



Financial Instruments in Germany – State of Play

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FIs in Germany – review

- Successful use of FIs in Germany since 2007
 - Mostly referring to SMEs
 - Revolving character, tight public financial resources, no windfall gains
 - Complementing grants
 - According to orientation of OP and regional characteristics /needs option to choose the suitable instrument
- ➔ FIs reasonable extension of funding resources



FIIs 2007-2013 vs. 2014-2020

- **Scope** – support for all thematic objectives
- **Set-up** – compulsory ex ante assessment
- **Implementation Options** – at all levels, tailor-made or off the shelf; contribution to EU level instruments
- **Payments** – linked to disbursements to final recipients
- **Management costs and fees, interest, resources returned, legacy** – full provision set out from outset in basic, delegated and implementing acts
- **Reporting** – compulsory reporting from outset



ERDF FIs Status Quo in Germany (I)

- 15 Länder use ERDF Funding for FIs (14 Länder in 2007-13)
 - Loans (10 Länder)
 - Equity/Venture Capital (13 Länder)
- 37 ex-ante assessments completed, 20 funding agreements signed
- TO 1 Innovation & research (9 Länder)
- TO 3 Competitiveness of SMEs (12 Länder)
- TO 4 Shift towards a low-carbon economy in all sectors (4 Länder)
- TO 6 Environment protection and resource efficiency (1 Land)



ERDF FIs Status Quo in Germany (II)

- 2014-2020 Contribution to FIs EUR 1.125bn out of EUR 10.37bn
→ 11% allocation of FIs
- 2007-2013 Contribution to FIs: EUR 813m out of EUR 14.587bn
→ 5,57% allocation of FIs

ERDF FIs allocation is expected to double in 2014-2020 from 5,57% to 11%



General Conclusions / lessons learnt

- Heterogeneous conditions for SMEs financing in Europe
- Benefit of FI dependant on regional preconditions, therefore best assessed at regional level
- Importance of considering the starting position and the volume of financial means
- differentiated requests/approaches of Member States/Regions
- Clarity on legal requirements and legal certainty most important
- Clear conditions from the start, no retroactive interpretations



Outlook / Suggestions

- **Audit and Control:** obligations should be proportionate
- **Legal Clarity/Security:** needed early in the funding period, especially in respect to the funding agreements



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financial instruments
 revolving capacity building
 added value **ERDF** funding agreement
 governance **ESF** EU guidance
 technical support seminars leverage financial intermediaries microfinance
 co-financing **ESIF** case studies
 investments **fi-compass** final recipients
 business plan **Thank you** thematic objectives
 advisory services guarantees banks loans **EaSI** equity
 private investors life cycle combination of support
EAFRD conferences factsheets
 fund of funds **EMFF** investment strategy **CF**
 managing authorities manuals



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