



- Following an amendment to the bill on the creation of Bpifrance introduced by Philip Corderoy, the MP for French citizens resident in the Benelux, the law passed on 31 December 2012 allows people with knowledge and experience in cross-border economic development to sit on Bpifrance’s regional policy committees. This provision was born of the need to increase complementarity and create new links between national, regional and local funding programmes and those in the neighbouring countries.
- **Some territorial authorities mobilise their own funds within common cross-border funds.** This is the case for the **Aquitaine-Euskadi Euroregion**, whose annual calls for project proposals (total budget of €300,000 for 2014) provide for various initiatives.

Economic development is nonetheless just one of the areas eligible for this co-financing.

French territorial authorities are in a rather difficult financial situation compared to their counterparts in neighbouring countries, especially at the regional level. Though regional authorities have seen their economic competence expand (aid to businesses, support for internationalisation, real estate and innovation investment aid) through the adoption of the New Territorial Organisation of the Republic Act (the “NOTRe Act”), they do not at present have leverage comparable to that of the German Länder and the Swiss Cantons.

CROSS-BORDER VENTURE CAPITAL FUNDS

Given the weakness of French territorial authorities compared to their counterparts in neighbouring countries with regard to capacity to finance economic development activities and businesses, institutional and economic players are turning increasingly to cross-border financing that combines national and European public funding as well as private resources.

- **EUREFI is the first cross-border venture capital fund** set up at the joint instigation of the European Union and private French, Belgian and Luxembourg shareholders in the Longwy European Development Pole (EDP), which is undergoing regeneration. EUREFI was established in 1991 but actually launched at the end of the 1990s with an initial capital of €10 million. The fund managed close to €27.7 million in 2013 and generally makes investments within the range of €250,000 to € 1.5 million (a single investment averages around €500,000).¹¹⁹ EUREFI does not target a specific business sector: the criteria determining businesses’ eligibility for this funding are based mainly on the (existing or potential) cross-border nature of their development project and its viability. Currently, recipients are mostly Belgian and French businesses that wish to enter the Luxembourg market. This explains the breakdown by nationality of applications processed by EUREFI: 50% French businesses, 30% Belgian and 20% from Luxembourg.

¹¹⁹ Bpifrance figures.