



Innova-FI

Interreg Europe



European Union
European Regional
Development Fund

REPORT EXCHANGE OF EXPERIENCE #06

September 2020, Slovenia



EXCHANGE OF EXPERIENCE

Within Innova-FI project, each participating partner is responsible for the preparation and implementation of one Exchange of Experience – intraregional learning. As partners are not directly managing the policy instruments for internationalisation, the aim of the exchange of experience meetings is to:

- a) Analyse the situation in the hosting region, i.e. investigate the state-of-play in the territory, strengths and weaknesses;
- b) Deepen the knowledge of the project partners and stakeholders on a concrete topic and get inspired and aware of possibilities for policy change in other domains;
- c) Find synergies with other processes (programs and projects) that are part of the organisational work-load and are linked to financial instruments;

The aim of this report is to describe and reflect the Slovenian exchange of experiences, implemented as webinar, and to gain insight into the intraregional learning process. It has to be noticed that the exchange of experience should have been organized face-to-face from 19 to 21 May 2020, but due to COVID-19 situation it had to be postponed to 15 and 16 September 2020. Since the health situation and its predictions were rather worse, we decided to implement the event as webinar, thus putting the health and security at the first place.

1. Introduction

The Interreg Europe ‘Financial Instruments for Innovation’ (Innova-FI) project aims to improve the design and implementation of Financial Instruments as a delivery mode of Structural Funds so that they best meet and serve the financing needs of innovative and RTDI-driven businesses in all the stages of their start-up and growth.

The sixth Exchange of Experience (EoE) of Innova-FI was virtually hosted by GODC (Government Office for Development and European Cohesion Policy) on 15 and 16 September 2020. The meeting was focused in presenting the Slovenian ERDF financial instruments offered by main intermediary bodies, i. e. Ministry of Economic Development and Technology, SID Bank and Slovene Enterprise Fund. Along with this, we presented the use of ERDF and financial instruments in practice by ACB Accelerator, once of the main and most successful accelerators for start-ups in Slovenia. Last session was aimed at discussing the process of drafting the Slovenian Operational Programme 2021-2027, its objectives, focus areas and which financial instruments should best address these needs.

A Workshop was organized on drafting the “Action plan”, presented by external expert, namely the Politecnico di Torino (Italy) as well as the KEPA project partner from Greece. We learned about the whole process of preparing the action plan, steps, coordination among partners and fine-tuning. Having an overview of how action plans were drafted in other Interreg Europe project will help us prepare our own.

2. More Information About the Session

The main topic of the EoE was to present the ERDF financial instruments in Slovenia, the process of preparing the new Operational programme 2021-2027 and the use of the ERDF funds by start-ups in practice. The workshop was intended to discuss the process of preparing the action plan, since it is the most important project's outcome. The first day was dedicated to panel discussion on actual financial instruments offered by the intermediary bodies, while the second day was dedicated to workshop on action plan and partner meeting.

The first panel was dedicated to present the financial instruments by Mrs. Alenka Marovt from the **Ministry of Economic Development and Technology**. She presented the existing FIs (in addition to grants for start-ups, RDI, „vouchers“, internationalisation, etc.) offered by the Ministry, which all phases of business life cycle, i. e. individual guarantees for bank loans with subsidies of interest rate; microloans (for investments and working capital); loans (for RDI, tourism, wood processing, SMEs, etc.); portfolio guarantees; equity financing (venture capital (innovative high growth enterprises) and seed capital (start-ups, scale ups). In addition to this, business have the opportunity of blending FIs with mentoring and trainings in order to get to know with the FIs as much as possible. She pointed out certain advantages of FIS, namely acting in the field of market gaps; attracting private capital (financial leverage); multiplication effects (guarantees); due diligence of projects is included in the process; better financial discipline and higher effects of supported projects; sustainable and revolving effects (reinvestment of funds); more effective allocation of national development funds; lower interest rates, longer maturity, lower collateral requirements, longer grace period. In order to maximize the effects of the FIs, Fund of Funds (managed by the SID Bank) was set up. Fund of funds covers 4 areas (RDI, SMEs, Energy efficiency and Urban development) with a clear target to move from grants towards FIs. Financial instruments are used for funding the investments (and

working capital). For the programming period 2021-2027, no specific FIs are drafted, since a lot depends on situation related to COVID-19, which member states will have to adapt.

The second panel was dedicated to present the financial instruments by Mrs. Barbara Eberl from the **SID Bank**. The services of SID Bank encompass financing (programmes of financing through banks, programmes of direct financing of companies and equity fund for SME with EIF), insurance (insurance of loans for preparation for export, insurance of export loans, insurance of outgoing investments and insurance of bank guarantees) and other (project financing, Fund of Funds for European Cohesion funds, Entry point for European Investment Advisory Hub and Centre for international cooperation and development (CMSR)). SID Bank was appointed as the body implementing Fund of funds in amount of 253 mio EUR. Until the end of 2023 SID Bank will make available approximately 373 mio EUR through 8 financial instruments, placed primarily through financial intermediaries (banks, savings institutions, public funds) that will provide for the required financial leverage. First tranche (63,25 mio EUR) was paid in December 2017, second tranche at the end of November 2019; third tranche is planned in 4/Q 2021 and fourth in 4Q 2022.

The third panel was dedicated to present the financial instruments by Mrs. Maja Tomanič-Vidovič from **Slovene Enterprise Fund (SEF)**. The SEF is a national, public financial fund for support of SMEs, start-ups and scale-ups. The role of the SEF is to bridge the gap in access to finance and knowledge for entrepreneurs, using effective financial incentives and substantive support and offering co-financing of various business services (vouchers) for SMEs, start-ups and scale-ups. The SEF offers a wide range of financial instruments, which are currently adapted to the COVID-19 situation. As such, they offer start-up incentives, seed capital, venture capital, microcredits, guarantees and special incentives. In cooperation with the Ministry of Economic Development and Technology and other institutions, SEF prepared new measures in order to alleviate liquidity issues of Slovene SMEs, brought on by COVID-19 pandemics. FIs are designed to address certain priorities, namely Smart Specialisation Strategy and Industry 4.0 (along with other sectors). Beneficiaries have certain advantages if applying for the SEF funds, namely faster, cheaper and easier access to favourable financial incentives; without approval costs and management of financial incentives; lower interest rates; simple and fast procedures; lower collateral requirements and others.

The last panel was dedicated to present the use of ERDF in practice by Mr. Grega Potokar from **ABC Accelerator**. Their mission is to support people and start-up companies by partnering with them and helping them make their innovations succeed. Their mission is to be a bridge and strategic focal point for innovation, business and investment for the whole region and globally. Their figures can be summarized as: 200+ start-ups accelerated from 30 countries; 35 mio EUR raised for their start-ups since 2015; 500+ partners and mentors in our network. Regarding the FIs, Slovene Enterprise Fund and SPIRIT are the main go-to points for financial support at the first level for start-ups (P2 and SK75 are particular favourites), venture capital for global growth, while for more ambitious, there is the SME Instrument „EIC Accelerator Pilot“.

The second day was dedicated to discuss the process of preparing the action plan. This process was presented by Mrs. Silvia Berbero from Politcnico di Torino, lead partner in the RETRACE project (Interreg Europe). Having experience in drafting the action plan as well as coordinating the consortium to prepare and align regional action plans, she presented an insight of the process from the scratch to the end.

3. Recommendations and Next Steps

From the development of the EoE, as well as the previous experiences, we can outline some recommendations for future meetings:

- i. This EoE was the first one that was organized online due to health situation related to COVID-19. We agreed to use another online platform to implement the webinars, which would be easier to manage and more user friendly.
- ii. Since discussions are rather limited and compared to face-to-face meeting do not reflect the real exchange of experience, we should put more emphasis on moderated or facilitated discussion in order to assure the high quality of exchange of knowledge and experience.

In relation to the objectives of the project, some points are:

- a. By next exchange of experience, we should have the draft action plan prepared in order to be able to discuss among partners and share ideas.
- b. To apply the knowledge gained in the definition and application of new instruments and policies in the framework of the ROP for the programming period 2021-2027.

4. Conclusion

The main conclusion points and recommendations from the stakeholders are:

1. Financial instruments that will be developed in the multiannual financial framework 2021-2027 should be drafted in the way ***to mitigate the most the economic consequences of COVID-19 crisis.***
2. More emphasis should be given ***to attract and involve private investors and funds*** in designing and the implementation of the ERDF financial instruments.
3. ***ERDF funds should be easier to manage*** than those of commercial banks in terms of administrative burden.
4. ***Training and coaching*** for start-ups and SMEs on how to get and manage the ERDF funds.

Contact Information

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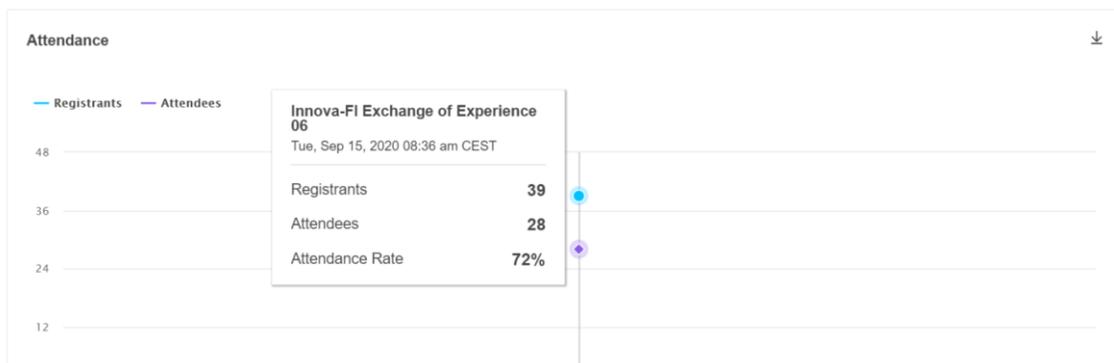
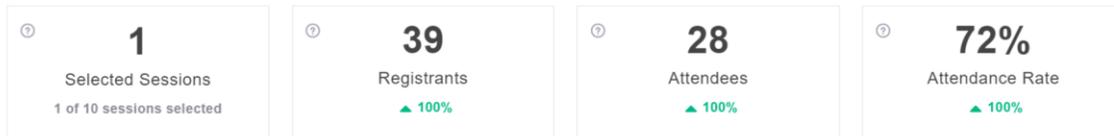
<https://www.linkedin.com/company/innova-fi>

Consortium Innova-FI



List of participants

Actual Start Date/Time	Duration	# Registered	# Attended	Clicked Registration Link
15/09/2020 08:36	6 h 24 min	39	28	75



* Number of participants do not include speakers and presenters