report on maritime industries. It also advocates for an integrated approach to maritime industries addressing jointly traditional sectors such as shipbuilding and emerging activities such as marine renewable energy in order to build upon maritime Regions' know-hows and expertise.

In 2013, at the initiative of the CPMR and Pays de la Loire Region, a group of Regions launched the "European Regions' Initiative on Shipbuilding and Maritime Industries". This initiative resulted in a Memorandum of Understanding signed by 21 Regions that highlighted the key issues faced by the Maritime Industry sector and suggested lines of actions for the European Union.

Although several important steps have been taken since 2013, such as the Blueprint for Sectoral Cooperation on Skills addressing the topic of training and skills in the blue economy, many issues raised in this memorandum are still at stake, for instance :

- A **strong EU strategy for maritime industries** is still missing, especially as the Communication of the European Commission on "Investing in Smart, Innovative and Sustainable Industry - A Renewed EU Industrial Policy Strategy" only mentions maritime industries from the perspective of the Blueprint;
- The **gaps in access to credit and bank guarantees** haven't been bridged. They are still key barriers slowing down European maritime industries. However, the Directorate General for Fisheries and Maritime Affairs (DG MARE) of the European Commission is putting a lot of effort to advocate for a better access to EU Investment Tools for maritime sectors with the support of the CPMR,
- Uncertainties surrounding **the post-2020 Multi-Annual Financial Framework** raise several questions regarding European Structural and Investment Funds that play an important role in supporting Regions' development strategies for maritime industries.

Getting involved in the CLIPPER project is a logical continuation of the CPMR's work on maritime industries.

The very spirit of the CLIPPER project aligns with CPMR identity and beliefs stating that "Regions have a crucial part to play to maintain SMEs' competitiveness in their traditional activities (shipyards in particular) while becoming leaders on blooming markets such as Marine Renewable Energies".

Its participation in CLIPPER contributed to its objectives to develop a EU Strategy for Maritime Industry and adapt EU investment tools to the needs of maritime sectors.

The CLIPPER Project

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TOPIC
SME competitiveness

CLIPPER is an innovative interregional cooperation project that brings together seven pro-active regions to address the negative impact the global economic recession has had on Europe's maritime sector. This sector is also suffering from growing competition from emerging countries.

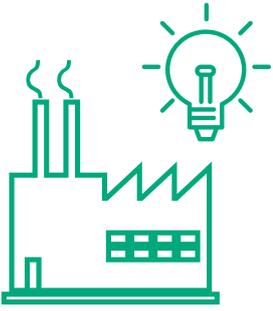
The overall aim of the project is to develop better public policies to support the competitiveness of Small and Medium Sized Enterprises (SMEs) working in **maritime industries in Europe**.

To do so, the project focuses on **four levels of competitiveness** :



The scope for maritime industries within CLIPPER activities covers :

« all the enterprises involved in the design, construction, maintenance and repair of all types of ships and other relevant maritime structures, including the complete supply chain of systems, equipment, services and supported by research and educational institutions. »



Industrial performance can be defined in terms of numerous criteria to be synthesised for global control purposes, many of them being of a complex nature, i.e. not related to one elementary physical measure. In short, it is the capability to produce manufactured products competitively. Industrial performance comprises industry's productivity, global competitiveness, structural change, innovation, human capital, etc. All these are more or less connected to advanced manufacturing, digitalisation, new technologies, training/competence building. Industrial RDI activities are very important for the future of enterprises in all our regions.



Collective performance is not the addition of all industrial performances of each individual enterprise that composes a value chain, but rather the ability of the whole value chain, or sector, to collaborate in order to gain competitiveness together.

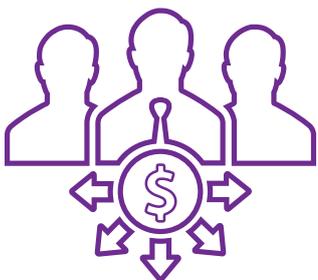
Most of the time such collaboration needs public support to emerge. These public policies aim at building/consolidating a strong innovative and collaborative ecosystem for instance through the support of clusters' dynamics, cross fertilisation and collaborative RDI projects that include SMEs, associated services, pooling of production means and shared test sites, local subcontracting networks and all kind of territory attractiveness policies.



Internationalisation can be defined as a firm development strategy beyond its own national market. Implantation of production units in other countries or expansion into new markets are some of the manifestation of such a strategy.

In order to help SMEs integration into international value chain, public policies should notably focus on :

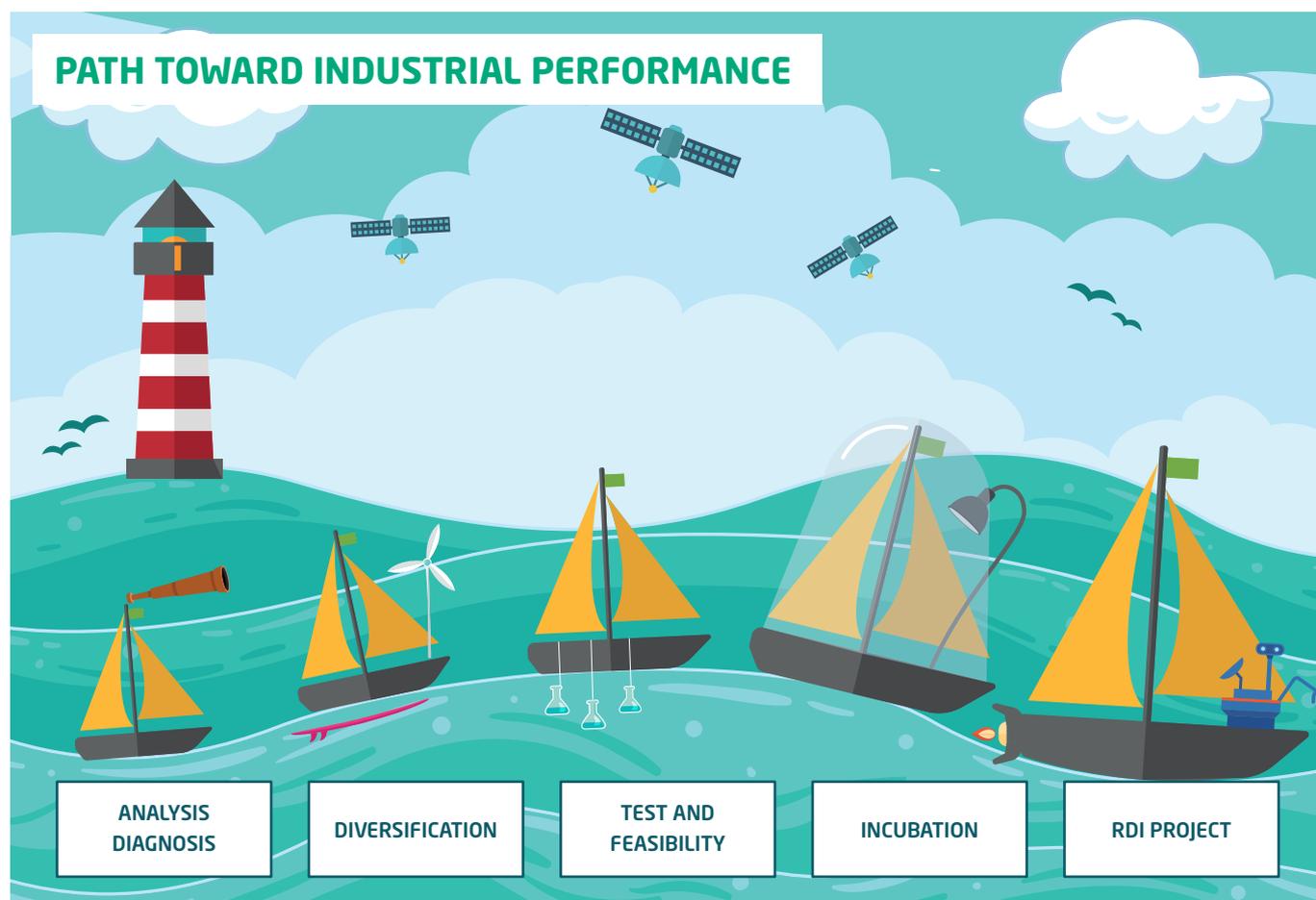
- The support to exportation strategies
- SMEs participation in international fairs
- SMEs' international/European cooperation and involvement in European project
- Inter-clustering and link between public and private European entities



Risk sharing allows several parties to work collectively to deliver a result that would be impossible to be undertaken individually. Collaboration can create knowledge that manages or reduces risk for all parties and supports Innovation. This can apply to public and private sector organizations collaborating or sharing resources.

Among CLIPPER partners there has been wide interest in innovative financing mechanisms. Technology platforms now allow many people to share the risk of investing in SMEs by each investing a small amount. Investors also contribute their opinion to help manage risk. Since the 2008 financial crisis crowdfunding has emerged as a disruptive force SMEs to secure investment and starting to displace venture capital funds.

Axe 1 Industrial performance

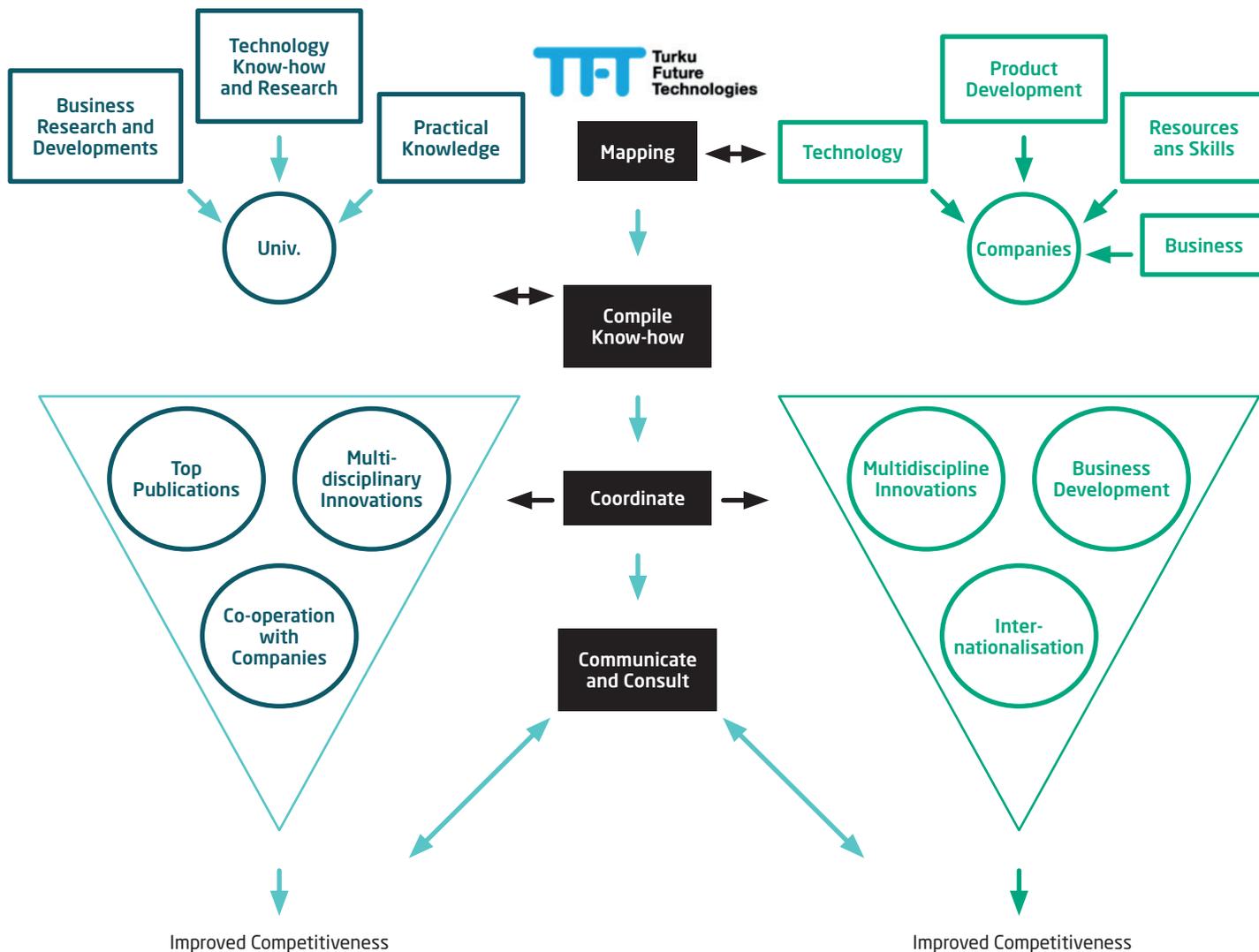


To be competitive SMEs must constantly reinvent themselves. This is even more true in the maritime sector:

- Like any industry, **shipbuilding** companies must modernise themselves and diversify their activity;
- **Recreational boating** faces new challenges after a decade of economic crisis and the emergence of a new boating model focused on use rather than property;
- **Marine renewables energies** are both a source for diversification and an industry that must find its model to be permanently rooted in a sector in full expansion and with great potential;
- Former source of diversification in the 70's, nowadays **oil and gas** industries must diversify to renewables and low carbon technologies .

These challenges to companies' individual industrial performances translate into diverse strategies that SMEs can follow to ensure their development and durability. **Public bodies can support SMEs in their path toward industrial performance.**

For instance the **Turku Future Technologies collaboration platform** is an accessible and agile co-operational network that tailors a broad-based research excellence to improve competitiveness and growth in technology companies in South-West Finland. TFT supports strategic development projects of companies by speeding up know-how development as well as market entries. It also provides a seamless model of co-operation for researchers and companies which leads company-driven, multidisciplinary and profitable innovation collaboration



CLIPPER PARTNERS' SUPPORT TO SMES INDUSTRIAL PERFORMANCE

ANALYSIS / DIAGNOSIS

Scottish Manufacturing Advisory Service (FIFE) helps organisations improve and grow by designing and delivering tailored manufacturing improvement support. Support focuses on people, process and technology together to enable manufacturers to become more profitable and competitive.

The innovation consulting offered by Business Development and Technology Transfer Corporation of Schleswig-Holstein (WT SH) involves showing companies what starting points and implementation possibilities exist for innovative projects, and then supporting their implementation. In this context, the advice on industrial property rights and assistance provided in setting up collaboration agreements between companies and between academic institutions and companies (technology scouting) are of particular significance.

Dinamic Enterprise (PDL) provides companies over a nine-month period with the resources they need to make them more competitive and provide general long-term support in order to consolidate their fundamentals (internal, commercial and innovation performance) via consultancy, training and the provision of effective, proven systems and methodologies.

Other: PDL Conseil, growth advisory program (IDEPA)

DIVERSIFICATION

Aid for business investment projects (Ast.) : IDEPA provides grants to SMEs and big companies developing new economic activities through production diversification. For SMEs the grant is limited to the creation of a new establishment diversifying activities and expansion of the capacity of an existing establishment where a fundamental transformation of the global production process is developed.

Individual business investments (SH) : the Development Bank of Schleswig-Holstein notably funds business enterprises in the diversification of their production into previously not fabricated products or fundamental change in the entire production process (up to 20% of the total investment).

TEST AND FEASIBILITY

Offshore Renewable Energy Catapult Levenmouth Demonstration Turbine (FIFE) is the world's largest open-access wind turbine dedicated to research. The turbine offers UK industry and academia an unrivalled opportunity to develop a deeper understanding of a wide range of technologies as well as the operations and maintenance aspects of offshore wind turbines, with the ultimate goal of reducing the cost of energy. **CEA Tech** in PDL is quite similar to Catapult with 3 testing platforms accessible to maritime industries. PDL also offers a MRE test site : SEM REV.

Steel Square (Ast.): 15 000m² test site focused on manufacturing and steel use in which the entire process of an integrated steel plant is reproduced at real scale. Its objective is to optimise the steel transformation chain by introducing improvements in terms of materials and of manufacturing processes to increase competitiveness in the process of steel production and transformation

Other: Technocampuses (PDL) - FINO (1. 2. 3.) (SH)

Résolutions (PDL) is a call for innovation which provides local enterprises access to the most efficient innovative solutions on the market and thus solves their development issues,. It provides closer link between entrepreneurs and start-uppers or researchers. It is also part of a global ecosystem of value which includes cluster, competitiveness cluster, universities, public authorities, etc.

Interface (FIFE) aims to simplify businesses experience of working with academia while also encouraging innovation and entrepreneurship. It was created in 2005 as a central hub connecting organisations from a wide variety of national and international industries to Scotland's 23 higher education and research institutes

DIMECC (SWF) is a non-profit company whose objectives are long-term change of company-university cooperation, knowledge creation and innovation activities' impact.

Maritime Accelerator (SWF) Maritime Accelerator is an initiative of Turku Business Region and Avanto, partnering with several maritime companies. It is an innovation ecosystem for corporations and startups. Maritime Accelerator brings together maritime corporations with great impact and fast moving startups with momentum. In the three-months accelerator program the best will join together for concrete ventures.

Faculty of Electrical Engineering, Mechanical Engineering and Naval Architecture (FESB) is the most important partner for Split Dalmatia maritime industry SMEs, especially in the field of adoption of new technologies with more than 50 ongoing scientific projects.

National Manufacturing Institute for Scotland : Scottish government are investing £48 million to provide support for manufacturing businesses, to attract investment, and to connect with all of Scotland's engineering universities and colleges.

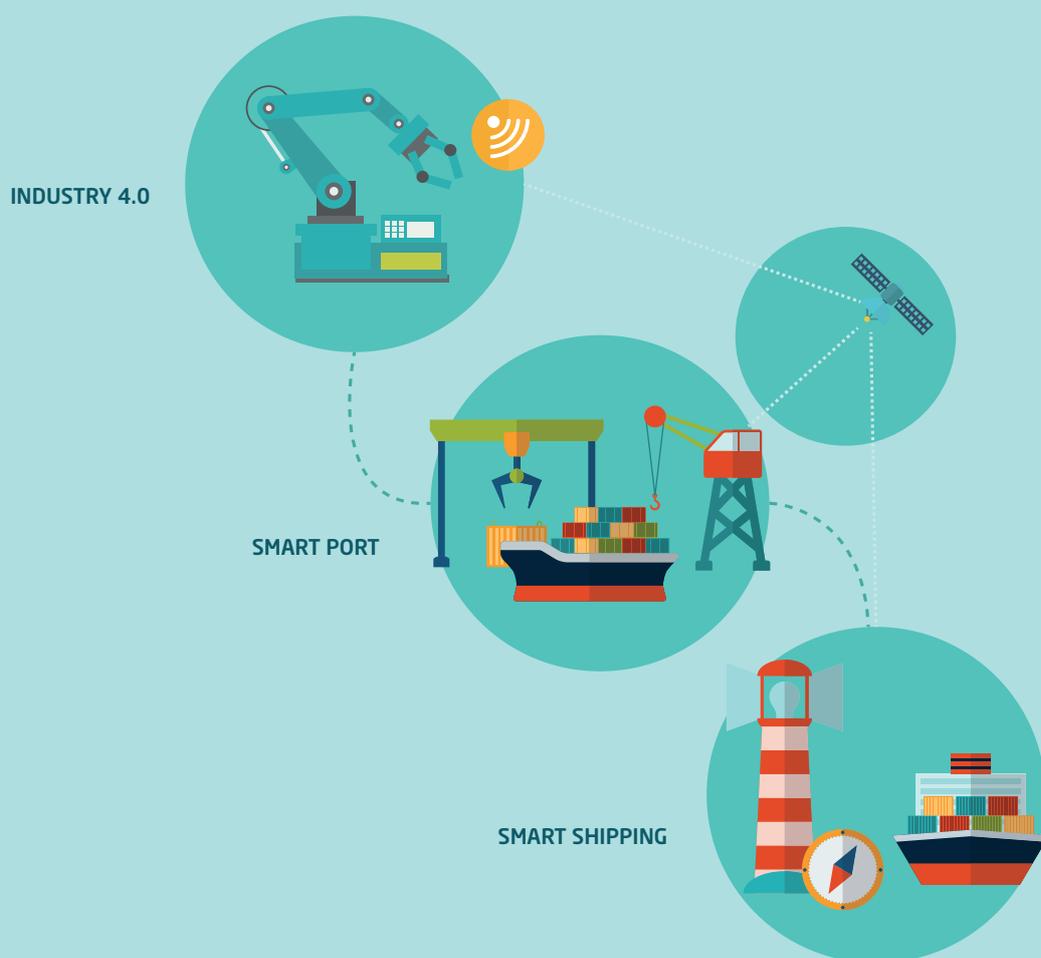
Arctic Seas programme (SWF) was a RDI programme dedicated to maritime industries which focused mainly on 1) cleantech, and the reduction of emissions (e.g. and low emission fuels), 2) digitalisation (information and data analytics, (e.g. monitoring, testing, risk management), and 3) the increase in labour productivity and optimisation (e.g. automatisisation and efficient working equipment) (Funded and managed by TEKES - Finnish National Innovation Agency - ended in 2017)

Betriebliche Forschung, Entwicklung und Innovation (SH - ERDF) : Funding of industrial research and experimental development, which leads to the creation and safeguarding of future-oriented jobs, operational innovations are particularly promoted

DLTM (Lig.) participated to 9 big R&D projects in the marine and maritime sector representing more than €50million, involving more than 20 SMEs in collaboration with Research centres and Big Enterprises, financed by the Italian Ministry for Research, University and Education (Decree 297/1999)

Other: SMART (Fife)

MARITIME INDUSTRY 4.0

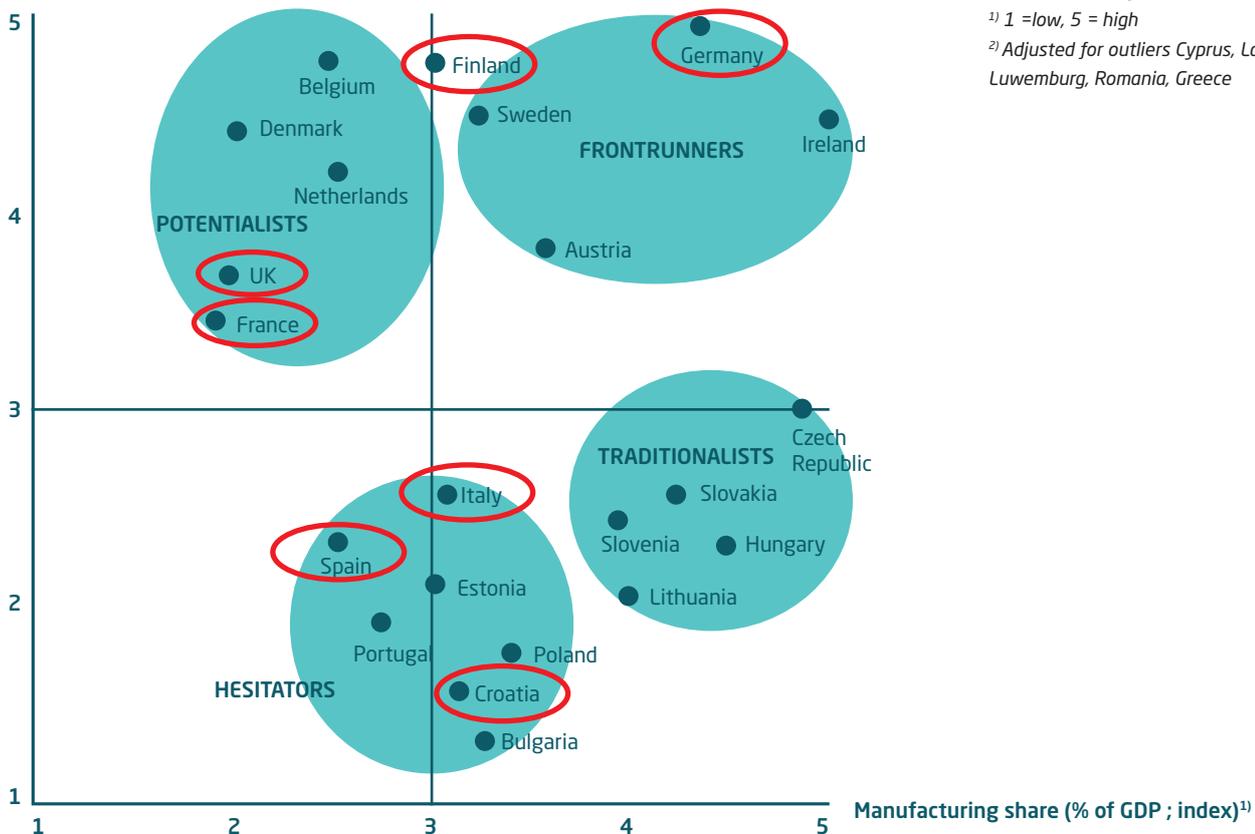


A decade of global economic crisis has significantly impacted the European economy, especially European manufacturing industries. Nonetheless the introduction of the Internet of Things and Services into the manufacturing environment has started a 4th industrial revolution. This Industry 4.0 is based on the Smart Factory model which has a completely new approach to production: smart products are uniquely identifiable, may be located at all times and know their own history, current status and alternative routes to achieving their target state. The embedded manufacturing systems are vertically networked with business processes within enterprises and horizontally connected to the dispersed value networks that can be managed in real time. Smart Factories allow individual customer requirements to be met and mean that even one-off items can be manufactured profitably.

Digitalisation is key for all maritime economy sectors, at each step of the value chain, from digital innovation in design, to ports equipment, shipbuilding and customer service. Digital is essential for the ship of the future and the port of tomorrow, to modernise production tools, consolidate marine technologies industrialisation, to reduce operation costs and environmental impacts at sea. Maritime economy digitalisation implies to support cross fertilisation and building bridges between different sectors.

PUBLIC SUPPORT FOR THE MODERNISATION OF MARITIME SMES

RB Industry 4.0
Readiness Index ^{1) 2)}



Roland-Berger's Industry4.0
Readiness Index for EU countries
¹⁾ 1 = low, 5 = high
²⁾ Adjusted for outliers Cyprus, Latvia, Luwemburg, Romania, Greece

According to the Roland-Berger "Industry 4.0 Readiness Index", there are roughly four major groups of European economies divided according to their 2015 situation regarding industry 4.0. presented in the above figure. CLIPPER partners are spread into three of these groups : the Frontrunners (large and very modern industrial base, forward-looking business conditions and technologies), the Hesitators (lack of a reliable industrial base and fiscal problems that prevent the emergence of "future-proof" economies), the Potentialists (weakening industrial base over the past few years but indications of a modern and innovative mind-set).

Modernisation of the production process, digitalisation, robotics, automation, cobotics, etc. are ways to enter industry 4.0 that public support must facilitate. For instance :

- **Digital boost 1-2-1 (FIFE)** : Business Gateway Fife finances up to 21 hours of fully funded one-to-one advice to businesses looking to improve their digital know-how.
- **PDL Investissement Numérique** : Support to SMEs (50 employees max) for the acquisition of digital solutions (software) with real added value in terms of turnover and/or organisation, which makes it possible to finance acquisition costs, software installation fees, maintenance and subscription costs for up to one year, as well as training fees related to the integration of acquired software.

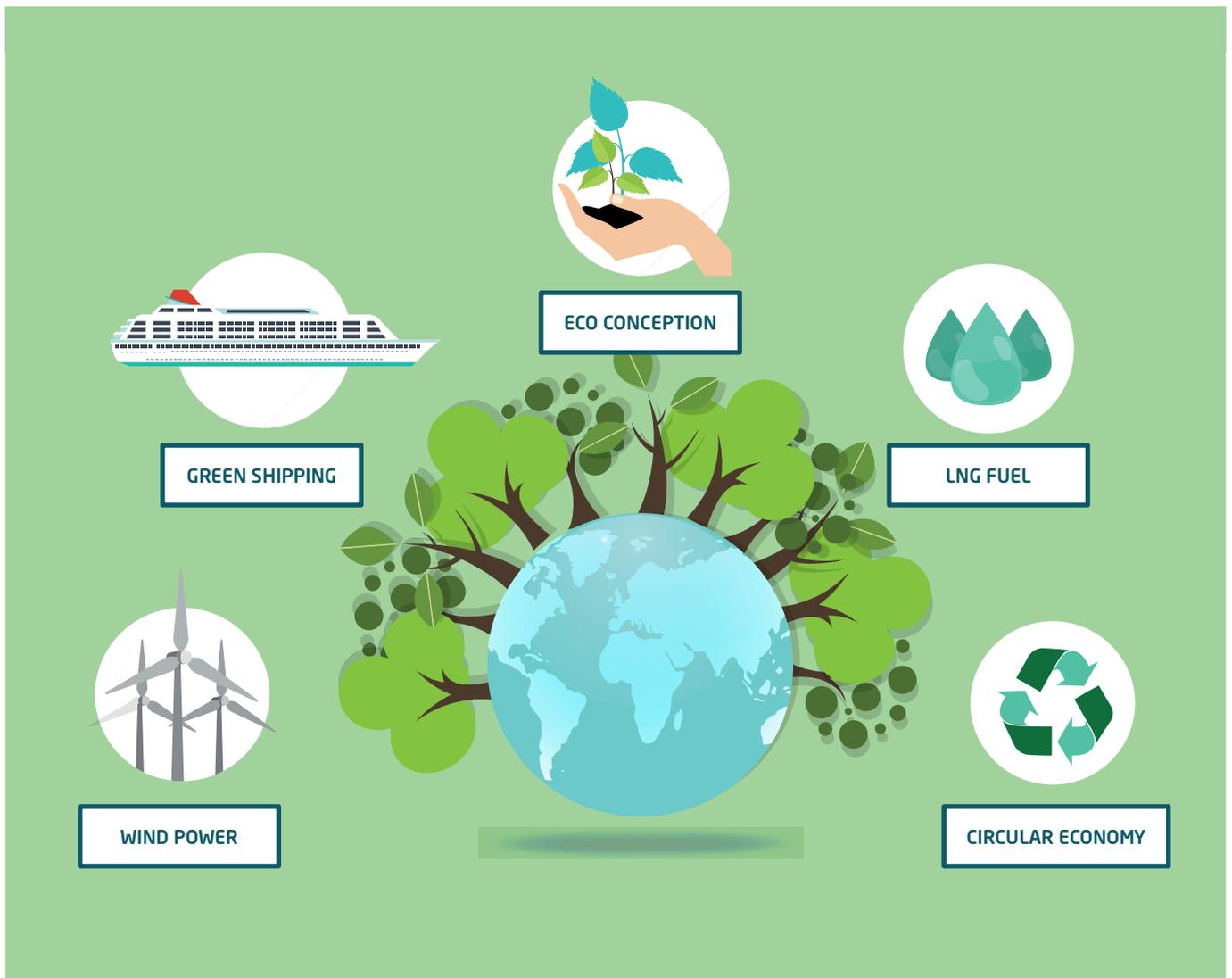
- **AMI Industrie du Futur (PDL)** : this call for expressions of interest allows to finance a wide range of projects, when the company has identified measurable competitiveness gains in the short/medium term : robotics - cobotics; optimisation of consumption of materials and fluids; industrial organisation (flow management, lean, traceability ...); product quality; advanced production and control processes (e.g. additive manufacturing ...); scanning/digitalisation; adaptation of skills and the working environment.

- **Financial support for reindustrialization actions and strengthening of industrial competitiveness (Ast.)**: The purpose of this support is to favor the development of companies and strategic projects, stimulating innovative industrial initiatives that contribute to the generation of employment and the increase of exports.

- **SMARTCUP Liguria** : (<http://www.smartcupliguria.it>) is the Ligurian competition for entrepreneurial ideas with high technological content, promoted by the Region and organised by FILSE SpA (the in-house Financial Institution of Liguria Region) in collaboration with the University of Genoa and several private companies and research centres

- **Allied ICT Finland (AIF)** (<https://alliedict.fi/>) AIF is a collaboration network of 11 research institutes, five cities, ten business ecosystems, thousands of researchers and more than 1200 companies. Allied ICT Finland offers a new model of action and investment, which aims to create a billion euro R&D leap. Financing is secured by utilising several domestic and European funding instruments, capital investments from the companies themselves, and international partnerships.

GREEN GROWTH FOR BLUE GROWTH



*“It is important to underline that there simply will be no green without blue” **

Climate and environment-friendly shipbuilding products and technologies constitute important new market opportunities for maritime industries. These include products and technologies helping to reduce emissions, spare energy and other resources, lower operating costs, and meet the stringent environmental regulations (e.g. alternative fuels, Liquid Natural Gas, energy saving devices, retrofitting conversion etc.). Over the last decade, marine industry has made new innovations, especially targeted in making ships greener (notably in Finland): increasing the energy-efficiency of vessels e.g. by hull design; and developing some alternative fuel solutions, not only LNG-powered but also bio-fuel-powered.

Circular and low carbon economy : as stipulated in the European Commission’s communication of 2017 “Investing in a smart, innovative and sustainable Industry - A renewed EU Industrial Policy Strategy ” the EU pursues sustainable development in a cross-cutting way and is the driving force behind the Paris Agreement for climate action and the Sustainable Development Agenda for 2030. Europe must now capitalise on this leadership in all sectors and tackle increasing global competition in green production and clean energy technologies.

**Speaking points from European Investment Bank Vice-President Jonathan Taylor “No Green without Blue” : COP23 Oceans Action Day Bonn, 11 November 2017*

Maritime renewable energies (MRE), source of diversification

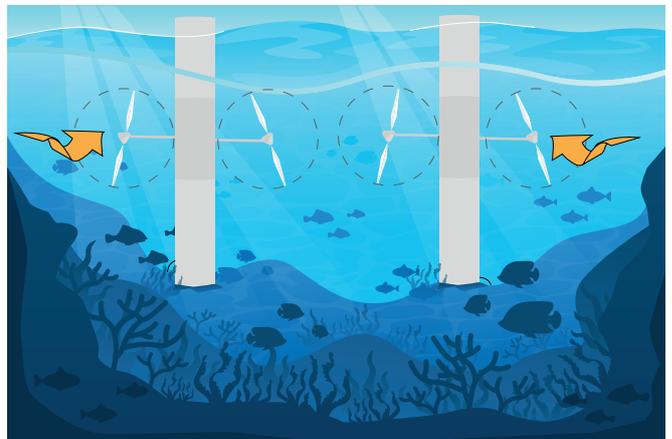
With the decrease of the levelized cost of energy (LCOE), which is the net present value of the unit-cost of electricity over the lifetime of a generating asset, the MREs enter a new era. As an illustration, in Northern Europe in 2017, tenders for offshore wind projects have been won at prices varying between 50 and 80 euros per megawatt-hour. This tendency increases the competition with other renewable technologies, specifically solar technology and onshore wind, and with international market players. In this context, innovation is a key lever for competitiveness. Indeed, it can lead to improving performances of existing technologies and operating protocols, to a better perception of the impacts on the environment and thereby to encourage the appropriation of farms or parks by the different stakeholders. It would also hasten the validation of emerging technologies such as floating wind turbines, tidal energy, and mid-term of wave energy and Ocean Thermal Energy. Thus MRE are a key sector for diversification in almost all CLIPPER regions.

Fife : a wide variety of schemes are available for SMEs in favor of ecological transition, such as Resource Efficient Scotland, Offshore Wind Fund, Renewable Energy Investment Fund, Zero Waste Scotland (part of the £18m Circular Economy Investment Fund) or **Offshore Wind Accelerator** a collaborative R&D programme which aims to reduce the cost of offshore wind and provide insights regarding industry standard. Other Fife initiatives include **East Coast Renewables**, an alliance of Local Authorities which aims to maximise the economic impact of the renewables sector, Green Business Fife, **Scottish Renewables** (promotes the realisation of the full economic, social and environmental benefits of renewable energy for Scotland).

In a separate emerging industry sector Fife has created the "Fife Initiative " where the decommissioning supply-chain capability has been used to attract inward investment with a focal point at Energy Park Fife, also the location of FRIC.

Ast. : several types of grants are launched each year to promote renewable energies and energy efficiency with the aim of reducing fossil fuels consumption and to diversify the energy mix. Different technologies for renewable energies usage are subsidised and different types of companies receive of them.

SH finances research and knowledge processing facilities, as well as enterprises building up environment-friendly economic structures and infrastructures, by promoting the production and distribution of renewable energies as well as increasing energy and resource efficiency and the use of renewable energies in enterprises. The goal is the optimal integration and use of renewable energies and the reduction of greenhouse gas emissions through production and procedural innovations (**Energiewende- und Umwelt-innovationen** guideline for ERDF). ERDF in SH also funds energetic optimisation in SMEs.

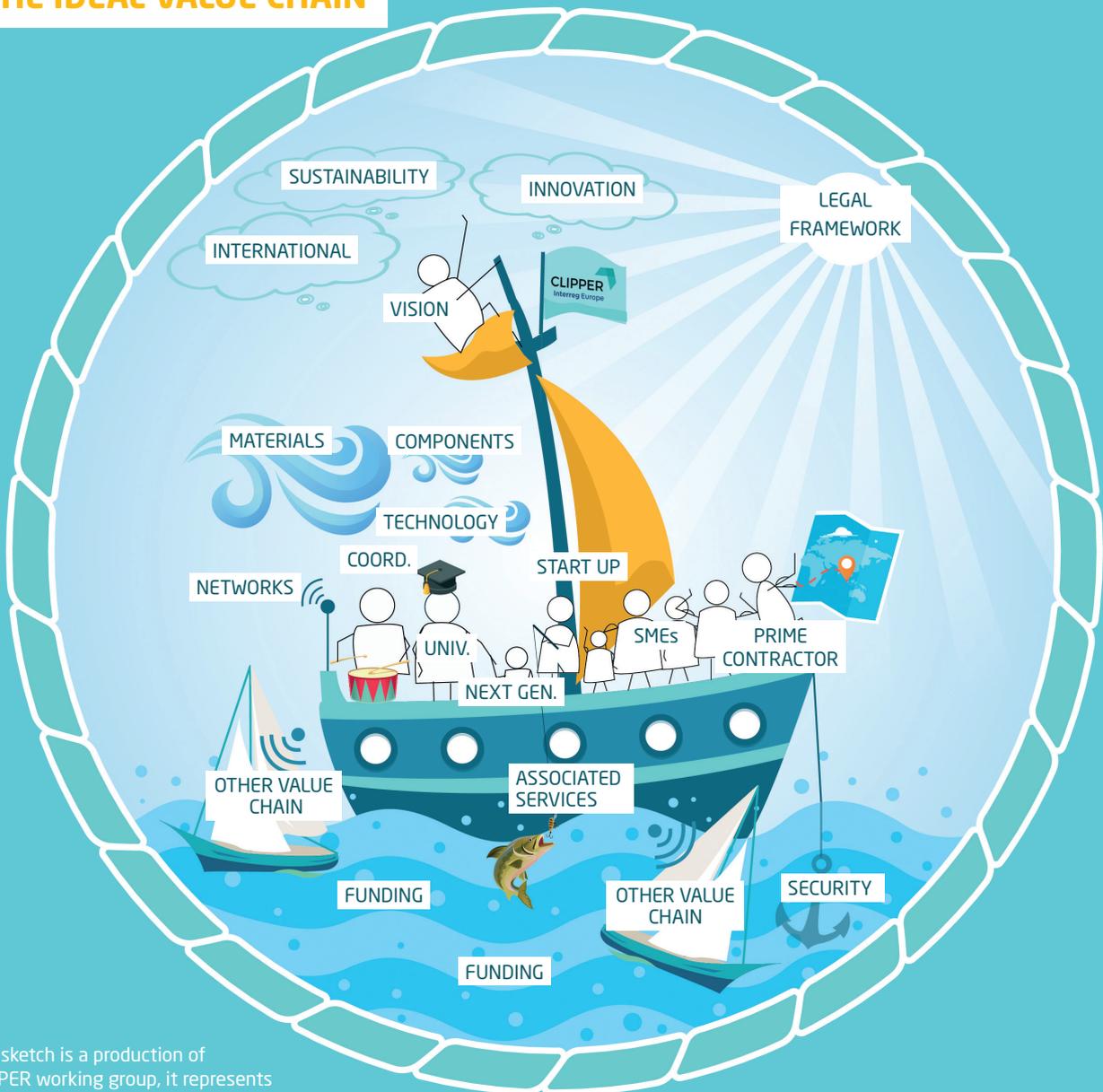


SWF : Business Finland's **Smart Energy Program** develops testing platforms and innovation ecosystems that accelerate the competitiveness of Finnish companies and their export of know-how to growing international markets, attract foreign investments, and open opportunities for SMEs to access energy markets that require large investments. Companies and research organisations can apply for funding from Business Finland.

PDL : 2 offshore wind farms and 30 ha of dedicated port space - 876 FTE in 112 companies (42% of national MRE employment). To accompany renewable energy production project, the Region is consolidating one of its investment fund dedicated to green and blue growth (Litto Invest).

Axe 2 Collective performance

THE IDEAL VALUE CHAIN



This sketch is a production of CLIPPER working group, it represents all the various components of a strong value chain.

Close **cooperation** along the value chain and **networking** are key for SMEs' competitiveness : cooperation between shipyards, suppliers, and service companies is an important success factor for the future prospects of the maritime industry as such division of labour between companies leads to more efficient production processes and enables exploitation of specific location advantages.

Thus, economic actors have adapted their tools and mechanisms in order to facilitate **joint projects** in the field of innovation and internationalisation by promoting the collaboration among the companies, technology and research centres, training centres and public bodies.

This **collective performance for a strong value chain** can take different forms : strategic partnerships or alliances, horizontal or vertical cooperation, joint venture, cooperation with research institutes or universities, consortium, and most of all clusters. Production means' pooling, group purchasing organisation and development of associated services also constitutes important vectors for collaboration and collaborative performance

Among structures for such cooperation, **clusters** are quite common and essential. They can take different forms and follow divers objectives in the purpose of innovation, business, development and collaboration.

CLIPPER PARTNERS' SUPPORT TO COLLECTIVE PERFORMANCE

CLUSTERS

Clusters, associations, and networks are a particularly important political instrument aimed at uniting maritime SMEs. To be able to compete with large players on the market and possess sufficient market power, SMEs rely on a strong network and cooperation with each other. Each CLIPPER partners' value chain rely on several clusters among which :



COLLABORATIVE PROJECTS

Tractores (Ast.) is a call for projects designed to encourage cooperation among pivotal or “tractor” companies with regional SMEs and research centres, regional test sites and RDI groups of the University of Oviedo. The implemented projects should be framed in the fields of specialisation defined as priorities in the RIS3 for Asturias

FUI (single inter-ministry funds) (PDL) launches calls for projects financed by the French State and Regions resulting in financial assistance for the best nation-wide collaborative public-private R&D projects. These projects must be “labeled” by a competitiveness cluster.

FIT (Research innovation technology transfer) (SH-ERDF) : Funding for applied research, innovation, future-oriented technologies and technology and knowledge transfer in particular R&D infrastructure, competence centre, cooperative project, innovation-oriented network.

Community and Renewable Energy Scheme (FIFE) : CARES aims to provide loans towards the high risk, pre-planning consent stages of renewable energy projects which have significant community engagement and benefit, e.g. island communities with marine energy resources.

TRAINING

SEECEL Regional centre for the development of entrepreneurial competences (SD) aims at developing capacities for initiative, innovation and entrepreneurship and digital competence, thus strengthening the entrepreneurial eco-system in recognizing entrepreneurial opportunities, accepting risks, changing attitudes, skills and ambitions for innovation in entrepreneurship (with Croatia, Albania, Bosnia and Herzegovina, Montenegro, Kosovo, Macedonia, Serbia and Turkey)

Project FRI_START is an INTERREG IT-FR Maritime two-year project that aims to create a certified cross-border incubation platform where start-ups and highly innovative companies can benefit from specific services such as identification of new customers, links with potential investors, internationalization etc.

Picasso program (Ast.) aims at achieving modern and developed maritime transport with a capable up to date workforce that enables the sector to become greener, safer, more efficient and sustainable. Picasso is part of the overall goal of developing Motorways of the Sea, in line with EU maritime transport policies. It is coordinated by the Spanish Maritime Safety and Rescue Agency and has brought together 14 partners from 9 countries (total budget of 3,8 M€)

TERRITORY ATTRACTIVENESS

The investment incentive programme (SD) operated by HAMAG-BICRO (the Croatian Agency for SMEs Innovations and Investments) provides incentives for tax, customs, employment, education and training, capital and labour expenses of investment projects to enterprises registered in Croatia investing in fixed assets in the minimum of 50k€ and 3 jobs for microenterprises or 150k€ and 5 jobs for SMEs and big companies.

Regional Selective Assistance (RSA) Scotland grants are available in certain locations to help projects that will create or protect jobs in Scotland, to support new economic activity. In Fife, maximum support for a medium sized enterprise is 10% and up to 20% for a smaller enterprise. Companies can apply for a second or third grant. The first RSA grant is designed to properly establish a business project, while a second grant is to take it to a higher level.

EXAMPLES OF CLIPPER CLUSTERS



ENERGY TECHNOLOGY CONSORTIUM OF ASTURIAS -AINER (AST.)

AINER was established in 2009 with the participation of Asturian companies and organisations, to develop different innovative projects of interest to the Asturian energy sector under the structural model of an economic interest grouping. This union of companies tries to promote cooperation in projects with a strong specialisation in the energy sector. Currently, AINER has 50 members and participates in several projects involving Asturian SMEs and companies.



FIFE RENEWABLES INNOVATION CENTRE

Fife has not had formal industry clusters although most engineering companies are part of larger companies supply chain. Fife Council built Fife Renewables Innovation Centre (FRIC) in the hope that a physical location would encourage a clustering effect. This has been successful to a limited degree with the ORE catapult and the Hydrogen Office both being recognised as world-leading facilities. However new business creation has been slow to develop. In 2017 Babcock International which has an extensive supply chain has led the formation of the Scottish Maritime Cluster which is now working with CLIPPER learning to shape its development.



TICASS (LIG.)

TICASS established in 2010 by universities, research organisations, small, medium and large companies, promotes, disseminates, transfers and valorises activities of research and technology transfer in the field of Energy and Environment, with a particular focus on Sustainable Development and Quality of Life. Since May 2011, Ticass has officially been recognized as managing body of the "Energy-Environment" Regional Innovation Hub.



PÔLE MER BRETAGNE ATLANTIQUE (PDL)

PMBA brings together companies, research centres and educational institutions with the shared aim of ensuring that the maritime economy achieves its full potential. It focuses on every market and strategic maritime sectors: maritime safety and security, shipbuilding and leisure boating, marine energy and mining resources, marine biological resources, environmental and coastal planning and development, maritime port infrastructure and transport.



MARITIME CLUSTER NORTHERN GERMANY (SH)

MCN is a platform of exchange and information for the maritime industry in Northern Germany, which networks the worlds of business, science, and politics. The MCN provides them with contacts to the players in the industry.



MARC (SD)

Apart from direct business and scientific cooperation that can be achieved among the members, the Croatian Cluster of Competitiveness of the Maritime Industry opens to great opportunities for joint participation in various funds. The cluster functions within the Agency for Investment and competitiveness and has established cooperation with two European clusters, Italian DITENAVE and French Pôle Mer.



BLUE INDUSTRY PARK (SWF)

BIP is a cluster of maritime industrial operators, service business and R&D, to be built to the immediate vicinity of the shipyard. The aim is for the Blue Industry Park to become the production and innovation cluster for the maritime and manufacturing industry. The area Blue Industry Park is approximately 55 hectares of land and the construction of the new facilities will be implemented in stages between 2019 and 2030.

LOGISTIC, THE LINK BETWEEN DIVERSIFIED AND FRAGMENTED MARITIME INDUSTRIALS

Logistics is the process of strategic planning, implementing, and controlling the flows of goods, services, and related information.

Not only is efficient logistics an essential business function, but it has recently grown in importance as a value creation process. The main goal of logistics management is to maximise efficiency and profitability by creating a competitive advantage in terms of costs and value.

Efficient logistics enables the interaction of companies and markets and ultimately increases productivity and welfare at global, regional, and local levels. Moreover, logistics is becoming a decisive location factor as ongoing integration processes lead to further world trade growth. Demand-oriented transport infrastructure is essential for the maritime industry, while **efficient and competitive ports play a crucial role as logistic service providers and growth drivers**. High-performance transport networks, optimised sea and inland port entrances, and efficient hinterland connections will become even more important when coping with the growing freight transport demand in the future.

Therefore, logistics is a particular matter of concern for public policy makers. Effective state interventions, such as trade facilitation, regulations, or infrastructure and urban planning, can improve the efficiency of supply chains, significantly lower the cost of trade, and support integration in global value chains. Sustainable logistics, distribution and urban logistics, skill development and training, and domestic and international connectivity bottlenecks are currently the most important logistic issues for middle- and high-income economies, such as European countries.

PASCA



In Pays de la Loire, the PASCA (Atlantic purchasing and supply chain cluster) positions itself as a collaborative platform whose general interest mission is to foster partnership dynamics, skills transfers and innovative practices between its members (companies, academics, public institutions, professional organisations, etc.). Among its actions in various sectors, the PASCA works with the Grand Port Maritime Nantes Saint Nazaire to map all existing and expected outsized road package flows within the Port perimeter in order to facilitate the implantation of great industrials. To gain hinterland traffic, the PASCA also contribute to the definition of a renewed port commercial offer.

THE EXAMPLE OF ASTURIAN PORTS

In Asturias there are two ports considered of general interest, **Avilés and Gijón**. Both are provided with the means to host operations related to manufacturing, installation and supplying the equipment for offshore energy industry.

The port of Avilés has a large extension of docks and storage area which allows traffic and operations required for offshore wind towers, foundations, piles and rest of elements destined to the offshore wind industry. From this port are freighted periodically the offshore wind elements for the offshore wind farms located in Northern Europe.

The port of Gijón is one of the main solid bulk cargo ports in Spain. It is oriented towards traffics and materials diversification and has strong connections with the European network of ports in the Atlantic Arc and Northern Europe

SHIPYARDS : KEY ACTORS OF THE MARITIME VALUE CHAINS

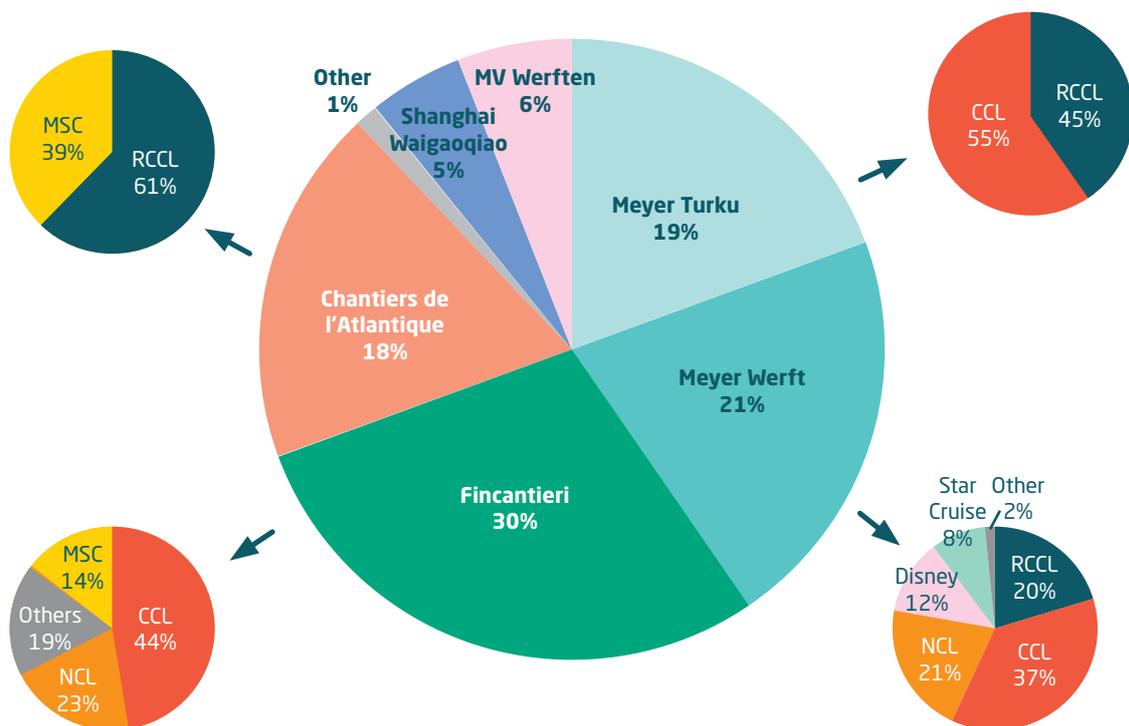
All CLIPPER regions host a shipyard. These shipyard are crucial link of the value chain. Indeed shipyard aggregates all suppliers to build huge cruise vessels for instance, that are floating smart cities compiling all sorts of technologies.

Among CLIPPER regions shipyards, 3 are big international players : **Fincantieri** (Lig.), **Meyer Turku** (SWF) and **Chantiers de l'Atlantique**

(formerly STX France, PDL). As the figure below demonstrates, these shipyards share the same small number of clients. Therefore each of them look for both innovation and productivity gain to stay competitive.

Other shipyard are located in CLIPPER regions like Armón Shipyards and Gondán Shipyard in Asturias, or two major shipyards in Split and Trogir in Split Dalmatia for instance.

ORDERBOOK CRUISE VESSELS



As develop in Axe 1, these shipyards :

- **innovate**, specifically toward green-shipping : Meyer Turku innovates on the Viking Grace with Gas Systems and Propulsion, Chantiers de l'Atlantique works on wind propulsion, Fincantieri develops a range of dual fuel ferries;
- **diversify**, either with a wide range of product like Fincantieri (cruise, naval, ferries, mega-yachts, repair, offshore vessels,...), or toward other activities like Chantiers de l'Atlantique (MRE, electrical substation);
- **invest**, in equipment and R&D project : 185M€ investments announced in Turku for instance.

Moreover shipyards strengthen the value chain by:

- Implementing **internal training** : specificities of shipbuilding in large shipyard often necessitate an internal training with an on-site training centre like in Meyer Turku, or a large recourse to vocational training and homemade training on technical subjects (boiler making, mechanics, welding, ...) in Chantiers de l'Atlantique;

- connecting **a large ecosystem** either worldwide like Fincantieri which is a 21 shipyards group or locally as key actors of local value chains;
- developing an **expertise in project management** : a cruise ship represents 450 000 components to assemble, 1 000 key steps, 50 000 scheduled tasks, 100 different professions to coordinate and up to 1 800 people on board at the same time. Project management is an essential expertise for shipyards as it is key for productivity, risk management, quality management, anticipation...

As part of its Smart Yard 2020 strategy, Chantiers de l'Atlantique implemented, with the support of Pays de la Loire Region, a **Lean Management operation** toward its organisation and its subcontractors.

Axe 3 Internationalisation

STEPS TOWARD INTERNATIONALISATION



Making the decision to export lastingly, structurally impacts the company's strategy. That is why a simplified, adapted and clear support is needed **all along the internationalisation process**. This support must be a useful lever to accelerate the company's ambitions to open itself to new foreign markets.

Understanding local conditions, having the resources required to be 'patient' in waiting for a return on investment which may be slow, anticipating the impacts in terms of corporate plan governance and team training... are all essential requirements for the sustainable structuring of regular business flows. Achieving this requires **more accurate targeting of support for strategically important industry sectors** and greater assistance for companies with export potential in order to give them easier access to subsidies and measure the impact of export on their revenue.

In its essence, **maritime economy is a global market** and drivers of the marine business networks are mainly global multinational specially in shipbuilding. In order to compete in this maritime global economy, **SMEs need to understand at least the basis of international business and business environment**.

CLIPPER PARTNERS' SUPPORT TO INTERNATIONALISATION

Support to exportation

Volunteers for International Experience (PDL) is a national scheme that enables French companies to send young people aged between 18 and 28 on a business assignment of up to 24 months in the form of an externally outsourced service. Business France manages the scheme on behalf of the State, and is the employer of the young volunteers concerned. In PDL, the Region funds 100% of the costs for up to 12 months. (This is part of PDL Pack Export)

Maritime and Offshore from Finland (SWF) is intended for Finnish companies operating in the shipbuilding, offshore and marine technologies. The aim of this Finpro programme is to network Finnish companies and thus provide a common platform for effective access to global markets.

ASTUREX makes available to Asturian companies **personalized technical assistance services**. These customized services consist of consultancy services such as information about the export tariffs in target countries, international legal services in origin, etc.

SME's European collaborative projects

Ocean ERANET is a collaborative R&D demonstration projects supported by the ERANET network of funders focused on testing and validating MRE technologies, such as wave energy, marine turbines, tidal energy, ocean thermal energy and osmotic energy. The network partners are also engaged in implementing initiatives that facilitate the coordination of R&D funding, knowledge transfer and practical implementation of projects funded. **3 CLIPPER partners are involved in this project.** (Ast, Fife, PDL).

"Asturias Coopera" aims to search formulas for cooperation between Asturian companies with the objective of approaching foreign markets to carry out a project with greater possibility of success and a lower risk. Within this program Asturex acts as the promoter of the initiative through the constitution and consolidation of the export consortium. (This program is financed by IDEPA)

EUREKA (SD) is a programme that encourages SMEs to cooperate with international partners in launching research and development activities. The Republic of Croatia is a member of this pan-European network since 2000.

FORMING EUROPEAN PARTNERSHIPS

CLIPPER partners and their local stakeholders are involved in many European partnerships, and the transnational cooperation between national organisations mainly takes place on EU level through the **European Network of Maritime Clusters** (ENMC). Nonetheless bilateral contacts with other national and regional maritime cluster organisations and with sector associations is also quite frequent. They mainly cooperate via meetings/events, data and information sharing, exchange of lessons learned and best practices, policy initiatives, projects/studies, and publicity with promotion.

ENTERPRISE EUROPE NETWORK



L'Europe à la portée de votre entreprise.

The Enterprise Europe Network helps businesses innovate and grow at international scale. It is active in more than 60 countries worldwide and brings together 3,000 experts from more than 600 members organisations specialised in business support (technology poles, innovation support organisations, regional development organisations, etc.).

The EEN experts offer their services on international partnerships, international growth and business innovation to all enterprises, and can also provide for a targeted approach aimed specifically at a business sector.

IMPORTANCE OF NETWORKING, THE ROLE OF INTERNATIONAL DEVELOPMENT AGENCIES

According to a study conducted in the frame of CLIPPER by the University of Genova for DLTM in November 2017, agreements with dealers or channel partners, as well as strategic alliances, partnerships, informal cooperation and participation in European projects are good path toward internationalisation. However some companies, and especially SMEs, have difficulties forming those kind of networking relationships and ask for help from public institution for instance in **organising business trip abroad or identifying business partners**.

These tasks are often handled by international development agencies whose role differ between regions. They mainly work on fostering SMEs exportation, inform and support foreign investor, promote local companies and local investment opportunities abroad, organise international cooperation mission, accompany local enterprises on trade fairs...

ASTUREX



The *Foreign Promotion Society of the Principality of Asturias* - ASTUREX - is specialised in supporting the external promotion of Asturian companies. Its mission is to implement, lead and coordinate all external promotion activities carried out by the Regional Government and other Institutions on behalf of Asturias Enterprises.

Its main goal is providing technical and economic support directly to the companies, in order to assist them in meeting their internationalisation requirements. It offers companies the following strategies and tools: sectoral plans, customised technical assistance services, programs to support export initiation, export consortia.

OTHER INTERNATIONAL DEVELOPMENT AGENCIES

Scottish Development International (SDI) (Fife) promotes Scotland abroad to international inward investors. It also supports companies seeking to internationalise : SDI offers free practical advice and support and guide through all the steps from researching potential export markets, finding the best routes to market and overcoming challenges to accessing finance and setting up overseas. A new offering is Preparing for Brexit.

Unioncamere is the public body that unites and represents institutionally the Italian chamber system. It carries out initiatives supporting the economic development and internationalisation of the regions while taking care of and organising trade fair events, business missions, conferences, committees and meetings to study issues regarding regional economy both in Italy and abroad.

Business France (PDL) is responsible for fostering export growth by French businesses, facilitating international investment in France. It promotes France's companies, business image and nationwide attractiveness as an investment location.

WTSH's foreign trade team analyses the export potentials of small and mid-sized companies and produces concrete market-entry strategies tailored to the particular profile of each business (SH)

AIK (SD) Agency for Investments and Competitiveness (agency of the Croatian Government) main tasks are to provide investors with full services for the implementation of investment projects, to propose measures for the improvement of the business environment and to promote Croatia as a desirable investment destination.

Business Finland (SWF) is a public organisation consisting of Export Finland, Visit Finland and Invest in Finland. It helps Finnish SMEs to go international, encourages foreign direct investment in Finland and promotes travel to Finland.

MARITIME TRADE FAIRS : THE FIRST WINDOW TOWARD INTERNATIONALISATION

Internationalisation is a key topic for companies and those who export are generally stronger and more stable than those who do not : they grow faster, have more employees and innovate more. Economic actors, in particular SMEs, must be aware of the advantages and chances of export success as it constitutes a strategic stake for maritime industries notably.

In the frame of maritime industries, there are many fairs where companies can exhibit or just visit to start or complete their conquest of international market.

SECTOR	NAME OF THE FAIR	LOCATION	INTEREST
Maritime (general)	SMM (Ship, Marine, Marine Technology)	Hamburg	Present German technology to a broad international audience
Boating	Biograd Boat Show	Croatia	Central Europe's in-water Boat Show. Gold Member of International Federation of Boat Show Organisers / Important B2B activities
Boating	BOOT Düsseldorf	Düsseldorf	Upcoming international trade show for all aspect of boating and water sports
Boating	CBS (Croatia Boat Show)	Croatia	Nautical international forum and connection point with the Mediterranean. 19 Croatia Boat Shows have been organized with 70-100 international and domestic exhibitors from maritime industry
Ocean energies	OEE	Europe	Annual meeting point for the whole ocean energy sector in Europe. Over 400 professionals from all parts of the industry and from 20+ countries
MRE	ICOE	World (every two years)	Global marine energy event focused on the industrial development of MRE. It aims to accelerate development by stimulating collaboration networks between companies and R&D centres.
Wind energy	Hamburg Wind Energy	Hamburg	International visitors and exhibitors Important business transactions and new market opportunities
Shipbuilding	Seatrade cruise global	Miami	Cruise industry's most significant worldwide event (11 000 attendees)
Offshore Energy	Offshore Energy Exhibition and Conference	Europe (Aberdeen in 2019)	Main players of OIL&GAS , OFFSHORE WIND and MARINE ENERGY sectors meet in this fair. Conferences and an exhibition during 2 days.
Defense (dual use)	SEAFUTURE	La Spezia	Support SMEs growth in the dual use industry giving them the opportunity to meet with expert companies, gain new scientific and technological insights and create new cross-border business partnerships.

EXAMPLE OF PUBLIC SUPPORT

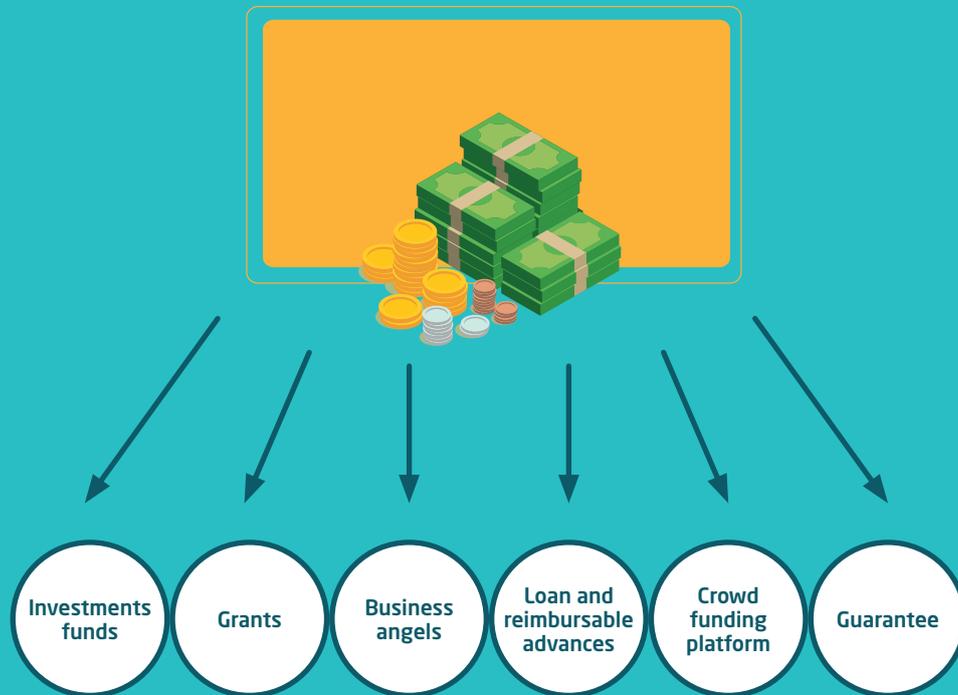
WTSH's Fair Service Department offers companies the opportunity to exhibit at international trade fairs by participating at joint Schleswig-Holstein or North German stands

Market Development Programme (Fife): Assisting businesses to exhibit at trade shows within the UK and participate in overseas trade missions with funding of up to 50% of eligible costs up to 2000€

Interregional Project "Promotion of the Nautical sector and marine technologies in Brazil and North America (2014-2016) : (Lig.) ICE - the Agency for the promotion and the internationalisation of Italian companies, and 5 Italian Regions implemented an interregional project for SMEs promotion. The project aimed to provide a diversified plan of initiatives and participation to international fairs and events (Lig.) Pays de la Loire has a similar tool : Prim Export

Axe 4 Risk sharing

FINANCING SMES - A WIDE RANGE OF INSTRUMENTS



*« Encouraging projects in both the green and blue economies is not so much a question of more money. It is actually a question of lifting barriers to new projects and making investments less risky and/or more bankable for the private sector. So this means making progress in persuading the public and private sectors to work together.» **

Highly innovative projects or a **highly complex system** often require larger investments already at the exploratory stage. Most of the time, maritime SMEs can hardly finance these investments alone and **public support may be needed along with other financing methods** to spread risks.

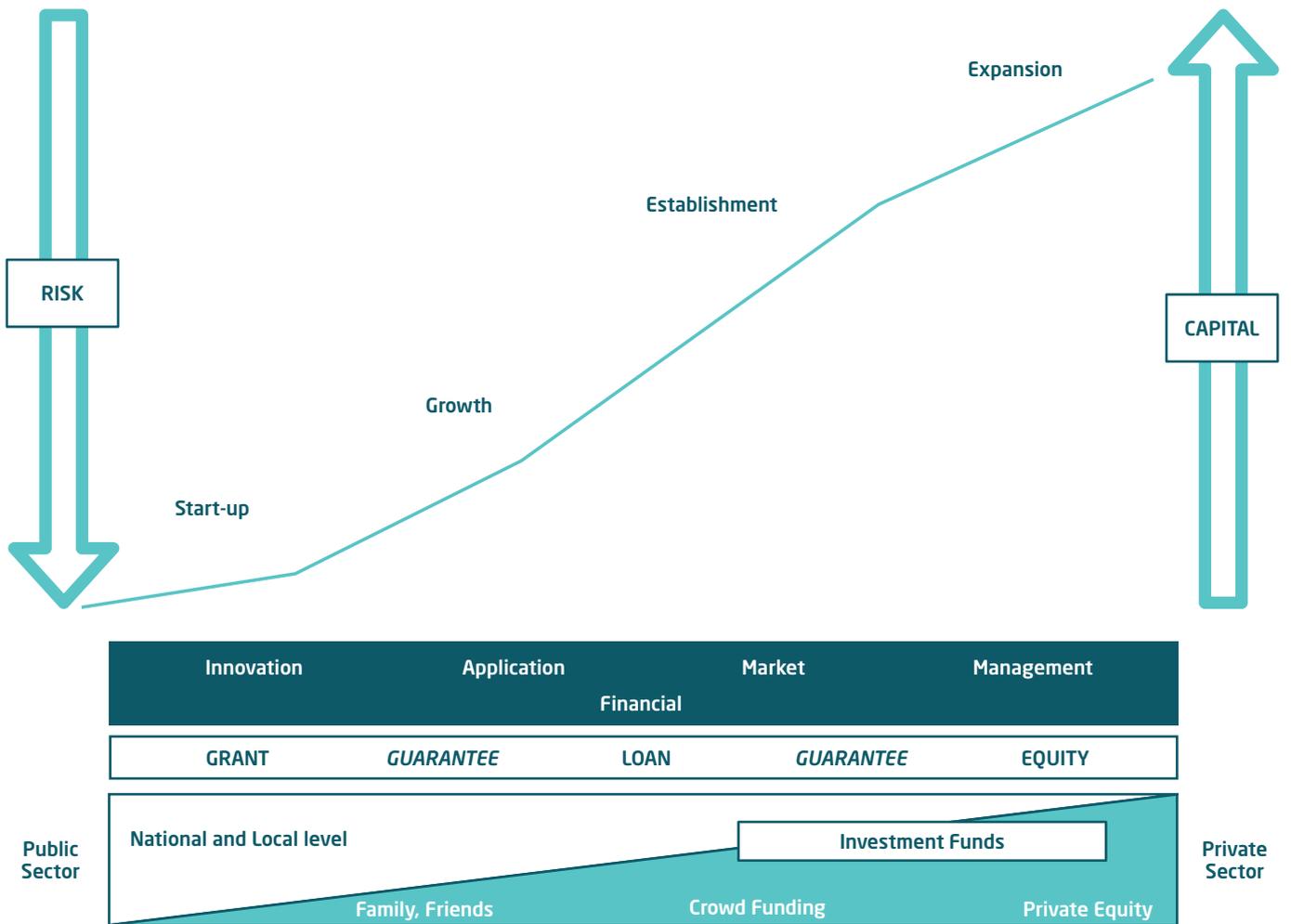
Risk sharing and more specifically financial risk sharing is a crucial issue for maritime industries and even more for maritime SMEs. Nonetheless risks (and therefore insurances covering these risks) are **very different depending on the project and the sector** : Big infrastructure risks are in no way comparable to the kind of risks shipbuilders have to face for instance. Their production period lasts several months or years and they are only paid on delivery; thus they must advance a relatively large amount and must have good cash management

and treasury. Since the last global economic and financial crisis, the framework for shipbuilding financing has undergone a fundamental change and required equity ratios for new shipbuilding projects have significantly increased. Companies fear that investment capital opportunities will decrease in the future: shipyards and shipping companies are bound to find **new ways of financing**.

Risk can be managed in two ways : **reduce the risk or share it. Therefore information and collaboration are the major challenges of risk management.**

**Speaking points from European Investment Bank Vice-President Jonathan Taylor : No Green without Blue: COP23 Oceans Action Day Bonn, 11 November 2017*

REDUCE AND SHARE



Public financing support in all its forms is always a **factor of risk reduction** as it send a positive signal to the private sector. The collaboration between public and private allows to **share the risk**.

Among all available financial instruments, **guarantee** (specifically public guarantee) provide the **most effective lever for convincing banks to accept risk**. In practical terms, the **information asymmetry** between bankers and companies and between the characteristics of certain development phases, makes it necessary for funding institutions to seek security for those loans considered as the most high-risk, such as in maritime industry projects. Public investment at early stages may reduce perceived risk and lever in additional private capital. However, caution must be exercised to ensure that risk-sharing does not become risk-shedding for the benefit of the banks

Under-capitalisation and **equity capital raising difficulties** are factors for fragility during times of crisis and an **impediment to the implementation of development projects**. Public institutions (local or national authorities) **provide equity funding through a range of different investment funds** : public funds, private funds or **public-private funds**. Public institutions' goal is to maximise the leverage of private investors by avoiding there withdrawal from the most high-risk projects. They have two simultaneous roles:

- To encourage the implementation of new offers within their territory;
- To encourage maximum involvement of private sector and local savings stakeholders in those areas of the market that are less well covered.

DG MARE INVESTMENT IN FINANCING MECHANISMS

The European Commission's Directorate General for Maritime Affairs and Fisheries is developing an approach **to promote innovation and mobilise investment in the blue economy through establishing a project pipeline of potential projects.**

During summer 2018, EASME published a Call for Tenders aiming to select a service provider to set up and operate an 'Assistance Mechanism (AM)' that will support access to finance for SMEs, start-ups, early stage businesses and scale-ups in the blue economy.

The goal of these services is to select ventures/companies to increase their level of investment readiness, and ultimately facilitate investment in these ventures/companies by private and/or public investors.

The development of this Assistance Mechanism is of great importance for CLIPPER's partners. CLIPPER will follow it with interest.

CLIPPER PARTNERS' RISK SHARING MECHANISMS

Start up

Funding guides of Investment Bank (SH) : consulting on optimal federal, national, and European funding opportunities for business start-ups, application procedures and requirements, equity requirements and guarantees, requirements for start-up and business concepts

Start Up Loan (Fife) is a government-backed personal loan available to individuals looking to start or grow a business in the UK. With a fixed interest rate of 6% per annum and the ability to borrow between £500 and £25,000, Start Up Loans offer an affordable source of finance to help new and early stage business owners bring their plans to life.

Development and competitiveness

Entrepreneurial Impulse 2014 support programme (SD) is a grant scheme aimed at SMEs in the field of manufacturing, environmental protection and IT to support their competitiveness.

The SME Fund Schleswig-Holstein provides equity capital for established SMEs for investments, sales growth, equity capital reinforcement, management buy-out and buy-in.

Fife Investment Fund supports small companies whose project will lead to sales growth and increased employability in Fife (repayable grants up to 50% or £5,000).

Pays de la Loire Redéploiement facilitates access to funding by sharing risk with the banks through a combined loan and guarantee mechanism designed to protect (via its defensive portion) or develop (via its offensive portion) the industrial base, skills and future jobs.

Alternative funding solutions

Croinvest.eu (SD) is the first Croatian crowdfunding platform for financing entrepreneurial, infrastructural and socially useful campaigns, with particular emphasis on campaigns that apply for EU funds. The platform can be used by all domestic physical and legal persons and all foreign nationals who wants to invest in Croatia

Crowd Lending (Fife) : the Co-investment model was pioneered in Scotland as a model for automatic co-investment of ERDF funds alongside approved public sector funding bodies. This originally was for established angel syndicates and has recently been applied to lending Crowd. Fife plans in 2019 to follow the model of CrowdFund Angus and establish crowd fund for projects covering a spectrum from community benefit alongside Participative Budgeting to SME funding of debt and equity.

Tesi (SWF) (co-investment fund 100% owned by Finnish State) provides financing aiming to promote growth and to develop Finland's venture capital industry notably in maritime industry. It can also provide temporary funding in equity and always remains a minority shareholder.

Seed co-investment fund (SD) is an equity fund for early financing which provides for co-financing of innovative small business entities in the Republic of Croatia through loans conditioned to private co-investment.

Business Loans Scotland (BLS) builds on the East of Scotland Investment Fund (ESIF, pioneered by Fife Council) and other local authority loan schemes. With funds from Local Authorities and the European Regional Development Fund, BLS gap funding up to a maximum of £100k to SMEs where public sector funding (including BLS's contribution), would not exceed 50% of the total funding package.

The Scottish Investment Bank (Fife) is a flexible equity gap fund investing alongside private sector investors. Available for start-up, early stage and expanding businesses. It invests at its discretion to provide £10,000 to £2 million for equity and venture debt finance deals. Through co-investment it can match up to 50%. For example in a Life Science specialist fund Epidarex Capital and in an SME crowdfund, LendingCrowd.

Litto Invest (PDL) aims to increase the capital funding for projects that contribute to developing the maritime and coastal economies of the region, and to do so as part of the initial financing round via minority shareholdings in companies operating within the coastal economy.

LIGURCAPITAL is a publicly controlled company founded in 1989 (public/private capital) to take part in the Liguria companies' risk capital through the use of regional and European funds entrusted by Liguria Region. During its activity Ligurcapital carried out more than 300 interventions, including venture capital and participatory loans, investing over 45 million resources (turnover rate of about 1.8), contributing to the realisation of investments of over 100 million euros in Liguria Region.

3 different guarantee programmes provided by HAMAG-BICOR (SD) : for instance SME which qualify for EU Start-Up programmes have an opportunity to apply for a letter of intent to issue a guarantee which can help them find more favourable funding sources

ASTUGAR, the Asturian mutual guarantee company provides SMEs and self-employed divers form of financial support including cash-flow

CIRR (Commercial Interest Reference Rate) for ship financing (SH) is a financial commitment to ship-owners ordering ships at German shipyards from the government which bears the interest-change risk.

Pays de la Loire Garantie is a multisector/multi-project bank lending guarantee (joint involvement by the Region and the French Public Investment Bank to increase the proportion of risk covered to a maximum of 70%) to provide companies with easy access to cash and to maintain economic activity during periods of crisis

Finnvera. Finnvera is a specialised financing company which is 100 % owned by the State of Finland and is administratively placed under the Ministry of Economic Affairs and Employment. Finnvera provides financing for the start, growth and internationalisation of enterprises and guarantees against risks arising from exports. Finnvera offers loans, domestic guarantees, export credit guarantees and other services associated with the financing of exports.

ALTERNATIVE FUNDING MECHANISMS

VSEs and SMEs still are very dependent on bank lending. Therefore resource diversification remains a major challenge for these businesses, and solutions dedicated to their funding needs are emerging in the shape of equity funding, new funding mechanisms for trade receivables, products tailored to optimise and secure working capital requirement... all of these and more are gradually finding their place in the market.

Crowdfunding maybe the most widespread of such alternative funding mechanisms

Crowdfunding : The process of raising money by putting an open call to a distributed group of supporters (the crowd) generally over the internet. It has been called democratising capital.

In 2014, the European Economic and Social Committee has given detailed conclusions and recommendations on crowdfunding* among which:

- Crowdfunding benefits the economy in terms of investment, innovation and employment and, at the same time, increases the range of consumer credit options;
- Since EU businesses are more dependent on bank loans than their US counterparts, they are hit harder when recessions are compounded by financial crises. Furthermore, many EU countries are unduly restrictive when it comes to SME credit;
- The dependence of SMEs on bank loans, a situation that will persist despite the existence of alternative sources which are not always easy to access;
- Crowdfunding benefits the financial ecosystem which will not in itself suffice to address the funding difficulties facing businesses;

- Crowdfunding with non-financial returns is widespread in the EU. The impact of tax incentives, which vary among the Member States, should be studied;

- European legislation should only cover specific types of financial return crowdfunding, and not donations and other forms of non-profit sponsoring;

- These rules should be based on achieving balance, protecting investors and avoiding excessive regulation. Nevertheless, the regulator's actions are crucial to fostering investor confidence;

- The rules should seek to achieve simple administrative procedures, rapid decision procedures and minimum costs, as well as neutrality, transparency and avoidance of unfair practices, with accessible claims procedures. This is as much in the interest of providers as of consumers;

- Potential investors must receive accessible information that is clear, appropriate, accurate and not misleading;

Crowdfunding should be explicitly recognised in the laws of the Member States as a new form of patronage.

**Source: Opinion of the European Economic and Social Committee on the communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – Unleashing the potential of Crowdfunding in the European Union, <http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52014AE4004>*



Create your campaign

Start by pitching your project : explain your business, present your team, lay out the market opportunities and highlight what you plan to do with the investment.



Get funded

A certain number of days is planned to raise investment. In that time creative marketing technics are essential to reach out to the appropriate networks including the investors bases of crowdfunding platforms



Grow your business

Once all the legal paperwork is completed, the funds are transferred to your business. You'll be able to keep your investor inform and to network through them and develop your activity



CLIPPER
Interreg Europe



European Union
European Regional
Development Fund



**Interreg
Europe** 
European Union | European Regional Development Fund



FAEN
Fundación Asturiana
de la Energía



Forschungs- und
Entwicklungszentrum
Fachhochschule Kiel GmbH



DLTM
DISTRETTO LIGURE
DELLE TECNOLOGIE MARINE



TURKU AMK
TURKU UNIVERSITY OF
APPLIED SCIENCES



Région
PAYS DE LA LOIRE



FifeW
C O U N C I L

rerasd



**CPMR
CRPM**