



European Commission  
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# The CIP financial instruments and their successors

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# CIP: A Success

SME Guarantee Facility – supports lending to SMEs

**Predecessor programmes (Multiannual programme , Growth and Employment):**

- 1998-2006: EUR 436m of EU budget generated EUR 27.5bn of lending
- 370.000 SMEs reached

**CIP:**

- 2007-2013: so far approx. EUR 300m of EU budget generated 9.4bn of lending
- 155.000 SMEs reached, volumes are increasing fast.
- Court of Auditors: target of 315.000 SMEs attainable

High Growth and Innovative SME Facility – supports venture capital investments in SMEs

**Predecessor programmes (Multiannual programme , Growth and Employment):**

- 1998-2006: EUR 309m of EU resources generated EUR 1.9bn of total investment into 433 highly innovative SMEs

**CIP:**

- 2007-2013: so far, EUR 344m of EU resources generated EUR 1.9bn of total investment volume available, amounts growing fast. 190 SMEs covered so far.



# EU Financial Instruments: Why?

- Effective way to support EU2020 objectives (smart, sustainable and inclusive growth)
- 3 types of leverage
  - **Financial** – multiplication of scarce budgetary resources
  - **Policy** – financial intermediaries motivated to pursue public policy
  - **Institutional** – EU can capitalise on the resources and expertise of financial intermediaries
- Addressing markets failures/gaps



# What are the features of the next generation?

1. Use of best practices and experience of 15 years of using financial instruments.
2. Prominent role for financial instruments in implementing Europe 2020. Higher finance volumes giving critical mass. Broader scope.
3. Integrated and coherent approach. No overlaps. More complementarity with Structural Funds, possibility of joint instruments EU+SF/MS.
4. Dedicated regulatory framework for financial instruments within the EU (Financial Regulation), improvements in financial market regulation (new regime for VC, social investment funds).



# Which EU financial instruments?

EQUITY INSTRUMENT FOR SMEs		
<b>EU Equity Financial Instrument for EU enterprises' growth and RDI</b>	<b>Equity Instruments for Research and Innovation</b> - Investments in early stage funds or funds-of-funds that invest in intellectual property, technology transfer or venture capital	Horizon 2020
	<b>Equity Facility for Growth</b> - Investments in expansion stage funds or funds-of-funds that invest in venture capital	COSME
Builds on the equity facilities for SMEs used since 1998		
DEBT INSTRUMENT FOR SMEs		
<b>Debt Instrument for EU Enterprises' Growth and RDI</b>	<b>Loan Guarantee Facility</b> - Guarantees for SMEs and securitisation on loans up to EUR 150,000	COSME
	<b>RSI-II Facility</b> - Guarantees for R&I SMEs on loans above EUR 150,000	Horizon 2020
	<b>Cultural and Creative Sectors Facility</b> - Guarantees for loans to creative and cultural entities	Creative Europe
Builds on the guarantee facilities used since 1998 and the RSI compartment of RSFF (2011-2013)		



# Conclusions

1. CIP is a success. Its financial instruments are well tested, efficient and effective. That is why we will build on our experience and similar instruments more.
2. We are not only providing the financing – we also work on the regulatory framework – within the Commission, for financial intermediaries and also final beneficiaries.
3. We wish to continue the good cooperation with the financial intermediaries to provide efficient and effective funding solutions for SMEs all over Europe.



# Thank you

## Useful links:

General information on innovative financial instruments:

[http://ec.europa.eu/economy\\_finance/financial\\_operations/investment/innovative\\_financial\\_instruments/index\\_en.htm](http://ec.europa.eu/economy_finance/financial_operations/investment/innovative_financial_instruments/index_en.htm)

Horizon 2020:

[http://ec.europa.eu/research/horizon2020/index\\_en.cfm](http://ec.europa.eu/research/horizon2020/index_en.cfm)

COSME:

<http://ec.europa.eu/cip/cosme/>