fi compass

SHOWCASE 2025

European Commission

European Investment Bank | Advisory

Category: Growing impact

5. Financial instruments under the 2014-2020 programming period managed by FMFIB

fi-compass Showcase 2025

Fund Manager of Financial Instruments in Bulgaria (Fund of Funds in Bulgaria)

Growing impact

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Objectives and impact

MANAGING AUTHORITIES

FUND MANAGER OF FINANCIAL INSTRUMENTS IN BULGARIA (FMFIB) - FUND OF FUNDS

EUR 1 B	3 500	2.8%*	5.4%*	7.6%*
invested in the Bulgarian economy	supported projects in all regions of Bulgaria	GDP growth	increase in employment	increase in private investment

*Cumulative from 2019 up to 2023

	5 VC FUNDS	5 MICROLOAN SCHEMES	3 URBAN DEVELOPMENT FUNDS
INVESTED IN FINAL RECIPIENTS	**EUR 151 M**	**EUR 18 M**	**EUR 275 M**
OBJECTIVES	• Promote **entrepreneurship** • **Ease access** to capital for innovative SMEs	• **Improve access** to financing for start-ups and social enterprises from **vulnerable groups** (unemployed, young, disabled)	• Improve the **urban environment** (culture and sports infrastructure, transport, industrial zones)
IMPACT	**≈330** supported companies **EUR 43 M** mobilized private investments **≈1500+** employees (**19%** growth) **3 out of 5** VC-backed companies **financed by FMFIB** **EUR 100 M** revenue generated (**120%** growth)	**≈890+** supported companies **EUR 12 M** mobilized private investments **1600+** new jobs created (**13%** growth) **EUR 75 M** revenue generated (**40%** growth)	**125** supported projects **EUR 118 M** mobilized private investments **UDF investments** **5%-20%** of municipal investment activity **3.3 M people** live in improved urban areas

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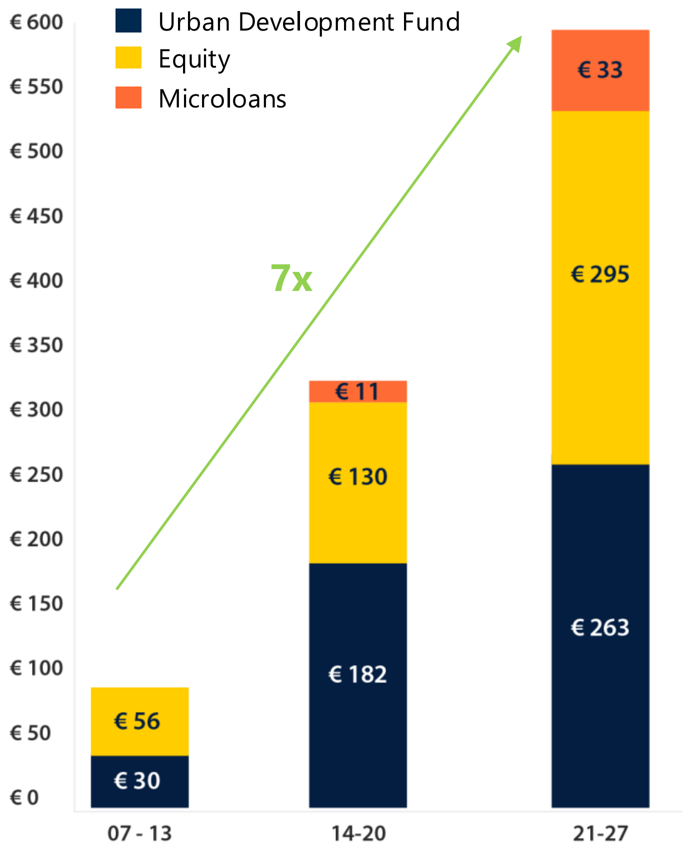
Impact achieved over the last 10 years

Growth over time, public resources (EUR M)



Lessons learned

1. Constant adaptation to dynamic environment (COVID-19, Ukraine war, political shifts).
2. Challenging application of EU and national rules.
3. Delays caused by separate grant + FI approvals (2014-2020).
4. Reflows are key to maintaining continuous support.
5. Minimize red tape on intermediaries and recipients.
6. Ongoing need to strengthen institutional capacity.

Success factors

1. Flexibility and proactive engagement with stakeholders.
2. Effective navigation of complex regulatory frameworks.
3. Grant + FI in single operation (2021-2027).
4. Timely authorization and use of recycled resources.
5. Streamlined monitoring and reporting.
6. Continuous capacity building

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Fabrico SaaS

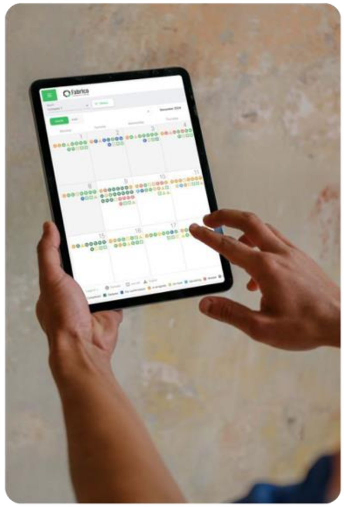
Software for industrial maintenance and efficiency

VC FUNDS

- **Year of establishment:** 2022
- **Investment amount:** EUR 415 K (pre-seed/seed in 2023)
- **Impact** (2024 vs. 2022)
  - **Turnover** - EUR 150K (**150%** increase)
  - **Job creation** - 16 people (**170%** increase)
  - **Export-oriented** - starting from Bulgaria and reaching clients in Europe and North America (e.g. ABB, Hitachi Energy, etc.)
- **Women-led team**

Fabrico
maintenance software

The investment was crucial in making us a leader in our field at a time when private funds in the country were very few. Without the support of FMFIB, this would not have been possible.





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The Wonderful Garden

Empowering young people with disabilities

MICROLOAN SCHEMES

- **Year of establishment**: 2018
- **Loan amount**: EUR 11 K
- **Project**: Production and sale of vegetables and flowers by people with intellectual disabilities in Dobrich (Northeast Bulgaria)
- **Impact**:
  - **Job creation** (from **5** people in 2024 to **10** people in 2025) or **100%** increase.
  - **Improved** standard of living (EUR 0.5 M for salaries so far)
  - **Inspiration** for the local community and beyond

“

Thanks to the loan received we were able to continue our activities and meet our working capital needs without worrying about the seasonal fluctuation in the turnover.

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Regional Ethnographic Open-air Museum Etar

Time travel between traditions and generations

URBAN DEVELOPMENT FUNDS

- **Project**: The purpose of the museum is to present the traditional architecture and lifestyle of Bulgarians during the 19th century. The museum contains a total of 50 sites – houses with craft workshops, exhibition halls, water-driven installations, park alleys, a restaurant, accommodation and other.
- **Loan amount:** EUR 1.6 M in combination with EUR 3.7 M grant
- **Impact:**
  - Restored **cultural heritage** site of national significance
  - **≈200 thousand people** attend the museum per year
  - Loan repayment with **revenues** generated by the project

МУЗЕЙ ЕТЪР

> *This project is very important for us, as it preserves traditional crafts. It gives visitors the opportunity to experience the past with all their senses.*

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Financial instrument information

Category: Growing impact

Name of FI	*FIs under 2014-2020 programming period managed by FMFIB (Fund of Funds in Bulgaria)*	
EU Fund(s)	Programme contribution/ Total size	Product(s)
ERDF, ESF, CF, EAFRD	*EUR 524 million / EUR 1.1 billion*	*Equity and quasi-equity products* *Risk-sharing loans with embedded guarantees for urban development* *Risk-sharing micro-loans & Portfolio guarantees*

Description	*Short summary of operation*

The Fund Manager of Financial Instruments in Bulgaria (FMFIB) is a multi-sector Fund of Funds established in 2015 by the Bulgarian government to implement financial instruments (FI) using shared management funds on behalf of several Bulgarian managing authorities. During 2014-2020 programming period FMFIB was entrusted with around EUR 500 million of EU shared management resources across 15 different FIs. EUR 580 M private capital were mobilized in addition to public funds. For instance, 5 equity instruments were established to support innovative SMEs and entrepreneurship (EUR 151 million invested), 3 urban development funds were created to finance projects of public and private entities via risk-sharing loans with embedded guarantee (EUR 275 million invested) and 5 financial intermediaries provided micro-loans worth EUR 18 million to start-ups and social enterprises. The growing impact of these instruments have been highlighted in this presentation. In addition, financial instruments have also been established to support SMEs after the COVID-19 pandemic and investments in environment and agriculture. Over the years FMFIB has proven itself as a leading national promotional financial institution for managing FIs across different sectors. The achieved results and impact by the FI 2014-2020 managed by FMFIB led to a 2-fold increase of the allocated resources in programming period 2021-2027.

Country/Managing authority	Bulgaria Ministry of Innovation and Growth, Ministry of Regional Development and Public Works, Ministry of Labor and Social Policy, Ministry of Environment and Water, Ministry of Agriculture and Food
Implementing bodies	More than 20 financial intermediaries (credit and financial institutions, fund managers, MFI)

Thank you!