



Workshop - Implementing and boosting equity investment

Emily Smith, Head of Climate and Urban Finance Advisory Unit, European Investment Bank

Anna Zurek, Financial Instruments Advisor, European Investment Bank

Nikolaos Tritaris, Senior Investment Platform Advisor, European Investment Bank

Ando Siitam, Senior Advisor, European Investment Bank, European Investment Bank

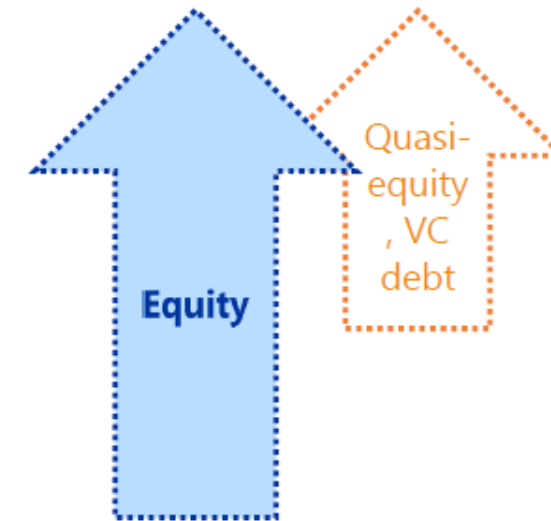
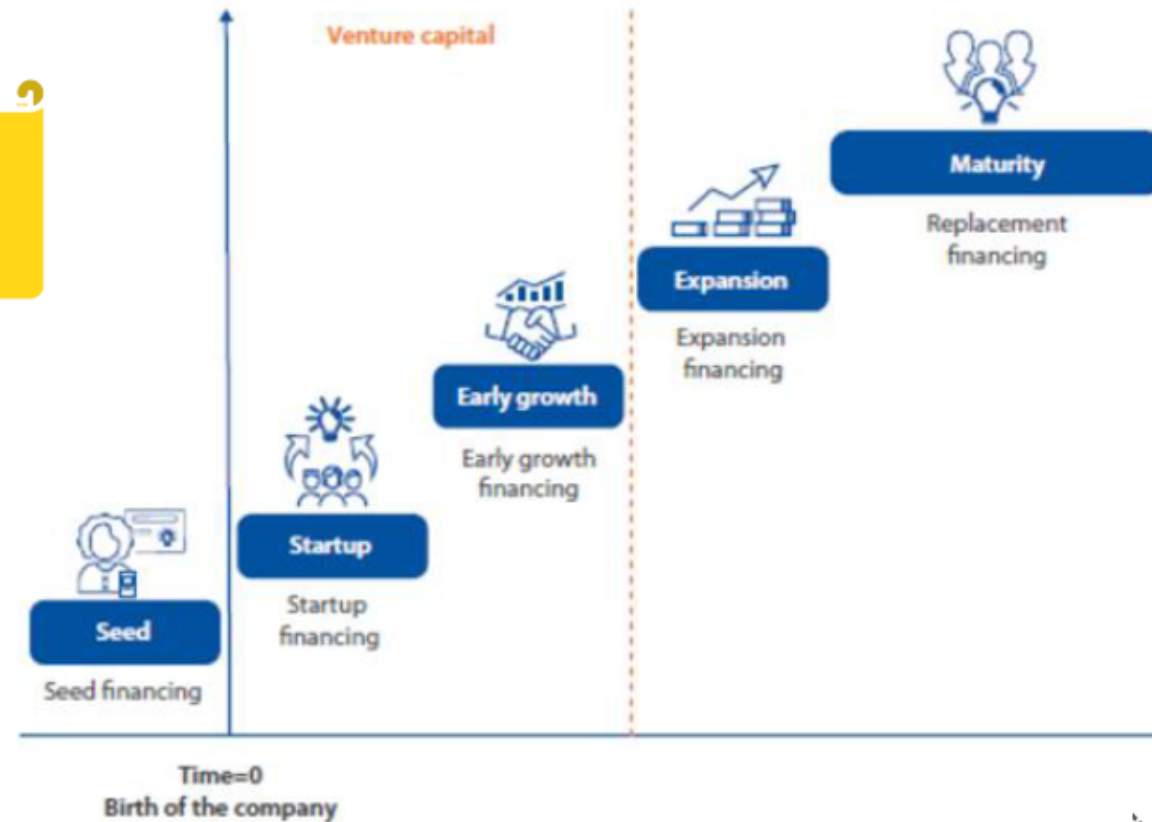
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Combination of Equity FI and grant(s)



Single Financial Package under FI rules



Technical support subsidy

Accelerating grant

Risk mitigation grant

Reward grant

Building an effective equity ecosystem

Feedback



Regulation

- Robust and stable framework
- CPR
- Equity market
- Company law

Speak the same language

- Market engagement
- Local Fund Manager market
- Capacity building (on all sides)
- Practical business advice
- Founders' clubs – civil society for entrepreneurs

Long term approach

- It takes a long time!
- Cycles of growth of the market
- Stability – funding & strategy
- Follow-on investments – for ERDF Fis
- Patient capital

Early stage investment – potential ERDF grant/FI combination

Feedback



Technical support

- Established concept - needed at all stages of a company's life-cycle
- Helpdesk?
- Possible overlap of technical support with role of Fund Manager – mentoring/business advice?
- Need to complement not crowd out existing incubators

Grant as accelerator

- Potential – at several stages of company
- Is it compatible with the market?
- Phased approach – grant to support pipeline in single operation
- Regulatory issues in some countries?

Who can manage the grant?

Fund manager?

Consortium/sub-contractors

Role of Holding fund

What does managing grant as FI mean?

Later stage – potential ERDF grant/FI combination

Feedback



Grant as risk mitigant

- Mixed view of need – more skepticism
- May have role in Pharma/Deeptech due to high development cost
- Advantage is that it is non-dilutive and preserves founders' position
- How does it fit with equity ecosystem – equity/quasi-equity – may confuse market?

Grant as reward

- an 'equity rebate' model?
- Reward for achievement of targets
- Needs further consideration/development

Other models?

Convertible grant

Tax incentives to support FIs

VC support for family companies

Participation in later funding rounds



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