Competitiveness and Innovation Framework Programme (CIP) 2007-2013

2005/0050(COD) - 30/10/2014

This Staff Working Document (SWD) constitutes an Annex to the report of the Commission to the European Parliament and the Council on financial instruments supported by the general budget according to Article 140(8) of the Financial Regulation as at 31 December 2013. It provides specific information on individual financial instruments, their progress made in implementation and their environment in which they operate.

Financial instruments are a proven way to achieve EU policy objectives. They use EU funds to support economically viable projects and attract very significant volumes of public and private financing. By injecting money into the real economy, financial instruments contribute to the achievement of the EU policy objectives enshrined in the Europe 2020 Strategy, notably in terms of employment, innovation, climate change and energy sustainability, education and social inclusion.

The report gives detailed information on each financial instrument.

The High Growth and Innovative SME Facility (GIF)

Financial instruments are part of the Entrepreneurship and Innovation Programme (EIP), one of the three specific programmes under the Competitiveness and Innovation Framework Programme 2007-2013 (CIP).

The overall objective of the financial instruments under the CIP is the improvement of access to finance for the start-up and growth of small and medium-sized enterprises (SMEs) in order to support their investment in innovation activities, including eco-innovation.

GIF is implemented by the European Investment Fund (EIF) on behalf of the Commission. It aims to increase the supply of equity for innovative SMEs in their early stages (GIF1) and in the expansion phase (GIF2).

As regards duration, the commitment period for GIF ends on 31 December 2013 but the instruments will exist until the end of the GIF facility period, i.e. until after 2026.

The total budgetary commitments for the CIP financial instruments for the whole period of 2007-2013 were foreseen to be EUR 1.13 billion, with an original indicative split of EUR 623 million for GIF (including eco-innovation) and EUR 506 million for the SME Guarantee Facility.

GIF used 99.7% of its allocated budget of EUR 625.2 million. It invested in 46 venture capital funds, therefore supporting 349 final recipients and creating more than 3000 jobs as of December 2013.

Out of the fore-mentioned 46 funds, 30 funds have a multi-country focus and the remaining 16 funds target investments in specific countries. 13 venture capital funds are investing in eco-innovation.

Under GIF, the support is much more **focused and targeted** on a relatively limited number of companies that have the potential to achieve high growth, to bring innovation to the market and to create high added value jobs.