



SME Report

2013

Report of the European Investment Bank Group on support for small and medium-sized enterprises and midcaps in the EU and Candidate and Potential Candidate Countries



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Foreword

From the EIB Vice-President and EIF Chief Executive

In 2013 the EIB Group reinforced its counter-cyclical role, providing its financial intermediaries with long-term loan funding as well as capital-relief and risk-sharing instruments, via securitisation, guarantees, risk-sharing loans and investments in venture and growth capital funds. We also continued to increase our support for micro-enterprises and Europe's self-employed through microfinance loans to specialised intermediaries.

A series of targeted financial instruments was designed in 2013 to address specific market gaps and meet the many needs of Europe's diverse range of SMEs, often in collaboration with our partners at

the European Commission and in the 28 EU Member States. We implemented the financing of working capital facilities and launched trade finance facilities.

In short, in 2013 we maintained our role as a key player in the European solution for economic recovery, working in concert with our many stakeholders and actively pursuing the EU policy objectives of growth, innovation, cohesion and employment, in particular youth employment.

We are committed to continuing on this path and maximising our support for SMEs to ensure a robust economic recovery.

Dario Scannapieco
Vice-President of the European
Investment Bank

Pier Luigi Gilibert
Chief Executive of the European
Investment Fund



Introduction

Small and medium-sized enterprises (SMEs)¹ hold the key to the European economy, providing employment for some 86.8 million people and generating close to 60% of the gross value added in Europe's private non-financial sector. Unable to raise funds directly on the capital markets, most of the EU's 20 million SMEs rely on traditional bank financing to power their growth. During the recent years of financial crisis, reduced risk appetite and banks' refinancing capacity have affected many SMEs². In a conscious bid to alleviate the challenging economic environment, the EIB Group reinforced its counter-cyclical role in 2013, extending a record EUR 21.9bn to Europe's small and medium-sized businesses.

Certain trends became apparent in 2013 in terms of European SME financing activities.

- As a result of macroeconomic uncertainty and decreased domestic spending, SMEs shifted the focus of their financing requests from long-term investment loans to short-term working capital finance³.
- SMEs in the euro area continued to report access to finance as the second most pressing problem during 2013⁴. With tightening of credit standards for enterprise loans and a widening of credit margins on riskier loans, SMEs suffer from lower availability of loan finance and also a higher cost of funding than larger companies.
- The equity market for SMEs has also suffered a severe downturn since 2008, significantly reducing an important source of funding for start-up and growing enterprises.



EU policymakers have posited the revitalisation of the European SME securitisation market⁵ as a way to enhance SMEs' access to finance. We at the EIB Group are ideally positioned to alleviate the critical bank credit bottleneck as we emerge from the financial crisis, ensuring that the tap for SME finance continues to flow, meeting the demand from Europe's SMEs. The European Council called upon the EIB Group to step up its efforts to support SMEs. We at the EIB Group responded to this call.

¹ Unless stated otherwise, in the remainder of the text references to 'SMEs' include midcaps. The EIB defines SMEs as enterprises with fewer than 250 employees and midcaps as enterprises with a minimum of 250 and maximum of 3 000 employees.

² 'Investment and Investment Finance in Europe', section on 'Bottlenecks in SME financing', November 2013.
<http://www.eib.org/infocentre/publications/all/investment-and-investment-finance-in-europe.htm>.

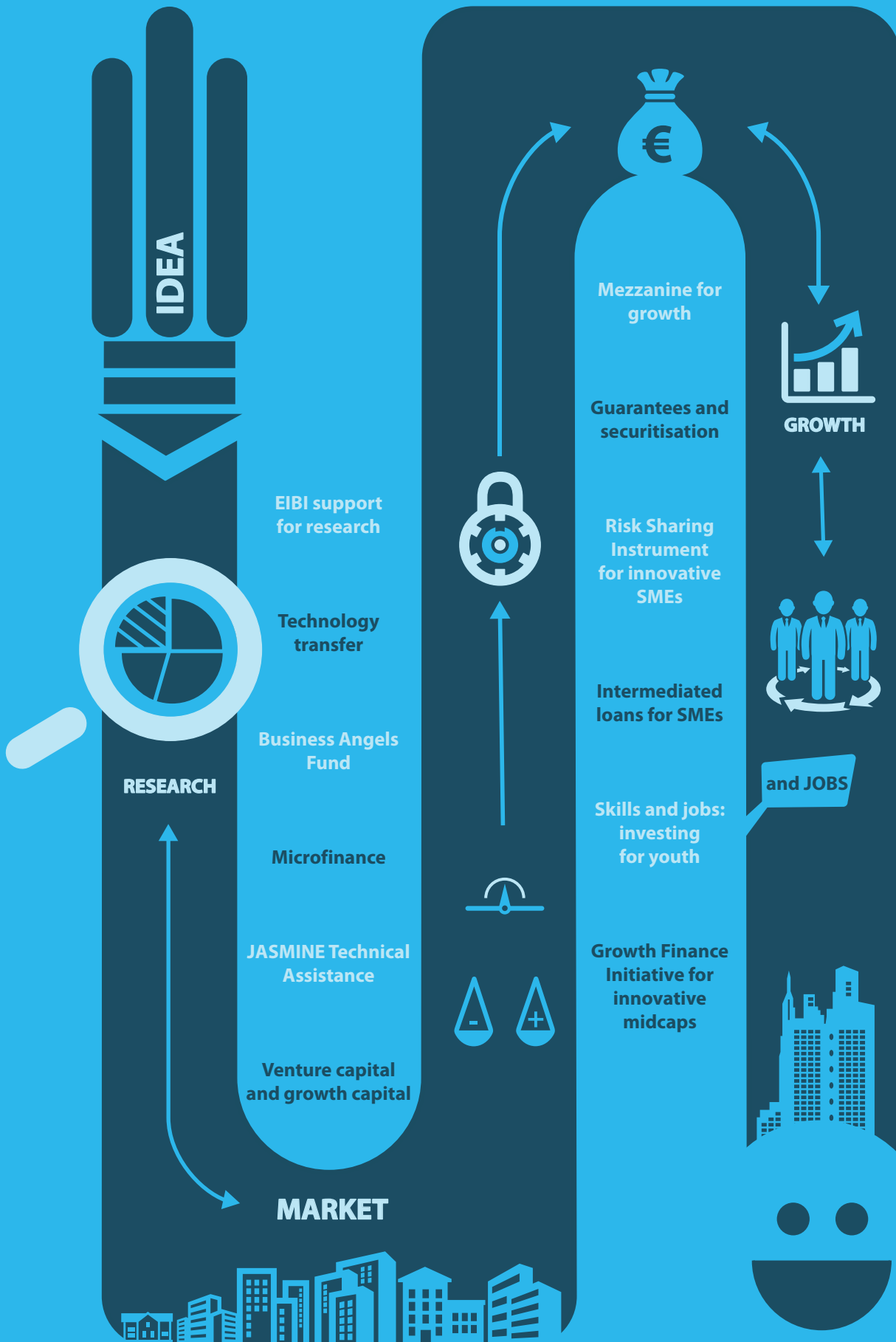
³ ECB survey on the access to finance of SMEs in the euro area (SAFE), November 2013.

<http://www.ecb.europa.eu/pub/pdf/other/accesstofinancesmallmediumsizedenterprises201311en.pdf?acff8de81a1d9e6fd0d9d3b38809a7a0>.

⁴ The main pressing problem reported by SMEs in the SAFE survey remains 'finding clients'. ECB survey on the access to finance of SMEs in the euro area (SAFE), November 2013.

⁵ Commission Green Paper on the Long Term Financing of the European Economy
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:52013DC0150:EN:NOT>.

SMEs for growth and jobs



Access to finance



2013 EIB Group SME facts and figures

At least
53 bn EUR

mobilised as a result of the financing provided to help SMEs.

Support for SMEs amounted to

21.9 bn EUR



of which

and nearly

18.5 bn EUR
from the EIB

3.4 bn EUR
from the EIF

- Assistance for SMEs is a top priority for the EIB Group, accounting for more than 20% of the EIB's annual lending volume and 100% of EIF activities.
- A wide range of debt-financing, risk-sharing and private equity instruments, geared to **improving the conditions of and enhancing access to finance for SMEs**.
- **Cooperated with over 700 financial intermediaries**, including commercial banks and leasing companies, national and regional promotional banks, guarantee institutions and some 300 private equity fund managers.
- Partnered with the EU institutions and Member States to implement European and national priorities for supporting SMEs, as **part of a coordinated EU solution** to overcome the prolonged crisis.

6.8 bn EUR provided
for SMEs in Member States
hit hardest by the crisis

(Cyprus, Greece, Ireland, Portugal and Spain).

Approximately **230 000** European SMEs
received direct or indirect support through EIB Group activity in 2013.



The EIB and SMEs

18.5 bn EUR
signed – 53% increase on 2012

EIB's main achievements in 2013:

Swift response to new policy priorities:

- EUR 9.1bn approved in EIB Group support for the Skills and Jobs – Investing for Youth initiative, including **EUR 4.5bn for SMEs in regions with high youth unemployment**.
- **Roll-out of the 'Trade Finance Initiative'** for EU countries with a proven market gap.
- New **midcap initiatives** launched in support of this highly innovative and employment-intensive segment.

Some **90 000 SMEs**
received support from the EIB

Efficiently leveraged financial resources for SMEs:

- Over 2.4 million people employed by the approx. **90 000 SMEs that received finance from the EIB in 2013**.
- Expected **leveraged impact** of 2013 EIB SME financing of at least **EUR 37bn**.
- **Average loan allocation size** for SMEs approximately EUR 119 000.
- Almost half of the loans allocated were microloans of less than EUR 25 000, and over 60% of loans were allocated to micro-enterprises with fewer than 10 employees.
- **New EIB Group Risk Enhancement Mandate (EREM)** approved, to be implemented by the EIF, with an **EIB contribution of up to EUR 4bn**, supplemented by a co-investment of EUR 2bn from the EIF over the next seven years. This is a clear endorsement of a potential EIF capital increase by its majority shareholder.

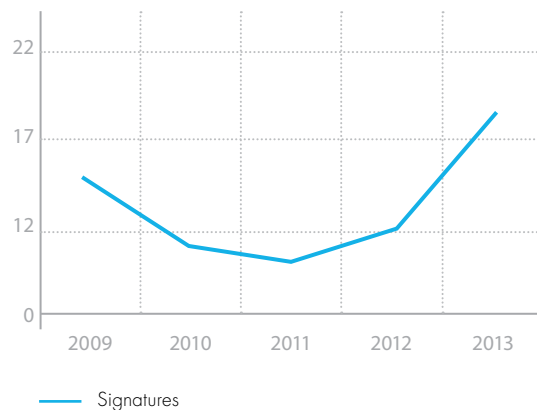
Intermediated lending

Supporting Europe's SMEs with loan finance is the EIB's single largest policy priority and accounts for more than 20% of its lending volumes annually.

Using our main funding product – the 'Loan for SMEs' – we channel finance to small businesses via a comprehensive network of financial intermediaries, with the aim of improving financing terms (e.g. longer tenors) and enhancing access to finance.

Despite difficult economic conditions the EIB lent a record EUR 18.5bn, of which EUR 17.4bn in the 28 EU Member States. A 53% increase on 2012 figures, this record volume reflected the Bank's drive to stimulate European growth and employment and facilitate SMEs' access to finance.

EIB support for SMEs, 2009-2013 (EUR bn)



A family-owned wine-producing business in central Greece received a boost in the form of a EUR 150 000 EIB loan in January 2013 to purchase equipment for a second production line. The impact of the loan is evident – 12 new jobs and an expected increase in turnover of around 50% compared with 2012.



In Cyprus Marios Sakkis started his business – a small karate school in Deftera – 15 km from the capital Nicosia. His passion for and commitment and dedication to sport, along with the finance received via EIB's partner, Central Cooperative Bank (financed through Latsia Cooperative Credit Society), gave him the opportunity to make his dream come true. His small karate school – run originally by him and his wife – has been turned into a multipurpose athletics centre employing 15 people where, in addition to karate classes, there are gym facilities, a swimming pool and a nutritionist/dietician on site.



EIB cooperation with national/regional development banks

In line with the European Council recommendations, the Bank is further reinforcing cooperation with national and regional development banks, underpinning its commitment to complement national priorities and programmes. In 2013 the EIB signed 15 new operations amounting to EUR 4.6bn with national/regional development banks.



SOMO spol s r.o in Slovakia was another beneficiary of an EIB intermediated loan. The company provides accommodation services and facilities but failed to make itself attractive to clients. A EUR 100 000 loan supported the upgrading of the accommodation facilities at a hostel near Bratislava. New windows were fitted, furniture was upgraded and common areas were created. The hostel was also connected to the Internet to enable tourists to communicate and access information while on vacation.

Trade finance

Developing innovative financial instruments is a cornerstone of the EIB Group's policy for supporting SMEs.

SABO S.A. benefited under the initiative with a loan for its trade activities via Eurobank and Commerzbank. The company produces turnkey factories for bricks and roof tiles. With its focus on exports, Sabo has sold and installed tailor-made factories in every continent except Australia. The Bank is supporting Sabo, with its average staff age of 27.



Long-term finance for strategic projects that underpin the policy objectives of the European Union has shaped the EIB's lending strategy. As a result, short-term credit instruments such as trade finance have traditionally not been part of our product portfolio. During the financial crisis, however, trade flows – which have been historically stable – suffered, especially in countries where credit conditions remained tight and lending rates high.

The Greek Government was the first Member State to call on the EIB to act as a secure bridge between domestic and foreign banks for the benefit of SMEs in the import/export sector. Based on the positive experience of the pilot SME Trade Finance Facility in Greece and then Cyprus, we continued to develop trade finance activities in support of SMEs and midcaps.

In 2013 the Trade & Forfaiting Review (TFR), the world's leading trade and supply chain finance magazine, named the EIB Trade Finance Facility for Greece as Deal of the Year out of some 140 deals submitted.



Fostering youth employment

Rapidly responding to an urgent policy call at EU and Member State level, we established the “Skills and Jobs – Investing for Youth” programme in 2013 to address the jobs crisis, which is affecting the EU’s 15 to 25 year olds in particular.

Focused on financing facilities for vocational training and student and apprentice mobility, the new programme is specifically dedicated to supporting young people.

In 2013, the EIB Group committed almost EUR 4.6bn for youth employment, providing finance for SMEs in regions with youth unemployment of over 25%. In addition, the EIB Group approved assistance totalling EUR 4.5bn in favour of developing skills, targeting projects focused on education, vocational training and student finance.

We deployed both large-scale direct loans and intermediated financing solutions to invest in skills:



Glasgow is the UK city with the highest number of unemployed households in 2013 according to the British Office of National Statistics. A EUR 250m loan to the City of Glasgow College provided for the construction of modern energy-efficient buildings and an improved learning environment for students.

Microcredit, intermediated lending and large direct loans have all been used for the EIB Group’s contribution to supporting jobs for young people:



A EUR 200m loan intermediated by Santander Bank in Spain provides for measures to help young people looking for their first job and loans for young entrepreneurs, as well as financing higher education needs.



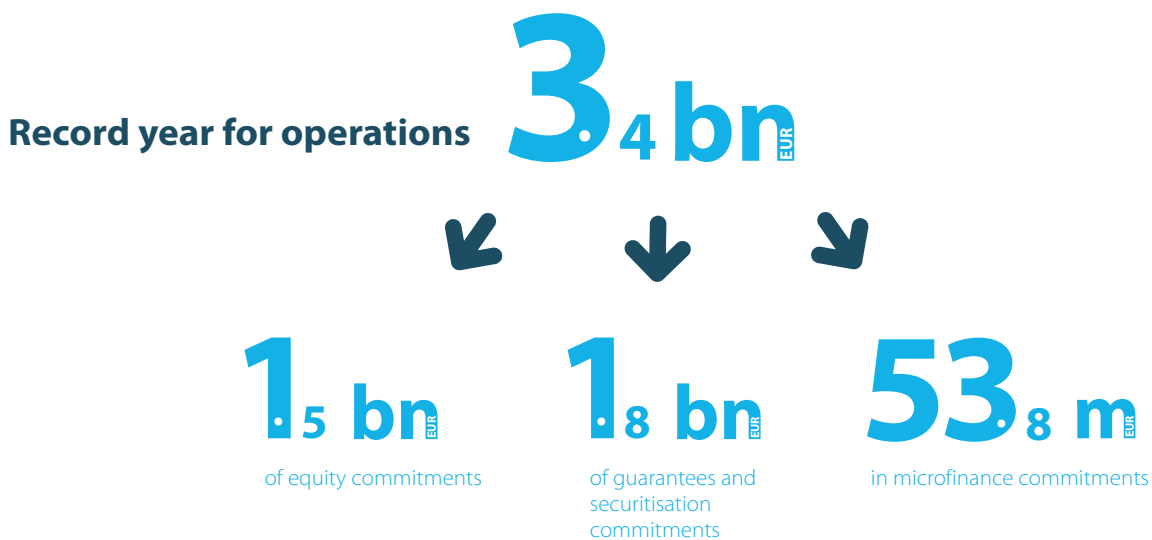
To be eligible for the special conditions made available by the EIB via the financial intermediary, the SME or midcap applicant should confirm that:

- it has employed at least one additional young person (five for midcaps) within the last six months or plans to employ one additional young person (five for midcaps) within the coming six months, or
- it offers vocational training to young people, or youth internship/ training programmes, or
- it has a cooperation agreement with a technical college/school/university to employ young people (e.g. during summer internships).





The EIF and SMEs



Support for **140 000** or so **SMEs** in Europe through a range of financial instruments provided to SME-focused intermediaries

Focus on regional development, complementing existing national schemes

268 m EUR
from the Structural Funds was committed via 14 JEREMIE Holding Funds

EIF's main achievements in 2013:

- Around 140 000 European SMEs received assistance from the EIF in 2013. **163 new operations were signed**, amounting to EUR 3.4bn – an increase of 30% compared to 2012.
- Expected **leveraged impact** of 2013 EIF SME financing of at least **EUR 16bn**.
- **Increasing partnerships with new strategic market players**, such as corporate investors and business angels.
- Developing new models to **cooperate with national institutions** to enhance and expand the EIF's geographical reach, to include the Baltic and Western Balkans regions.
- **Endorsement of a 50% capital increase**, complemented by an EIB Group Risk Enhancement Mandate (EREM), under which the EIB will make available up to EUR 4bn and the EIF up to EUR 2bn to further increase the support for SMEs.



EIF equity support for start-ups and growing enterprises

Providing risk finance to first-time and established venture and growth capital funds is the EIF's main contribution to enhancing the capacity to support SMEs.

The EIF continued to play an important counter-cyclical role during 2013, covering the entire spectrum of SME financing, from technology transfer, and seed and early stage financing to helping businesses to grow and expand.

For the third year running the EIF achieved record volumes of signatures, committing EUR 1.5bn to 68 seed, venture and growth capital funds, up from EUR 1.3bn in 2012. Besides concentrating on specific business sectors, we tailor our equity activities to specific country needs as well.

Throughout the year we at the EIF strengthened our efforts to develop and roll out new venture capital products with a view to increasing our reach to and impact on the European ecosystem and catalysing private sector investors. We also accumulated considerable expertise in the life sciences, clean tech and ICT sectors.

Proactively extending our reach to other market players and maximising the impact of our operations is at the heart of the EIF's mission. We have been working intensively with corporate investors to set up a new initiative that aims to facilitate cooperation between fund managers, corporates and entrepreneurs – the Corporate Innovation Platform.

In May 2013 we launched a EUR 52m Social Impact Accelerator fund of funds to help build a functioning ecosystem for social entrepreneurship and social innovation in Europe. A first commitment was signed with a German fund managed by one of the most professional social venture teams in Europe, which invests in social enterprises with innovative and entrepreneurial-driven solutions for urgent social and environmental challenges.

The EIF committed EUR 15m to GO CAPITAL Amorçage, a French interregional technology transfer fund that backs the creation of high-technology businesses. The investment supports the entrepreneurial ecosystem in France's West region.



In less than two years of operation the EUR 70m European Angels Fund in Germany is already almost fully committed – three years ahead of schedule – and the amount will be increased in 2014. In December 2013 the European Angels Fund was incorporated in another two countries – Spain and Austria.

In addition, only a few months after the launch of two dedicated funds of funds in the Netherlands and the Baltic States, the first investments were made under the Dutch Venture Initiative as well as the Baltic Innovation Fund.

EIF guarantees and credit enhancement activities

2013 was a record year for the EIF in terms of guarantees and securitisation – key instruments for the Fund in terms of supporting Europe's SMEs.

With its AAA-rated first-loss guarantees and credit enhancement/securitisation instruments, the EIF shares the risk taken by banks and financial institutions when lending to SMEs and thereby incentivises them to increase their lending volumes to SMEs. In 2013 the signature of 69 new transactions amounting to EUR 1.8bn mobilised some EUR 8.6bn for European small businesses.

Within our 2013 guarantee portfolio, EUR 600m were own risk securitisation guarantees, EUR 856m were signed under the EU programmes Risk Sharing Instrument (RSI) initiative and EUR 132m under the Competitiveness and Innovation Programme SME Guarantee Facility (CIP SMEG).



Marianne started up her Lasertechnik business specialising in repair welding for tools and mould construction in 1999. The business took off and in July 2009 the company bought a new "high-tech" machine to help them start serial welding. This purchase was made with an EU-guaranteed EUR 30 000 loan from the Austrian financial intermediary AWS (Austria Wirtschaftsservice) and gave Marianne the tools to do a more precise and efficient job.

On behalf of the European Commission, we manage the Competitiveness and Innovation Framework Programme. 2013 marked the last year during which new SME guarantee transactions could be entered into under the successful seven-year programming period (2007-2013). With the fully utilised budgetary resources, we have supported more than 275 000 SMEs via 61 transactions in 21 countries. Moreover, these transactions have mobilised in excess of EUR 9.3bn of additional lending volumes. Based on the experience gained with managing previous EU programmes, we are actively negotiating new EU resources that will provide easier access to finance for SMEs within the 2014-2020 Multiannual Financial Framework via initiatives such as the Competitiveness of Enterprises and SMEs (COSME) programme.

2013 was also marked by the exceptional success of the Risk Sharing Instrument. The instrument, which was proactively developed by the EIF to expand its financing product offering for SMEs, proved to meet current market needs and was speedily introduced to financial intermediaries with absorption and deployment to SMEs and small midcaps following swiftly.

The EIF was also active in the securitisation market in 2013. With transactions amounting to EUR 590m in various European countries, including Spain, Italy and Turkey, we demonstrated our commitment to the market's recovery, recognising its importance to the European structured finance market. Recovery remains sluggish, however, and more needs to be done as part of the global response to the difficulties SMEs are facing in obtaining finance. In this context, our role as a credit enhancement provider is set to grow further.

EIF activities for promoting balanced growth across Europe's regions

Addressing market fragmentation, financing gaps and interest rate spreads across the Member States is a key element of the EIF's contribution to SME financing. Positive market impact is achieved by leveraging public-private partnerships through financial engineering.

One of our key instruments for regional development is the **Joint European Resources for Micro to Medium Enterprises (JEREMIE)**, which the EIF manages on behalf of the European Commission. With JEREMIE, EU Member States and regions can use part of their Structural Funds resources to provide risk financing to SMEs.

As a manager of JEREMIE Holding Funds since 2007, the EIF plays a vital role in developing knowledge transfer and capacity building, and in creating opportunities to use the EU Structural Funds efficiently to finance SMEs with equity, loans or guarantees. Since 2007 we have managed 14 Holding Funds⁶, signed over EUR 1bn of debt/guarantee and equity transactions with more than 60 different financial intermediaries in 10 European countries and regions, leveraging nearly EUR 3bn of further resources. In 2013 alone, the amount committed in support of SMEs was EUR 268m.

The market has responded positively to our financial engineering products and our full commitment to public-private partnerships. This has resulted in some national and regional Holding Funds increasing their capacity – Romania for an extra EUR 50m, Malta for EUR 2m and Extremadura (Spain) for EUR 9m. Additionally, the length of our first Holding Fund management agreements was extended to 2024 in Lithuania and 2022 in Romania. Others will follow in 2014. The scale and scope of the EIF's activity as well as our catalytic role and influence



in developing best practice and corporate governance have established us as the leading risk financing institution in Europe. To further enhance leverage on public funds, we manage and advise a number of funds of funds for third parties, including national and regional governments as well as private and strategic investors.

Our expertise **in partnering with national institutions** is a central part of our strategic development and regional business focus. We aim to complement national SME support schemes and to optimise the use of EU and national resources. To that end, we have rolled out several dedicated funds and investment structures across Europe and in partnership with leading national institutions and other financial institutions. Such resources for regional development are deployed in Austria, the Baltics, Cyprus, Germany, the Netherlands, Poland, Portugal, Spain, Turkey, the UK and the Western Balkans.

⁶ Of which 12 were active when the report was written.

Working as one to support SMEs – EIB Group activities

Backing innovation

Supporting innovative SMEs and midcaps was another focus for us in 2013, responding to the needs of all stakeholders – the EU, the EU Member States, the financial intermediaries and the small innovators themselves.

Since its launch in 2007, the European Commission-EIB Group **Risk Sharing Finance Facility (RSFF)** has had the mission of improving access to finance for public and private promoters undertaking research, development and innovation (RDI) projects. Several initiatives developed under the RSFF are presented below:

- The RSFF's **Risk Sharing Instrument** was launched in 2012 and is managed by the EIF, which provides guarantees and counter-guarantees for financial intermediaries' portfolios of loans and leases to innovative SMEs and small midcaps (up to 500 employees) aimed at improving their access to debt finance. 2013 was marked by the exceptional success of the RSI.



Zeta Biopharma is an Austrian company with 237 employees, which constructs R&D plants for large pharmaceutical companies. A EUR 2.5m RSI-guaranteed loan from UniCredit Bank Austria covers Zeta's high working capital requirements during the long lead times in plant engineering and manufacturing.



The Belgian company EVS Broadcast Equipment SA received a GFI loan of EUR 12m for its ambitious RDI programme to boost the company's competitiveness and offer employment to hundreds of current and future engineers.

Aiming to secure financing for the RDI investments of innovative midcaps, in 2013 we designed two further initiatives under RSFF:

- Through the pilot **Growth Financing Initiative (GFI)** we provide direct finance (loans, quasi-equity and mezzanine) for amounts between EUR 7.5m and EUR 25m to innovative European midcaps.
- Under the **MidCap Initiative (MCI)** we will offer senior debt risk-sharing and guarantees to financial intermediaries for their loan portfolios in favour of innovative midcaps. The first four operations under the MCI are expected to be signed in 2014.

The GFI and MCI will be fully rolled out in the coming years and plans for the successor scheme to the RSFF and RSI for the 2014-2020 period are under way.



A EUR 25m GFI loan to the Italian company Marposs will enable the world leader in precision equipment for measurement and control in the production environment to further its R&D programmes and maintain and consolidate its technological leadership.

Supporting microfinance

Whilst over 99% of all enterprises in Europe are SMEs, 90% of SMEs are actually micro-enterprises. Although these micro-businesses employ an average of just five workers, together they account for 53% of all jobs in Europe, so their importance to the European economy is enormous. With their small size and limited resources, micro-enterprises are particularly exposed to the problem of access to finance.

The EIB Group works to strengthen microfinance infrastructure through a full spectrum of support to Europe's microfinance institutions (MFIs). Under the European **Progress Microfinance** Facility, which the EIF manages on behalf of the European Commission and the EIB, we have developed financial instruments which we complement with non-financial assistance, e.g. under the **Joint Action to Support Microfinance Institutions in Europe (JASMINE)**.

Under the Progress Microfinance Programme, a record 26 microfinance transactions were signed in 2013. The EUR 53.8m in commitments is expected to leverage more than EUR 200m of new micro-credits over the next two to three years. This brings the overall Progress Microfinance portfolio since inception in 2010 to a total of EUR 137m, benefiting approximately 12 700 micro-entrepreneurs within the EU-28.

The EIF also participated in the Smart Aid index, which evaluates whether micro-lenders have the internal capacity to deliver effective financial inclusion. The outcome was positive, with particularly strong scores on performance-based funding agreements and use of a multi-product strategy adapted to the diverse European microfinance landscape.

In 2013, the EIB provided 67 000 or so sub-loans to micro-enterprises (i.e. companies employing fewer than 10 employees) and also actively supported microfinance in the Western Balkans.

In the same year, we invested EUR 50m in the European Fund for South East Europe, which provides funding for micro and small-scale enterprises, and rural and housing loans through qualified financial intermediaries.



Vegetable grower Anton built a new greenhouse two years ago and plans to extend it and increase production. Through Bulgarian microfinance provider Mikrofond, he obtained EUR 1 150 to finance his greenhouse extension. Given the additional workload, he hires seasonal labourers from the local long-term unemployed Roma community.



Facilitating the SME securitisation market

With the EIB Group's collective long-standing experience of providing long-term funding and portfolio guarantees for SME lending, we are uniquely positioned to contribute to the revitalisation of the securitisation market.



The SME securitisation market has contracted substantially since 2008 and remained weak throughout 2013. This translated into a lack of risk transfer capacity, preventing banks from originating further loans. Coupled with the deleveraging of commercial banks and increased capital requirements for SME lending, the low SME securitisation activity has hampered SME lending in Europe.

The **importance of revitalised and sound SME securitisation activity** has been stressed not only by market players, but also by policymakers⁷. The European Councils of June and October 2013 called for the EIB Group to support securitisation transactions by expanding the range of joint risk-sharing

instruments between the EIB and the European Commission, and for increased EIF credit enhancement capacity.

These measures, including the SME Initiative with the European Commission, would effectively transfer SME risk to a wide range of investors and so enable banks to apply the regulatory capital released to provide additional SME loans, better meeting SME financing demand.

In 2013 the EIB invested over EUR 1.7bn in covered bonds and asset-backed securities and the EIF committed EUR 590m to both 'true sale' and 'synthetic' securitisation transactions for the benefit of SMEs.

⁷ http://www.ecb.europa.eu/pub/pdf/other/ecb-boe_impaired_eu_securitisation_market_en.pdf



Initiatives for the future

EIB Group Risk Enhancement Mandate

In response to the 2013 European Council recommendations, the EIB's Board of Directors, representing the 28 EU Member States and the European Commission, agreed to establish a dedicated EIB Group Risk Enhancement Mandate (EREM) in order to further support SMEs and small midcaps.

EREM will be implemented by the EIF with an EIB contribution of up to EUR 4bn over the period 2014-2020, complemented by an EIF co-investment of up to EUR 2bn. Within the first three years (by end-2016), the volume of transactions under EREM is expected to amount to EUR 2.3bn of EIB resources, with up to EUR 1.3bn of EIF co-

investment. EREM will complement our existing products and instruments and is expected to contribute to the development of European capital markets for the benefit of SMEs and small midcaps, as well as to support specific initiatives such as youth employment, microfinance and social impact finance.

Maximising SME support for a robust economic recovery

SMEs will continue to play a key role within the EU economy in terms of value added and employment, which is today a critical priority. There is a strong link between the availability of finance and SMEs' capacity to grow and create employment.

Over the coming years we at the EIB Group aim to provide significant volumes of finance for SMEs and continue to further develop our range of targeted products. We will continue to adapt our financing solutions to specific market needs, so as to maximise the impact on growth and employment. We are committed to continuing

our work in close collaboration with the European Commission, Member States and other relevant private and public sector players, to ensure that we can catalyse further support for SMEs, facilitating the European economy's recovery with jobs, innovation and growth.

The EIB wishes to thank the following promoters and suppliers for the photographs illustrating this report:

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2013 SME Report

The EIB Group consists of the European Investment Bank and the European Investment Fund.

European Investment Bank
98-100, boulevard Konrad Adenauer
L-2950 Luxembourg
☎ +352 4379-1
☎ +352 437704
www.eib.org – ✉ info@eib.org

European Investment Fund
15, avenue J. F. Kennedy
L-2968 Luxembourg
☎ +352 2485-1
☎ +352 2485-81200
www.eif.org – ✉ info@eif.org



www.eib.org