



ESF financial instruments on the ground – Case studies: Supporting the Social Economy in Slovakia

Michal Polák, Investment Manager, Slovak Investment
Holding

Introducing the Slovak Investment Holding

Overview



Investing in the future of Slovakia

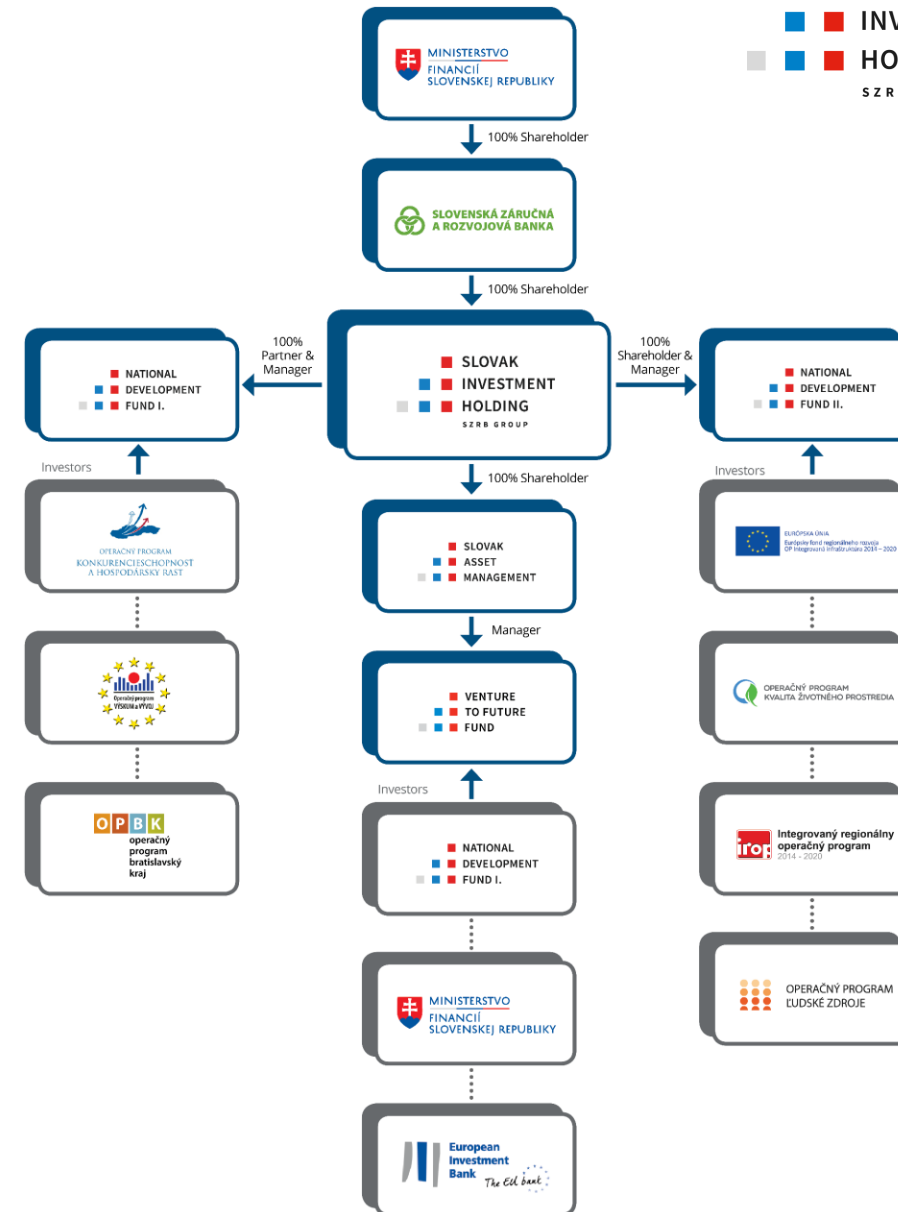


- SIH officially established in 2014 (as SZRB Asset Management)
- Total allocation:
EUR 1 148 500 000
- Implementing financial instruments from four different Operational Programmes
 - Integrated Infrastructure
 - Integrated Regional OP
 - Quality of the Environment
 - Human Resources

Slovak Investment Holding

Ownership, Partnerships and Investor Relationships

- 100% subsidiary of the Slovak Guarantee and Development Bank, in turn owned by the Ministry of Finance
- Implements the ESIF funds via
 - National Development Fund I. (Programming Period 2007-2013)
 - National Development Fund II. (Programming Period 2014-2020)
 - National Development Fund III. (?) (Programming Period 2021-2027, hopefully!)
- Non-ESIF investments via the Slovak Asset Management subsidiary, running the Venture to Future Fund
- Investors include the EIB



Operational Programme Human Resources

SIH ESF Allocation

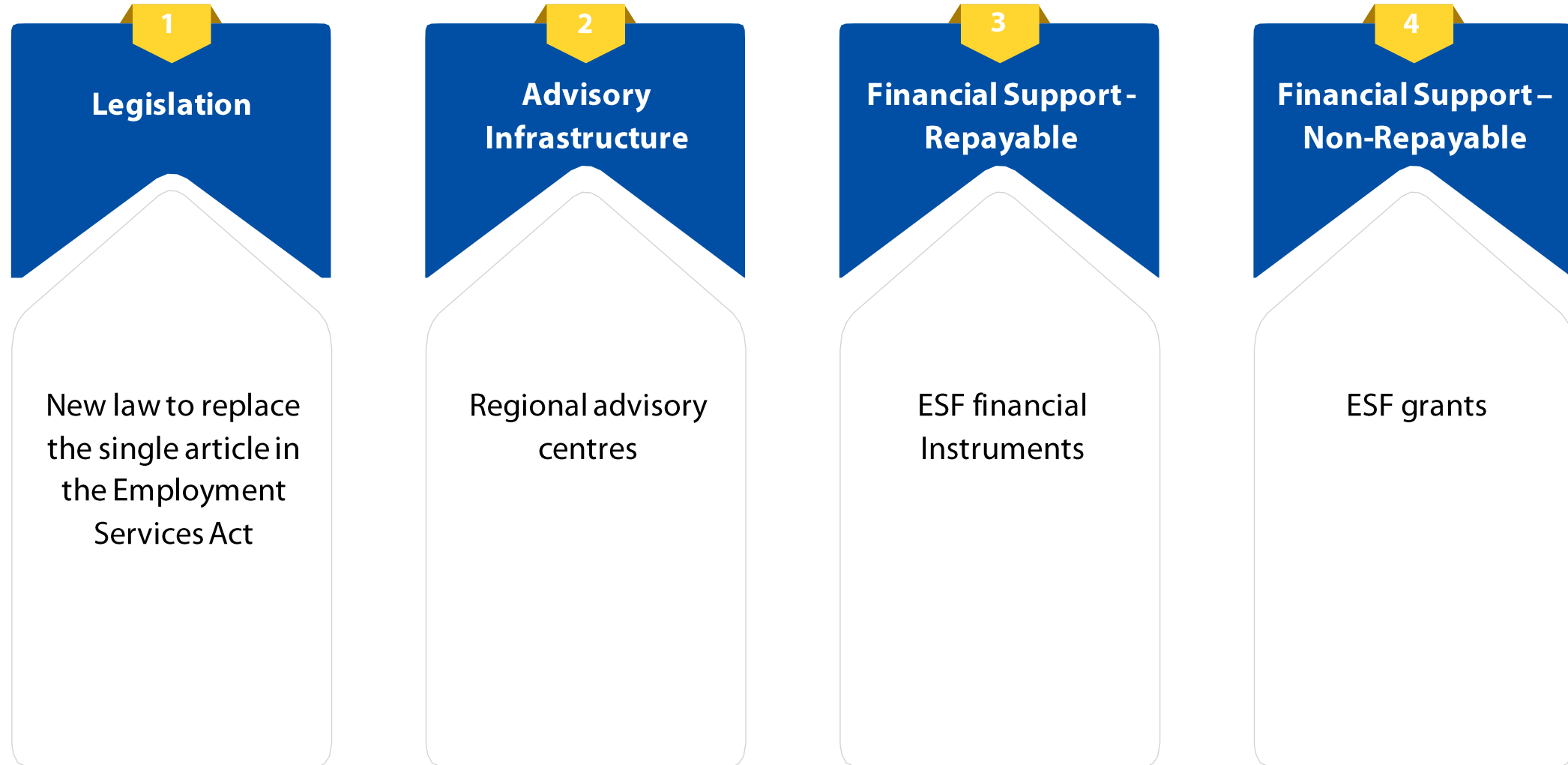


OPERAČNÝ PROGRAM
ĽUDSKÉ ZDROJE

- Priority Axis 3 Employment
- Total Allocation: EUR 58 000 000
- Financial instruments to help provide jobs and employability via investments in the Social Economy sector
- Part of the course set out in the National Employment Strategy of the Slovak Republic (2014)
- (The SIH OP HR allocation also includes EUR 13 571 000 from the ERDF-financed Priority Axis 6 devoted to Marginalised Roma Communities)

Social Economy Development Strategy:

The Three+ Support Pillars



Social Economy Development Strategy: The Implementation Timeline



SIH ESF Instruments Overview

Including both ESF and ERDF Allocations



1

Social Economy Guarantee Instrument

Total Allocation Contracted: EUR 7 300 000

2

Social Economy Loan Instrument

Total Allocation Contracted: EUR 10 200 000

3

Direct Equity Investment Dostupný Domov (‘Affordable Home’)

Total Allocation Contracted: EUR 25 000 000

4

Social Economy Equity Instrument

Total Allocation Tendered: EUR 22 600 000



Social Economy Guarantee Instrument

First Loss Portfolio Guarantee



ESF Allocation

- Offered: EUR 9 900 000
- Contracted: EUR 5 850 000

Selection Details

- Open Procedure
- Launched November 2018
- Tender submission deadline January 2019
- Evaluation concluded March 2019
- Inspection concluded August 2019

Successful Tenderers

- Slovenská sporiteľňa (SLSP), the Slovak subsidiary of the ERSTE Group
- Towarzystwo Inwestycji Społeczno – Ekonomicznych SA (TISE)

Contracts Signed

- SLSP November 2019
- TISE December 2019

Social Economy Loan Instrument

Portfolio Risk-Sharing Loan



ESF Allocation

- Offered: EUR 9 200 000
- Contracted: EUR 4 600 000

Selection Details

- Open Procedure
- Launched March 2020
- Tender submission deadline April 2020
- Evaluation concluded September 2020
- Inspection concluded July 2021

Successful Tenderer

- Slovenská sporiteľňa (SLSP), the Slovak subsidiary of the ERSTE Group

Contract Signed

- SLSP November 2021

Social Economy Equity Instrument

Equity Investment Funds



ESF Allocation

- Offered: EUR 22 600 000
- Tendered: EUR 22 600 000

Selection Details

- Open Procedure
- Launched December 2020
- Tender submission deadline March 2021
- Evaluation concluded July 2021
- Inspection not concluded

Successful Tenderers

- ESPRI & Crowdberry consortium
- Sociálni inovátori ('Social Innovators') cooperative

Contracts Signed

- Not yet
- Ongoing audit/inspection by the Public Procurement Authority and the Managing Authority since August 2021

Dostupný Domov ('Affordable Home')

Direct Equity Investment



ESF Allocation

Contracted: EUR 21 000 000

Investment Details

- Joint 1:1 *pari passu* investment with SLSP
- Mission: to provide accessible rental housing to the disadvantaged and vulnerable people, while achieving long-term sustainability
- Housing often a basic pre-condition to increase employability and find jobs
- Target group includes the long-term unemployed, members of the Marginalised Roma Communities, homeless people, victims of domestic violence, etc.



- Pilot phase: EUR 4 000 000
- Follow-up phase: EUR 17 000 000
- Pilot successfully completed at the end of September 2021
- 38 apartments acquired, 42 persons from the target group members housed

Dostupný Domov ('Affordable Home')

Some Illustrative Photos



Lessons Learned

Challenges and Opportunities



Selection of financial intermediaries via
Public Procurement

Combination of grants and loans

Eligibility disputes
(capital expenditure, cross-financing)

State Aid



Thank you!

www.fi-compass.eu

Follow us:    



fi-compass is provided by the European Commission in partnership with the European Investment Bank
Copyright © European Investment Bank 2014-2021
events@fi-compass.eu | www.fi-compass.eu

