



for small and medium-sized enterprises

## CASE STUDIES



**#investEU**





## Foreword by Commissioner Elżbieta Bieńkowska



**Elżbieta Bieńkowska**

EU Commissioner for the Internal Market,  
Industry, Entrepreneurship and SMEs

Creating jobs, boosting growth and supporting investments are key priorities of the European Commission.

Small and medium-sized enterprises (SMEs) are at the centre of all our activities. SMEs account for 99.8% of enterprises. They employ two out of every three employees, create 85% of all new jobs and generate about three-fifths of the EU value-added. Tailor-made support for SMEs is essential.

Our Programme for the Competitiveness of Small and Medium-Sized Enterprises (COSME) aims to strengthen the competitiveness and sustainability of enterprises. COSME encourages an entrepreneurial culture and promotes the creation and growth of SMEs.

Improving access to finance for businesses is one of the programme's priorities. Small businesses struggle more than large enterprises to obtain finance at all stages of their development. SMEs rely on external finance to stay competitive when engaging in innovation, digitalisation, internationalisation and upskilling.

With a budget of €1.4 billion, COSME financial instruments help SMEs access finance by mobilising loans and equity investments. Together with the European Fund for Strategic Investments (EFSI), COSME has already leveraged more than €22 billion of financing for small businesses.

I am delighted to see the positive changes COSME is making across the EU. Thanks to COSME financial instruments, over 410,000 SMEs and entrepreneurs have been able to start up, expand, invest, grow and employ additional staff.

This demonstrates how the EU, in partnership with the financial sector including the European Investment Bank Group, is able to multiply the value of European funds and support small companies.

COSME financial instruments are a European success story. They have helped entrepreneurs and their businesses succeed.

I hope that in the future many more small businesses will be able to make use of the financial support offered by the EU.

## COSME financial instruments in figures (2014-2018)

### COSME LOAN GUARANTEE FACILITY

More than **410,000**  
SMEs supported across  
**27** countries

**48%** of firms  
benefitting are **START-UPS**

**117** agreements with  
**88** financial intermediaries

**€22.8 billion**  
actual volume of financing  
provided to SMEs

**€42,500**  
average loan size per SME

Figures as of 31 December 2018

### COSME EQUITY FACILITY FOR GROWTH

**15** fund investments in  
**10** different countries

**€300 million**  
of investment

**38** SMEs received  
equity financing in  
**12** different countries

Figures as of 31 December 2018

**COSME** is the **EU programme for the competitiveness of enterprises and small and medium-sized enterprises** (SMEs) running from 2014 to 2020. The total budget is €2.3 billion.

60% of the programme (a total budget of €1.4 billion) is devoted to two **COSME financial instruments**: the **COSME Loan Guarantee Facility** and the **Equity Facility for Growth**. The COSME financial instruments, complemented by European Fund for Strategic Investments (EFSI) resources, mobilise debt and equity investments to SMEs in Europe.

The **COSME Loan Guarantee Facility**, in combination with EFSI, supports guarantees and counter-guarantees to financial institutions to help them provide more loans and lease finance to SMEs.

The COSME programme, through the **COSME Equity Facility for Growth**, also invests in equity funds that provide risk capital to SMEs, mainly in the expansion and growth stages.

### BOOSTING INVESTMENT ACROSS EUROPE

The European Fund for Strategic Investments (EFSI) is the main pillar of the Investment Plan for Europe. The fund supports strategic investments in key areas such as infrastructure, energy efficiency and renewable energy, research and innovation, environment, agriculture, digital technology, education, health and social projects. It also helps small businesses to start up, to grow and to expand by providing risk finance. The projects and agreements approved for financing under EFSI are expected to mobilise more than €380 billion in investments, and support 840,000 SMEs in the 28 Member States.



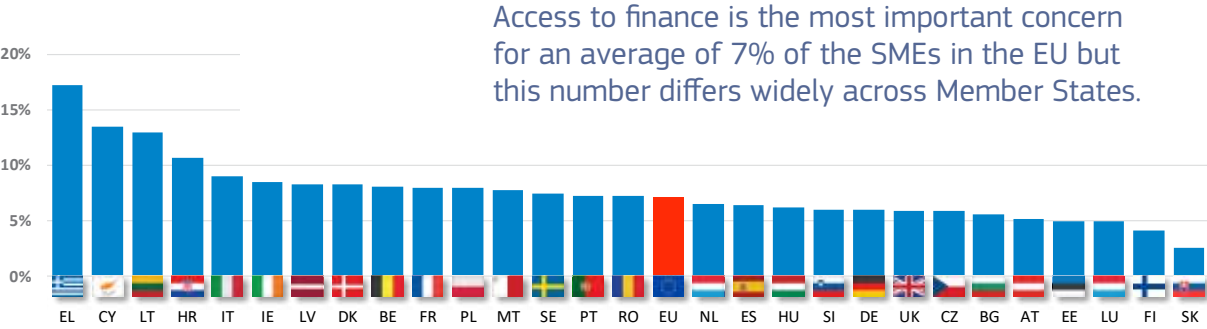
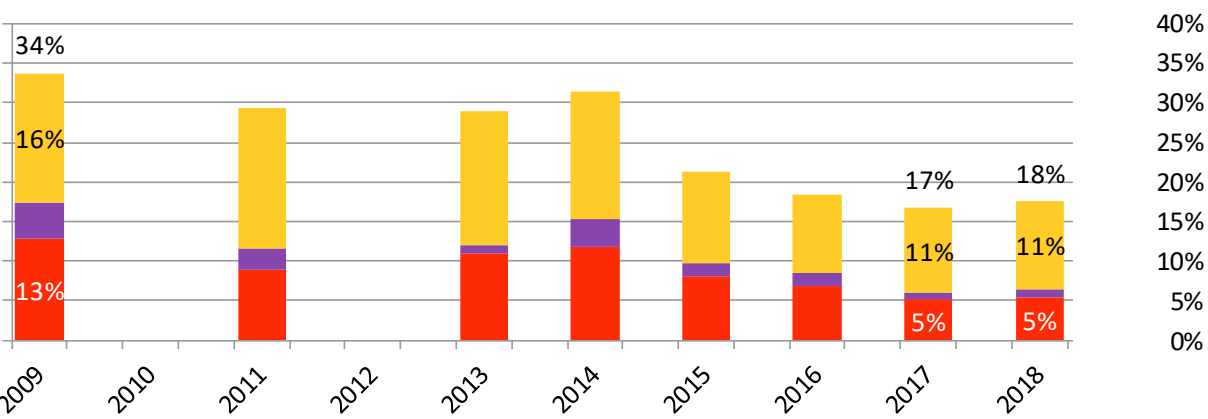
Access to finance is critical for European businesses

Small and medium-sized enterprises (SMEs) represent over 99% of businesses in the EU so it is crucial to support their growth and innovation. However, one of the most important issues facing SMEs is their difficulty accessing finance for starting and/or growing a business.

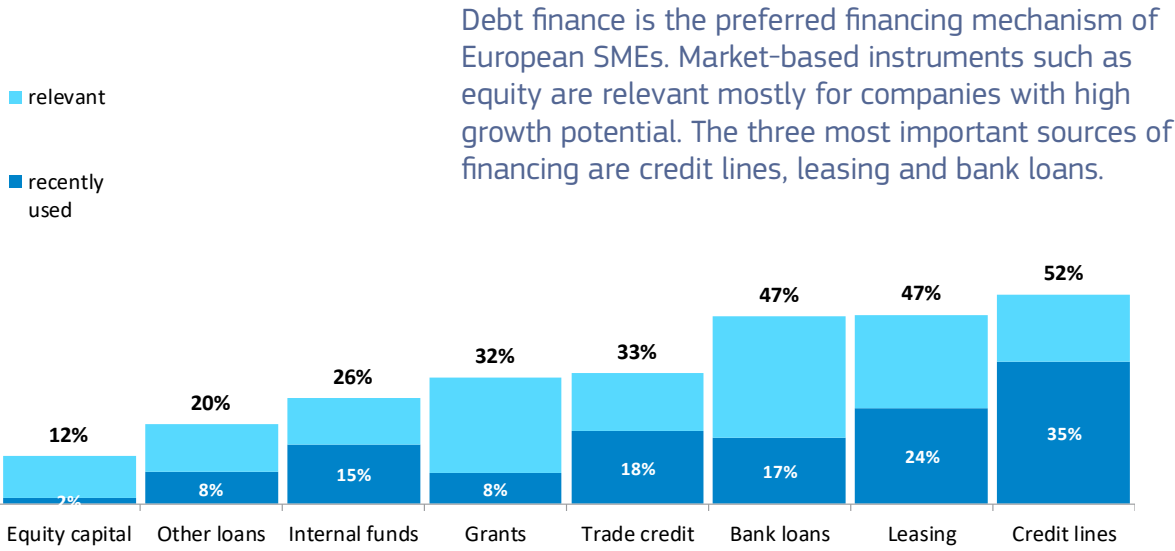
In order to provide European SMEs with tailor-made financial support, the European Commission is committed to evidence-based policy making that is based on the best available data. We gather information through various tools such as financing gap analysis, studies and surveys.

The survey on the access to finance of enterprises (SAFE) gathers data, monitors the developments in SMEs' access to finance and analyses their financial situations. It is carried out yearly in cooperation with the European Central Bank.

European entrepreneurs rely heavily on bank financing and, although the situation is improving, they still face issues in accessing it: in total, 18% of our SMEs did not manage to get the full bank loan they had planned for in 2018.



Access to finance is the most important concern for an average of 7% of the SMEs in the EU but this number differs widely across Member States.



Debt finance is the preferred financing mechanism of European SMEs. Market-based instruments such as equity are relevant mostly for companies with high growth potential. The three most important sources of financing are credit lines, leasing and bank loans.



THE SAFE SURVEY

The SAFE survey covers micro, small, medium-sized and large firms. It provides evidence of changes in financing conditions, needs, availability and sources, as well as the results of applications for external financing submitted by SMEs compared with those of large firms. It provides an analysis across branches of economic activity, countries, and of firms by age, financial autonomy and ownership.

The sample includes over 17,000 companies in all EU Member States and some other countries participating in the EU programmes (total of 36 countries).



## COSME Loan Guarantee financial intermediaries

Map as at June 2019

Financing for small and medium-sized companies is usually provided through selected financial intermediaries. The European Investment Fund, which provides the guarantees and counter-guarantees backed by the COSME programme, signed more than 110 agreements with local banks, national promotional institutes, leasing companies, guarantee societies and other intermediaries in 30 countries throughout Europe.

The decision to provide financing to the businesses and the exact conditions are determined by the financial institution. SMEs can always ask for feedback on credit decisions.

Find EU finance for your business at  
**[www.access2finance.eu](http://www.access2finance.eu)**





The COSME financial instruments have been supporting more than 410,000 European SMEs. Behind each is a business idea, an entrepreneur and a story. The following pages outline a few of them to highlight the diversity of projects and businesses supported.



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LOCATION :  
FINANCIAL INTERMEDIARY :  
SECTOR :  
NUMBER OF EMPLOYEES :  
FINANCING PURPOSE :  
FINANCING SOURCES :

Brno, Czechia  
Komerční Banka  
Retail: children's shoe shop  
2.5  
To start up the business  
**COSME LGF, EFSI**



## Expanding the world of children's footwear

Most parents realise that children need footwear that fits properly and as a result, the children's footwear market has seen the development of a wide range of new shoe styles, including healthy, natural and barefoot-type footwear.

*“Following our success in the Brno region, we plan to open a branch in Prague next year.”*

### SUPPORT

To give shoppers in Brno a better choice of products, Lucie Prokešová opened her shop, Neobuto, early in 2016. She obtained an EU-supported loan through Komerční Banka, a financial intermediary under the COSME Loan Guarantee Facility. The COSME loan agreement that helped her establish the business benefited from the backing of the European Fund for Strategic Investments (EFSI) managed by EIF.

### THE STORY SO FAR

Neobuto has become famous for attentive, professional service and for helping its young customers find perfectly-fitting footwear. Shoppers travel long distances and from as far afield as neighbouring Slovakia and Austria to visit the shop and browse through the new brands of children's shoes, previously not well known on the Czech market. The company is now working with a children's physiotherapist to expand its range and cater for specific customer needs such as flat feet. Following its success in the Brno region, Neobuto plans to open a new branch next year in Prague.



LOCATION : Grenoble, France  
FINANCIAL INTERMEDIARY : France Active  
SECTOR : IT equipment  
NUMBER OF EMPLOYEES : +/- 40  
FINANCING PURPOSE : To open a new store  
FINANCING SOURCES : COSME LGF, EFSI



## Europe supports the circular and social economy

In 2012, Éric Laur brought the German model of AfB, a successful circular economy business, to Annecy, France. AfB collects used IT equipment from its partners and offers them data deletion services. 70% of the equipment collected is refurbished and resold through AfB shops to individuals or SMEs. The remaining 30% is dismantled, and the components are sorted and re-used. AfB is a disability-friendly company and prioritises disabled people in its recruitment policies. They make up approximately 80% of AfB's workforce.

*"Without France Active and the European Union, my journey would have been more difficult."*

### SUPPORT

Thanks to a €40,000 France Active loan, which was counter-guaranteed through the EU's COSME and EFSI programmes, Éric was able to open a new store in Grenoble in 2016. "France Active provided the credibility which the project needed, in order for our bank, Crédit Coopératif, to have confidence in us. The fact that I didn't have to provide any personal guarantees was very encouraging."

### THE STORY SO FAR

The loan enabled Éric to find a location, carry out building works, set up a new shop and take on eight workers. Éric is well aware of the vital role played by the intermediaries: "Without the support of France Active and the European Union, I am sure my journey would have been more difficult."

LOCATION : Salamanca, Spain  
FINANCIAL INTERMEDIARY : Compañía Española de Reafianzamiento (CERSA)  
SECTOR : Fashion  
NUMBER OF EMPLOYEES : 14  
FINANCING PURPOSE : To acquire installations and increase production  
FINANCING SOURCE : COSME LGF



## Fashion: from Salamanca to a global brand

Created by designer Felisa Campo in 1995, this Spanish haute couture brand specialises in women's clothing, particularly wedding dresses. "Our main shop in Salamanca employs 14 people, but our clothes are available in more than 200 locations all around the world," explains Felisa.

*"The loan guarantee has helped us quite a bit to keep growing."*

### SUPPORT

2017, Fely Campo received a €100,000 loan guaranteed through SGR, a mutual guarantee institution, and Compañía Española de Reafianzamiento (CERSA), which is part of the Spanish Ministry of Industry. The guarantee was made possible by a 2016 agreement signed between CERSA and the European Investment Fund. Under the agreement, CERSA provides counter-guarantees to local financial institutions. The guarantees are backed by COSME, the EU programme for SMEs.

### THE STORY SO FAR

Fely Campo is now well on its way to becoming an international brand, thanks to COSME's help. The financial backing helped enhance the company's production process as well as the brand itself. "We're about to present our new fashion collection in London and Milan. This loan guarantee has helped us quite a bit to keep growing," says Felisa.



LOCATION : Osijek, Croatia  
FINANCIAL INTERMEDIARY : PBZ  
SECTOR : Healthcare  
NUMBER OF EMPLOYEES : 20  
FINANCING PURPOSE : To purchase equipment  
FINANCING SOURCES : COSME LGF, EFSI



Transforming  
bright ideas  
into bright  
smiles

Having completed his studies in dental medicine at the Faculty of Medicine in Rijeka, young dentist Josip Čes decided to set up his own business. “Soon after I started, my wife joined me, then my brother, and so on. The company became a true family business,” he explains. Dental Center Čes provides services in the field of cosmetic and restorative dental medicine, implantology, and oral surgery and dentistry. The customer-focused company constantly invests in new technology and all personnel undergo regular training courses in Croatia and abroad to keep improving their technical expertise.

SUPPORT

To ensure the company is fully equipped to provide the best technological solutions, including the production of demanding prosthetic and cosmetic constructions, significant investment is required. To that end, Dental Center Čes sought a loan from PBZ, backed by the EU under the COSME programme and the Investment Plan for Europe. This financing was used to purchase equipment, such as a 3D printer that can produce various orthodontic appliances.

THE STORY SO FAR

With business growing, the team soon expanded to 20 employees, and the future is looking bright. “Every year we are expanding and buying new equipment,” Josip says. “Ultimately, our aim is to take our clients’ ideas and wishes and – with the help of our expertise and technology – turn them into bright smiles!”

LOCATION : Hungary  
FINANCIAL INTERMEDIARY : Agrár-Vállalkozási Hitelgarancia Alapítvány (AVHGA)  
SECTOR : Agriculture  
NUMBER OF EMPLOYEES : 3  
FINANCING PURPOSE : To buy environmentally-friendly fertilizer  
FINANCING SOURCES : COSME LGF, EFSI



Bringing  
sustainability  
to local farms

The family farm of György Juhász was founded in 2002 and operates mainly around Szolnok, Tószeg and Tiszavárkony in Hungary. Sixteen years later, the business is still expanding: in 2017, the farm cultivated sunflowers, corn, coleseed, winter wheat and other cereal grains on almost 200 hectares of land.

*“The guarantee underpinning the AVHGA loan was essential for financing our project.”*

SUPPORT

György received help from the COSME and EFSI programmes through Agrár-Vállalkozási Hitelgarancia Alapítvány (AVHGA). The 2016 agreement signed between AVHGA and the European Investment Fund (EIF) allows more agricultural and rural micro, small and medium-sized enterprises (SMEs) to access financing than before, because the EIF provides AVHGA with a counter-guarantee backed under the EU’s COSME and EFSI programmes.” As AVHGA CEO András Herczegh explains: “The mission of AVHGA is to facilitate credit availability for SMEs that other financial institutions find too risky to finance.”

THE STORY SO FAR

“The guarantee underpinning the AVHGA loan was essential for financing our project,” says owner, private farmer, agriculture engineer and plant health specialist György Juhász. The HUF 12 million loan enabled the farm to use environmentally-friendly, sustainable fertilizers in a more precise way, based on and adjusted to the special needs of the crops. The project, which should pay-off in three to four years, also helped involve the younger members of the family in the business.

LOCATION : Vienna, Austria  
FINANCIAL INTERMEDIARY : Austria Wirtschaftsservice Gesellschaft (aws)  
SECTOR : Retail: children's toys  
NUMBER OF EMPLOYEES : 2  
FINANCING PURPOSE : To purchase machinery and equipment, working capital  
FINANCING SOURCE : COSME LGF



From birthday gift to successful business

Like most dads, Sven Purns wanted to do something special for his daughter's first birthday. Unlike most dads who might go out and buy a new toy, Sven actually created one himself. An instant hit, his building blocks consisting of colourful cubes and prisms have grown into a very successful business called Ainstein. Sven initially designed the first blocks made of plastic using a 3D printer. An engineer by trade, he then developed several machines for the business and now works out of a small basement workshop in Vienna. In the first few months, 50,000 building blocks were sold, mainly in Austria.

SUPPORT

As the business started to take off, Sven found himself in need of some financing to cover costs. aws assisted the start-up and provided a guarantee for the much-needed financial support with the backing of the EU.

THE STORY SO FAR

As a result, the company was able to invest in ultrasonic welding machinery and other equipment, and also had working capital to help it get off the ground. Sven now has one employee, produces about 1,000 pieces per day and is already planning his next steps. For Easter 2017, he released a new line of building blocks in various new colours.

LOCATION : Lecce, Italy  
FINANCIAL INTERMEDIARY : Panakés  
SECTOR : Medical devices  
NUMBER OF EMPLOYEES : 26  
FINANCING PURPOSE : To conduct clinical studies, improve marketing, expand sales network  
FINANCING SOURCES : COSME EFG, EFSI



Setting new standards in the diagnosis of osteoporosis

Osteoporosis is a systemic skeletal disease characterised by low bone mass and the deterioration of bone tissue, leading to increased fragility and fracture risk, a disease widely under-diagnosed or diagnosed late. Echolight, a medical technology company founded in 2010, has developed a special REMS (Radiofrequency Echographic Multi Spectrometry) technique enabling early diagnosis with a simple test of bone strength in less than five minutes.

SUPPORT

"Becoming the gold standard in osteoporosis diagnosis takes time," explains Sergio Casciaro, CEO of Echolight. "Research, clinical studies, certification, patenting... it is not an overnight process." In 2016, the company sought investment to support the clinical validation of its new technology and to enable it to invest in marketing and reducing production costs. Panakés, an EIF-backed venture capital fund that specialises in medical companies, invested in Echolight's future with the support of the COSME Equity Facility for Growth and the EFSI under the Investment Plan for Europe.

THE STORY SO FAR

The investment has enabled Echolight to hire a number of scientists to carry out clinical studies in 15 different hospitals across Europe.



LOCATION : Vilnius, Lithuania  
FINANCIAL INTERMEDIARY : Swedbank  
SECTOR : Energy  
NUMBER OF EMPLOYEES : 120  
FINANCING PURPOSE : To build up inventory and scale-up business  
FINANCING SOURCES : **COSME LGF, EFSI**



## Repairing the future

In 2011, when Lithuania’s nuclear power plants began the process of de-commissioning, and the supply of electricity dropped, prices went up dramatically. “It was the perfect time to present the Lithuanian market with intelligent energy solutions that are cheap, safe and environmentally friendly,” says Povilas Sidlauskas, founder and CEO of Energus. His company, which provides intelligent energy efficiency services for large buildings, is active in Lithuania and Belarus, as well as Latvia and Sweden.

*“Since we started to work with Swedbank, we’ve grown from about 60 to 120 employees.”*

## SUPPORT

To support growth, Energus has had to rely on financing solutions. With more large projects in the pipeline, the company needs to build up its inventory. “For example, we need to buy lots of material, such as cables, then install them and manage the system. This creates pressure on cashflow,” Povilas explains. To finance this scale-up operation, Energus received an EU-guaranteed loan from Swedbank, backed by the COSME Equity Facility for Growth and EFSI under the Investment Plan for Europe.

## THE STORY SO FAR

Since then, Energus has grown from about 60 to 120 employees. The company’s commitment to energy efficiency is increasing, as it branches out into adjacent fields. Recent projects include developing smart lithium-ion batteries, and improving the recycling process by developing devices that recognise and separate different waste types. “We also want to develop solutions that allow a building to function independently, off the electricity grid,” says Povilas.

LOCATION : Žabljak, Montenegro  
FINANCIAL INTERMEDIARY : Crnogorska Komercijalna Banka (CKB)  
SECTOR : Tourism / entertainment services  
NUMBER OF EMPLOYEES : 2 + 4 seasonal  
FINANCING PURPOSE : To buy equipment for a zip-line  
FINANCING SOURCE : **COSME LGF**



## Flying across the Tara River Canyon

The Tara River Canyon in Durmitor National Park in northern Montenegro is a UNESCO World Heritage Site that attracts an increasing number of tourists every summer. Founded in 2014 by Danko Šljivančanin, Madera is a small family business based in the Tara region. It provides a variety of tourism services, including rafting, travel agency and accommodation, as well as running a convenience store near the Đurđevića Tara Bridge. In 2016, the company decided to diversify in order to attract more adventurous tourists, and installed a zip-line across the Tara Canyon.

## SUPPORT

This was made possible through a loan secured from Crnogorska Komercijalna Banka (CKB), backed by an EU guarantee under COSME LGF. With the help of the loan, Madera was able to purchase and install the zip-line cable, creating two new job positions during the summer season. At over 1km in length, the Extreme Zip-line Tara offers an adrenaline-filled experience at speeds that can reach 100km/h over the canyon’s crevice.

## THE STORY SO FAR

With the number of tourists increasing continuously and a renovation of the bridge planned for late 2017, Danko expects business to grow further in the coming years. For this reason, the company is planning to boost its accommodation provision, taking the quality of its services to a higher level and creating even more jobs.



LOCATION : Saint-Paul de Vence, Provence-Alpes-Côte d'Azur, France  
FINANCIAL INTERMEDIARY : SIAGI  
SECTOR : Retail: perfumery  
NUMBER OF EMPLOYEES : 1  
FINANCING PURPOSE : Start up the business, purchase and renovate facilities  
FINANCING SOURCES : COSME LGF, EFSI



Capturing the heart and soul of natural essences

I was visiting my grandfather in Paris and came across his vast collection of old perfumes. I was simply blown away... it was amazing to smell these fragrances,” says Sonia Souza, great-granddaughter of Julien-Joseph Godet, who founded Maison Godet perfumery in 1901. Sonia, no stranger to the perfume business, decided to reproduce these memorable fragrances from the early 20th century.

*“With the guarantee on the loan, I went from having no options to having multiple financing offers.”*

SUPPORT

She developed a business plan and secured a loan through SIAGI, backed by EIF under COSME LGF and the European Fund for Strategic Investments. “It was a game changer,” Sonia points out. “With this guarantee on the loan, I went from having no options to having multiple financing offers. Otherwise, I don’t think I would have been able to get the project off the ground.”

THE STORY SO FAR

The loan enabled Sonia to realise her dream of resurrecting Maison Godet, securing and renovating the facilities for the store in Saint-Paul de Vence. “The location is no coincidence,” explains Sonia, “Many artists used to come here and were close to my great-grandfather. He made perfumes here for the muses of artists such as Henri Matisse and Pablo Picasso.” With the business doing well, Sonia has plans to recruit three new members of staff, and open a new store in London, Paris or New York. She is already cultivating her own rose and jasmine fields.

LOCATION : Muhu, Estonia  
FINANCIAL INTERMEDIARY : KredEx  
SECTOR : Retail: bakery  
NUMBER OF EMPLOYEES : 40  
FINANCING PURPOSE : To purchase equipment  
FINANCING SOURCES : COSME LGF, EFSI



Bringing home-made bread to the market

Martin Sepping’s successful business project started with the idea of bringing the freshness and authenticity of warm, home-baked bread to the market. “Estonians really like to bake bread at home. What we do at the bakery is exactly the same thing – just with better technology.” Martin set up Muhu Leib (leib means ‘bread’ in Estonian) on Muhu island in 2013, and with his dark rye bread soon flying off the shelves, expanded the business - first to Tallinn, and then throughout Estonia, establishing nine bakeries and employing 40 people by mid-2017.

SUPPORT

To grow the business, Martin needed financial support to purchase ovens, cabinets, mixers and fridges. He turned to KredEx and obtained an EU-supported loan backed by EIF under COSME LGF and the Investment Plan for Europe, which aim to generate new investments by facilitating access to finance for small and medium-sized enterprises. The loan, which came with favourable conditions and without any collateral requirements, enabled Martin to equip his new bakeries.

THE STORY SO FAR

With volumes increasing and the business expanding fast, Martin is clear about the future: “Right now we want to make sure we are working as well as possible. We want to concentrate on getting our systems running efficiently now before we grow any further.”



LOCATION :  
FINANCIAL INTERMEDIARY :  
SECTOR :  
NUMBER OF EMPLOYEES :  
FINANCING PURPOSE :  
FINANCING SOURCE :

Mallorca, Spain  
MicroBank  
Education: language school  
8  
To purchase material necessary to set up the business  
**COSME LGF**



## Seizing the opportunity to start-up language training

“What can I do after completing my studies?” Rosa Lopez, a young woman from the Mallorcan town of Capdepera, already had her answer – she had identified a business opportunity in the field of language training, but turning her plans into reality seemed daunting. “I always wanted to have a business but didn’t know if I could ever achieve it,” she says. “When you finish your university studies, you have no money and no means to start a business; you need help.”

### SUPPORT

Rosa turned to MicroBank, who advised her on the business project and made her an attractive financial offer, with the support and backing of EIF under the European Union’s COSME Loan Guarantee Facility. Rosa used the loan to cover the rent deposit and to purchase materials such as books, games and furniture, to get the business off the ground.

### THE STORY SO FAR

Today, Schwa Language Academy offer classes for all age groups, based on a learning philosophy that includes not only traditional methods, but also interactive fun and games. In just two years, the initial team of three people who were running the academy has become a staff of eight employees. Also, a new centre in Sineu has been added to the first centre in Capdepera. A third centre may be opened in the near future.

LOCATION :  
FINANCIAL INTERMEDIARY :  
SECTOR :  
NUMBER OF EMPLOYEES :  
FINANCING PURPOSE :  
FINANCING SOURCES :

Foligno, Umbria, Italy  
Confidicoop Marche  
Woodwork, construction  
10  
To provide liquidity to pay suppliers  
**COSME LGF, EFSI**



## A passion for wood

“Wood is elegant matter. Wood is durable, economical and remains beautiful over time. It can make any space more welcoming and comfortable from a thermal point of view, and offers natural acoustic insulation. It is a great gift of nature,” claims Leonardo Pittola, President of Umbria Legno. The company, set up in May 2016, specialises in the design, eco-friendly manufacture and installation of wooden and lamellar structures, from canopies to roofs and garden furniture.

*“We have been able to hire two new colleagues and business is growing steadily.”*

### SUPPORT

As a young start-up, Umbria Legno found it difficult to access financial support without any credit history – but needed funding in order to secure the necessary liquidity to pay suppliers up-front. The solution came through a bank loan with the help of Confidicoop Marche, which offered to guarantee the loan with the backing of EIF under the EU’s COSME and EFSI programmes. The loan enabled Umbria Legno to unlock the necessary finance and focus on developing the business.

### THE STORY SO FAR

With its cash flow problems behind it, the company is now going from strength to strength and has just signed a new deal with a Swiss company to install pre-fabricated wooden houses. Leonardo is very positive about the future: “In the course of our first year, business has been growing steadily. We have been able to hire two new colleagues and we look forward to increased business in the coming years.”



LOCATION : Anthili, Lamia, Greece  
FINANCIAL INTERMEDIARY : Eurobank  
SECTOR : Agriculture and agro-food  
NUMBER OF EMPLOYEES : 5  
FINANCING PURPOSE : To increase capacity, improve supply chain management and product development  
FINANCING SOURCES : **COSME LGF, EFSI**



## Refarming Greece

Agrifarm, founded in 2014 and already boasting several international awards, is an innovative form of collaborative production and standardisation of agricultural products – mainly pulses and rice – grown in a natural way. Production is based on intelligent agricultural management, maintaining natural resources and without the extensive use of fertilizers and pesticides. The company provides expertise and know-how to farmers, buys their produce and exports it to the UK, US, Canada and Italy.

*“With demand growing, we needed to secure supplies, expand partnerships and increase capacity.”*

### SUPPORT

To expand the business, Dimitris Gremylogiannis, CEO and Founder of Agrifarm, sought financing through Eurobank, in the form of an EU-guaranteed loan backed by EIF under the EU’s COSME Programme and the Investment Plan for Europe. “With demand growing, we needed to secure supplies of raw materials, expand partnerships and increase capacity. Securing financing wasn’t easy and the support we received was of critical importance in this respect,” he explains.

### THE STORY SO FAR

Working closely with academic institutions, Dimitris is moving towards offering his clients a holistic experience, bringing consumers closer to the source of produce. Social impact, too, is very important. “The average age of our farmers is 35, already a good sign. We want to give young people all the tools they need to be able to stay in the countryside, and to live with dignity where they were born, on their own land,” explains Dimitris, himself a fourth-generation farmer.

LOCATION : Maribor, Slovenia  
FINANCIAL INTERMEDIARY : Slovenski Podjetniški Sklad  
SECTOR : Automotive industry  
NUMBER OF EMPLOYEES : 114  
FINANCING PURPOSE : To purchase new technology  
FINANCING SOURCE : **COSME LGF**



## Upgrade keeps automotive company on track

The automobile industry is a driver of Slovenia’s exports – most exported cars have at least one part made in Slovenia. Maribor-based BNM, which specialises in metal forming, complex stamping and welding for the automotive industry, has an important role in preserving and reviving this globally important sector. However, banks would not back the young company’s much needed upgrade due to lack of collateral.

### SUPPORT

A loan from the Slovene Enterprise Fund (SEF) in 2016 opened up new possibilities. SEF provided a loan of more than €490,000, counter-guaranteed by the European Union’s COSME loan guarantee programme.

### THE STORY SO FAR

Thanks to the COSME-backed loan, BNM purchased new technological equipment: laboratory equipment, a machine for edging, a measuring machine, and a welding robot, and significantly modernised the production processes. The company plans to increase revenues by 43.6% (from €8.01 million in 2015 to €11.50 million in 2018). The team also recruited four extra people to work on the new machines, meaning that the company no longer has to outsource part of the manufacturing, thus increasing efficiency and profitability. The future looks bright for BNM, which is rapidly growing and developing: its main goal is to upgrade its B-grade supplier status to an A.



LOCATION : Wildpoldsried, Bavaria, Germany  
FINANCIAL INTERMEDIARY : SET Ventures  
SECTOR : Renewable energy  
NUMBER OF EMPLOYEES : 600  
FINANCING PURPOSE : To expand sales, working capital and product development  
FINANCING SOURCES : COSME EFG, EFSI



## Taking energy into your own hands

Founded in 2010 in Wildpoldsried, a world-renown renewable energy village, sonnen has already grown to be the world's largest manufacturer of rechargeable energy storage systems and one of its fastest growing companies. The sonnenBatterie, a lithium-iron-phosphate-based energy storage system, enables the storage and optimisation of self-generated solar power and the creation of an interconnected energy community where members can share their energy with each other, working towards true energy autonomy for residents. But getting started was a challenge: "At that point in our development, with no profit to show, getting a loan was close to impossible," explains Steffen Schneider, Chief Financial Officer.

## SUPPORT

However, with an equity investment from SET Ventures, a fund backed by EIF under the EU's Investment Plan for Europe and the COSME Equity Facility for Growth, sonnen was able to access the financing it needed for working capital, to expand sales and to invest in developing the next generation of the product.

## THE STORY SO FAR

Today, the company employs around 600 persons and has recently been acquired by Shell.

LOCATION : Sofia, Bulgaria  
FINANCIAL INTERMEDIARY : National Guarantee Fund (Bulgarian Development Bank)  
SECTOR : Textile  
NUMBER OF EMPLOYEES : 2  
FINANCING PURPOSE : To develop online shop and purchase of materials for the bags  
FINANCING SOURCES : COSME LGF, EFSI



## Bags that mean business

An interest in music and art is the common element behind the successful bespoke street fashion brand, Kloshar Bags. The origins of the company, based in Sofia, Bulgaria, can be traced back to the day Deyan Milenkov decided to give his sister Natalyia a vinyl record bag as a present. Natalyia soon began making her own bags for herself and her friends, and Deyan eventually developed a Facebook page for Kloshar Bags. The brand quickly gained fans in the world of social media, but with growth came the need for investment in materials and logistics. Deyan and Natalyia decided to leave their previous jobs and dedicate all their time and resources to the company, and started to look for partners who could help them expand the business.

## SUPPORT

They found support in the form of a loan from the JOBS Microfinance Institution, backed by the Bulgarian National Guarantee Fund under the counter-guarantee of the EU's EFSI and COSME programmes. As Deyan explains, "We expected the process to be very slow and tedious, but it turned out we were wrong. Naturally, we had to complete various documents, but the most important thing was that the bank employees were with us 24/7."

## THE STORY SO FAR

The loan allowed Kloshar Bags to launch its own online shop and expand the team, exploring new markets around the world, from the United States to South Korea. As fans of vinyl, Kloshar Bags is beginning to develop the idea of keeping the vinyl records completely authentic and usable.

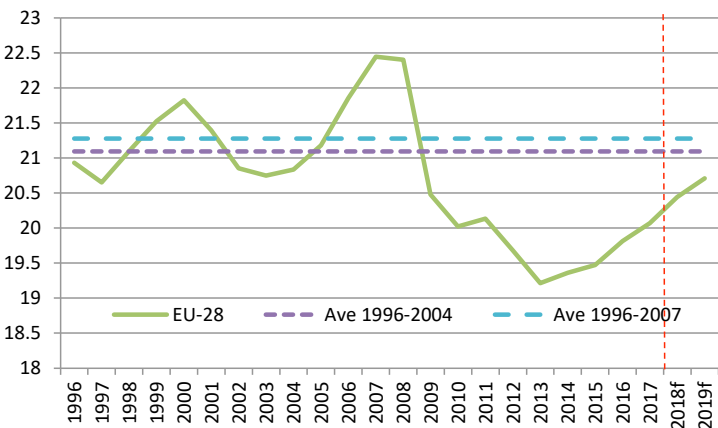


The future:  
The InvestEU Programme\*  
2021 to 2027

What is the  
InvestEU Programme?

The InvestEU Programme will bring together under one roof the multitude of EU financial instruments currently available and expand the successful model of the Investment Plan for Europe, the Juncker Plan. With InvestEU, the Commission will further boost investment, innovation and job creation, triggering at least €650 billion in additional investment.

INVESTMENT (% GDP) IN THE EU



Source: AMECO and ECFIN calculations

The investment conditions in Europe have improved since the launch of the Juncker Plan in 2014, thanks to a more favourable economic situation and public interventions such as the European Fund for Strategic Investments (EFSI). However, there is still a sizeable investment gap in Europe.

What will the InvestEU Programme consist of?



THE InvestEU FUND

Mobilising public and private investment using guarantees from the EU budget.



THE InvestEU ADVISORY HUB

Providing technical advice to investment requiring financing.



THE InvestEU PORTAL

An easily-accessible database bringing together projects and investors.

What are the benefits of  
the InvestEU Programme?

Simplified and streamlined  
investment support

With just one set of rules and procedures and one point of contact for advice, InvestEU would house all these financing programmes under one roof.

2014 - 2020

- European Fund for Strategic Investments
- CEF Debt Instrument
- CEF Equity Instrument
- Loan Guarantee Facility under COSME
- Equity Facility for Growth under COSME
- InnovFin Equity
- InnovFin SME guarantee
- InnovFin Loan Services for R&I Facility
- Private Finance for Energy Efficiency Instrument
- Natural Capital Financing Facility
- EaSI Capacity Building Instruments
- EaSI Microfinance and Social Enterprise Guarantees
- Student Loan Guarantee Facility
- Cultural and Creative Sectors Guarantee Facility

InvestEU 2021-2027  
Policy Windows



Sustainable Infrastructure



Research Innovation & Digitisation



Small & Medium-sized Companies



Social Investment & Skills

\*According to the Commission's proposal for a regulation establishing the InvestEU Programme (COM/2018/439 final) adopted in June 2018



# EU FINANCING

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