

The great majority regional ERDF-ESF 2014-2020 OPs provide for the use of financial instruments, particularly for thematic objectives 1, 3 and 4 and in various forms: direct investment in share capital (equity investment, transfer funding, start-up funding, third-party funding/investment, maturation funds, seed funding, venture capital, development capital), loans (loan funds, zero-interest loans, preferential loans, equity loans, honour loans, micro-credit funds, repayable advances and subsidised loans), guarantees and other sources (crowdfunding platforms, European financial instruments, share acquisition funds, property leases, funds of funds, etc.).¹¹⁵

The need to reach this target group requires synergies between sources of funding that go beyond the framework of structural funds. The objectives of Europe 2020, coupled with those of cohesion policy for 2014-2020, require better coordination between **thematic financing** (research, innovation and development, entrepreneurial capacity building, etc.) and the ESIF to support smart, sustainable and inclusive growth.

The two main European programmes for supporting innovation/research, international development of businesses and industrial cooperation for the 2014-2020 period, Horizon 2020 (formerly the Framework Programme for Research and Technological Development – FPRTD) and COSME (formerly CIP – Framework Programme for Innovation and Competitiveness), already contribute to a complementary approach to sustainable support to businesses:

- **Horizon 2020** specifically targets risks related to research/innovation for innovative SMEs in their start-up and expansion phases (feasibility of the research and innovation project, financing and support for marketing).
- **COSME** has extended its scope of action to include all businesses in their process of development, and even transfer, on the single market, particularly through the Enterprise Europe Network (EEN),¹¹⁶ and has implemented tools such as a guide¹¹⁷ and a portal to support SMEs' internationalisation.¹¹⁸
- In addition to these two major programmes there is a complementary programme to Horizon 2020, **EUREKA**, which takes a more bottom-up and flexible approach, requiring an initiative from at least two businesses rather than more cumbersome cyclical calls for proposals.

¹¹⁵ Europ'Act, Seminar for the launch of the 2014-2020 programme of European funds, Montpellier, 14 November 2014.

¹¹⁶ European Commission, *Enabling synergies between European Structural and Investment Funds, Horizon 2020 and other research, innovation and competitiveness-related Union programmes*. http://ec.europa.eu/regional_policy/sources/docgener/guides/synergy/synergies_en.pdf

¹¹⁷ *Practical guide to doing business in Europe*, http://europa.eu/youreurope/business/index_en.htm

¹¹⁸ The portal can be accessed at: <https://webgate.ec.europa.eu/smeip/>

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NATIONAL FUNDING BODIES AND FUNDING FROM TERRITORIAL AUTHORITIES

While European programmes are a not insignificant source of funding for SMEs and cross-border economic development initiatives, national and local authorities also contribute to supporting the development and competitiveness of businesses and territories. Reforms have recently been implemented in France to strengthen mechanisms for providing financial support to SMEs.

- **Bpifrance** proposes a “one-stop shop” coordinated response to the financing needs of businesses throughout their lifecycle. Innovation is the priority target of Bpifrance actions. These range from support for R&D and the start-up phases of innovative projects, to increasing businesses' own funds to support exports in close collaboration with Business France. Bpifrance's organisational structure of 24 regional directorates, which are charged with defining action plans at the regional level reflects the desire to provide funding that most closely corresponds to local specificities and strategic sectors.