

ACCESS to MICROFINANCE for Small and Medium-sized Enterprises

ATM for SMEs

STUDY TRIP
SESSION 1 – POLICY EXCHANGE

Cagliari, 10th July 2017



UNIONE EUROPEA
Fondo europeo di sviluppo regionale



REPUBBLICA ITALIANA



REGIONE AUTÓNOMA DE SARDIGNA
REGIONE AUTONOMA DELLA SARDEGNA



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ATM for SMEs
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POLICY APPROACHES FOR FINANCIAL INCLUSION THE ERDF ROP 2014-2020

Experiences and hot topics for social outreach of microfinance in Sardinia

"Moon is not a Destination: Moon is a Direction"

Michael Collins – Astronaut Apollo 11

Summary

1. Strategies for growth in Sardinia and financial inclusion

2. Regional Set of Tools

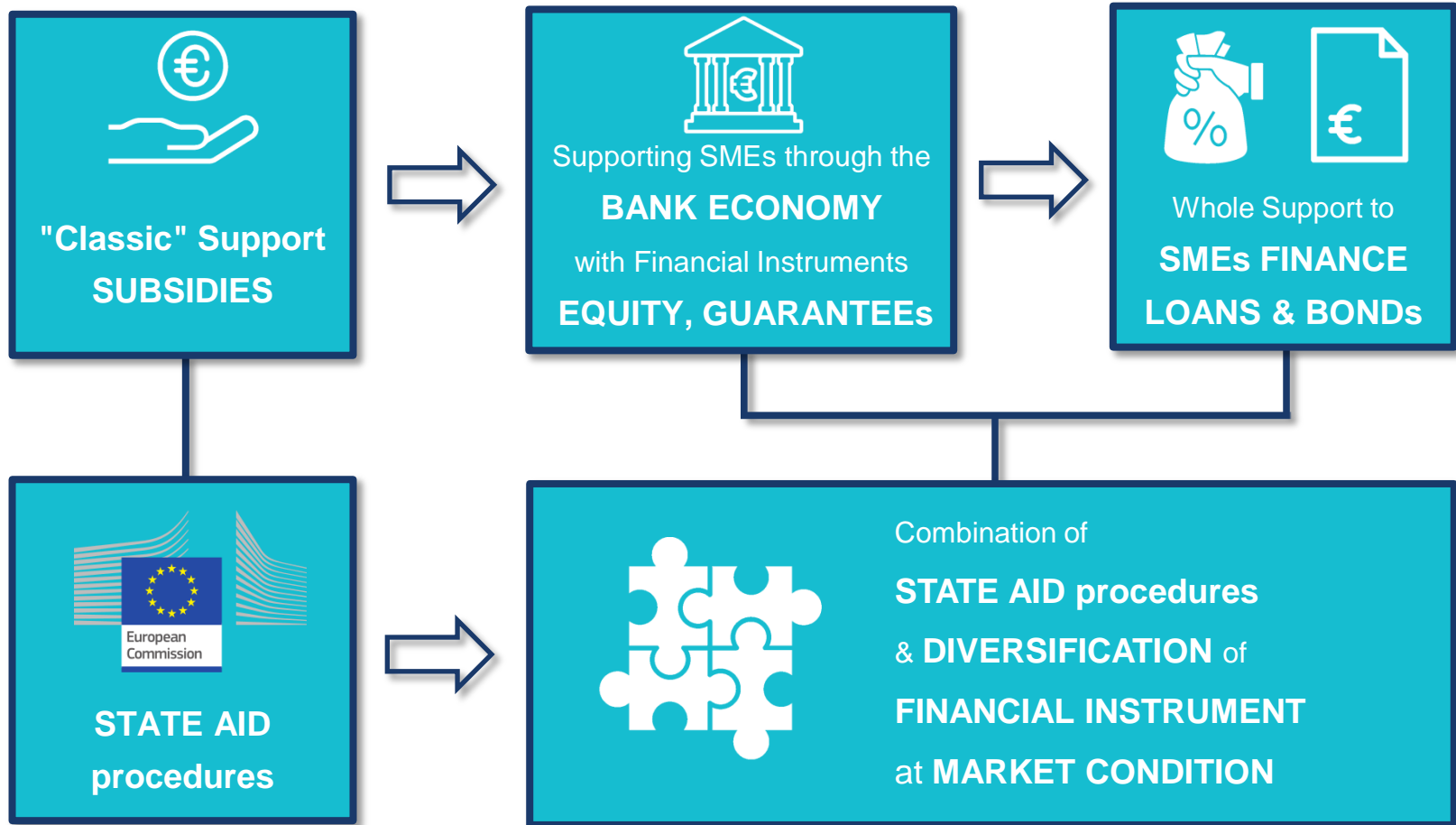
3. Lesson Learnt & Strategies for the Programming Period 2014-2020

- ✓ **Governance:** integration among Instruments
- ✓ **Technicalities:** mitigating negative effects of financial exclusion in the market
- ✓ **Social Impact Investing Fund**

4. Hot Topics

- ✓ **Financial excluded centered policies**
- ✓ **Evaluating, Measuring & Monitoring Social Impact**

1. Strategies for Growth in Sardinia and financial inclusion



2. Sardinian Regional Set of Tools

Regional Guarantee Fund

€ 233.199.999

Key facts

Objective: to support traditional credit lines both for its new uses and to oppose the credit crunch

Products: first demand guarantees in the form of direct guarantee, co-guarantee or counter

Capitalization & Investments Fund

€ 43.327.000

Key facts

Objective: to support business development plans proposed by corporations through increased capitalization

Products: financial leasing of shares, participating loan, equity

Re-industrialization of Industrial Areas Fund

€ 50.000.000

Key facts

Objective: to support the process of re-industrialization by funding the purchase of industrial buildings or entire productive facilities

Products: mortgages fund (article 44 Reg. n. 1083/2006) aimed at the provision of funding (loans) in the form of financial leasing or mortgages

Venture Capital Fund

€ 34.000.000

Key facts

Objective: to support small and medium-sized innovative firms both in the early and expansion stages (seed and venture financing)

Products: Equity

3.1 Lesson Learnt & Strategies for the Programming Period 2014-2020

Unitary Governance

JESSICA
Holding Fund Sardinia
second generation

SMEs Guarantee Fund
Sardinia

COMPETITIVENESS Fund

Risk Capital Fund

SOCIAL IMPACT INVESTING
integration with the ESF

GOVERNANCE:

integration among Instruments & Structural Funds

to increase
product lines

to operate in
credit market
and capital
market

to encourage
placing of new
SMEs finance

to increase the use of Financial Instruments

to introduce innovative instruments (including PPPs)

to encourage local banks to extend additional loans to SMEs

to stimulate SMEs financing and regional economic growth

to increase the volume of lending and private investment

to increase investment in R&D

3.2 Lesson Learnt & Strategies for the Programming Period 2014-2020

Mitigating the negative effects of financial exclusion in the market

Action 3.6.1

€ 44.619.000

Strengthen **public guarantees system** for credit expansion in tight **sinergy** among **national and regional guarantee systems**

Action 3.6.4

€ 15.000.000

Contribute to the development of **Venture Capital** funding market dedicated to **Start-up** in preseed, seed and early stage

Action 3.7.1

€ 24.896.000

Strengthen **Social Economy** supporting businesses with a **social and enviromental impact**

3.2 Lesson Learnt & Strategies for the Programming Period 2014-2020

Mitigating the negative effects of financial exclusion in the market

Competitiveness Fund

€ 39.619.000

Key facts

Objective: to support traditional credit lines both for its new uses and to oppose the credit crunch

Products: a microcredit scheme for Loans

Risk Capital Fund

€ 10.000.000

Key facts

Objective: to support small and medium-sized innovative firms both in the early and expansion stages (seed and venture financing)

Products: Equity

Social Impact Investing Fund

€ 8.000.000

Key facts

Objective: to support the social economy to generate a measurable social and environmental impact alongside a financial return

Products: equity, guarantees and loans

3.3 Lesson Learnt & Strategies for the Programming Period 2014-2020

Social Impact Investing

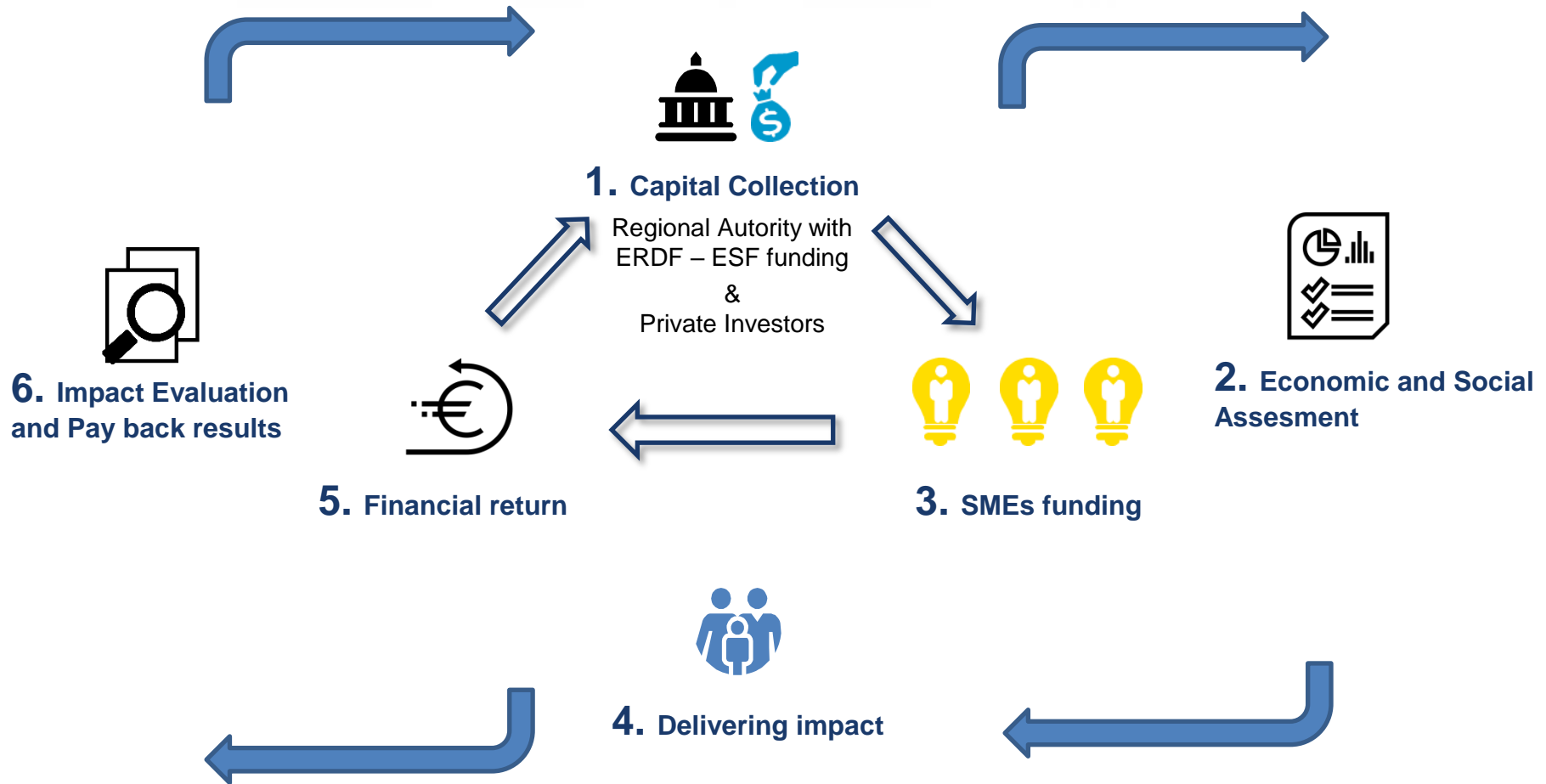
“Impact investments are investments made into companies, organizations, and funds with the intention to generate social and environmental impact alongside a financial return.”
(GIIN – Global Impact Investing Network)

A **Social Impact Enterprise**, aside ensuring its **financial sustainability**, consciously strives to deliver developmental outcomes to solve one or more **social/environmental needs** or problems

SARDINIA ERDF ROP and **ESF ROP** finance the **Social Economy** synergically addressing **individuals through social business**:

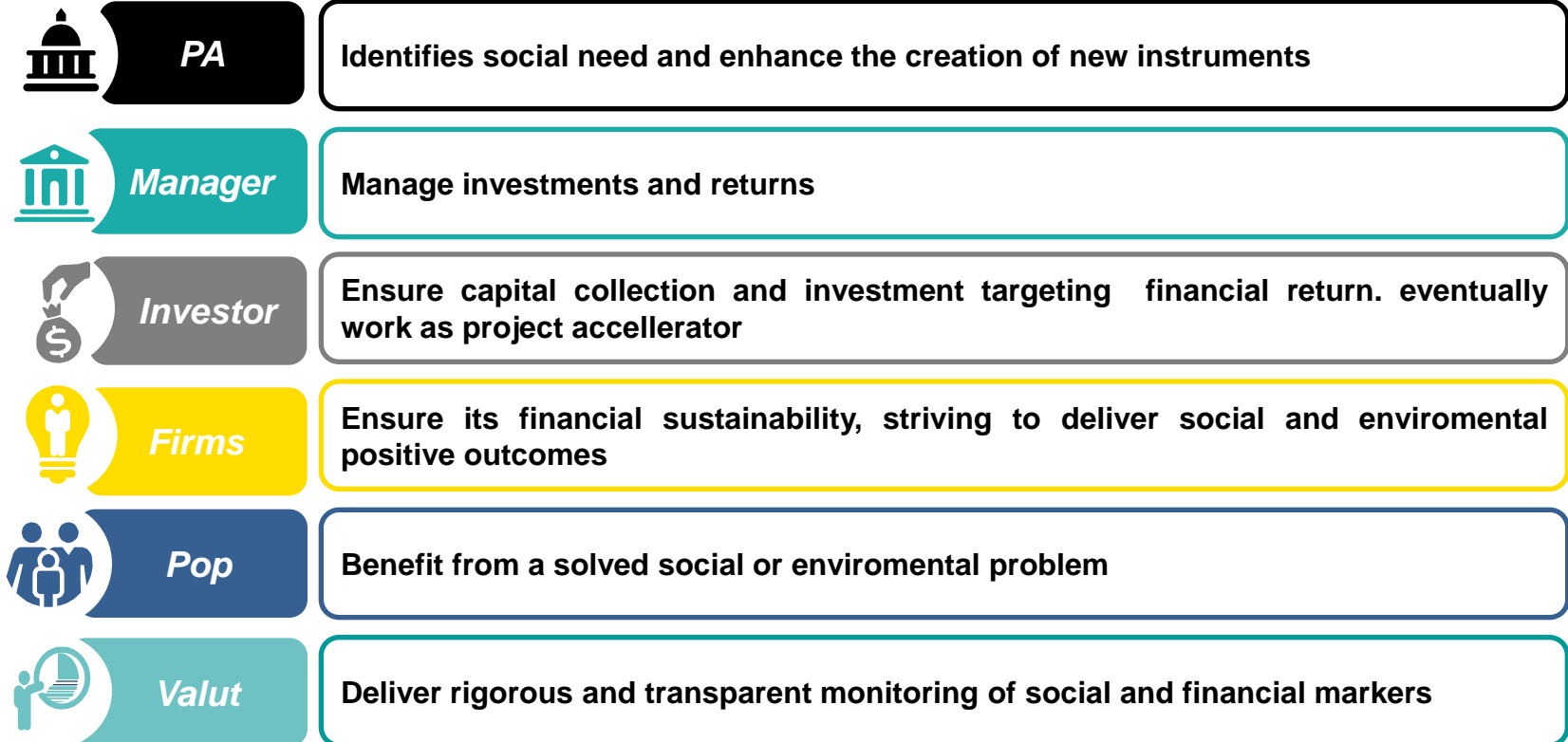
- ✓ to **tackle Social and Financial Exclusion** addressing **long-term unemployment, early school leaving, crime recidivism**
- ✓ creating **new instruments** to foster social impact through **urban regeneration policies, social innovation in rural areas and enviromental renewal**

3.3 Lesson Learnt & Strategies for the Programming Period 2014-2020



3.3 Lesson Learnt & Strategies for the Programming Period 2014-2020

Who's involved



4. Hot Topics

Financial excluded centered policies

Financial inclusion means that individuals and businesses have access to **useful and affordable financial products** and services that meet their needs – **transactions, payments, savings, credit and insurance** – delivered in a responsible and sustainable way

- Working at the Base of the Pyramid
 - ✓ addressing **hard-to-reach-people**
 - ✓ increase citizens' **financial literacy** and **capability**
 - ✓ creating an **enabling regulatory and policy** environment
 - ✓ allowing **banks and non-banks** to expand access
 - ✓ creating appropriate **consumer protection** measures
 - ✓ ensuring **responsible provision** of financial services
- “people centered” policies
 - ✓ **appropriate instruments** like tutoring and mentoring, peer reviews
 - ✓ **Shocks protection**

Thanks for your kind attention!!!

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