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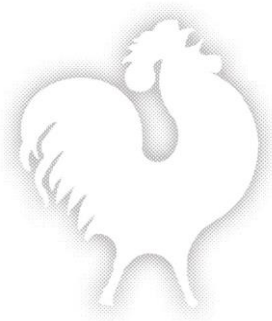
ATM for SMEs
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PORA
Razvojna agencija
Podravine i Prigorja

SOCIAL OUTREACH OF MICROFINANCE AND MITIGATING THE NEGATIVE EFFECTS OF FINANCIAL EXCLUSION – BEST PRACTICE

Sardinia, July 10th 2017



STRATEGIC FRAMEWORK

- **Strategy for the Development of Entrepreneurship of the Republic of Croatia 2013-2020**
- **the Strategy has 5 main goals:**
 - 1. Improvement of the economic performance**
 - 2. Better access to financing**
 - 3. Promotion of the entrepreneurship**
 - 4. Improvement of the entrepreneurship's skills**
 - 5. Better business environment**
- **one of the goals is to ensure better access to financing, especially to entrepreneurs that are in financial exclusion or do not fulfill the necessary conditions for usual bank loans, such as young entrepreneurs or start-ups**
- **some of the programs and measures were created during or after the economic crisis, in order to help SME's with financing their business activities**

BEST PRACTICE – SEED PROGRAM

- **Seed Co-Investment Fund – founded with a goal to encourage the financing of innovative small and medium enterprises and newly-founded start-ups that still do not have a wide access to financing their business activities**
- **the objectives of this Program are also:**
 - 1. To induce investors to invest in the equity of innovative MSPs and start-ups in order to encourage their future development and commercialization of innovative products or services.**
 - 2. To support the development of innovative MSPs and start-ups to a well-positioned stage where they can receive investment from private equity venture capital funds.**

BEST PRACTICE – SEED PROGRAM

- **the minimum capital investment is 30,000.00 Euro.**
- **the minimum amount of loan that can be allocated in multiple installments is 30,000.00 EUR while the maximum amount that can be awarded in one installment is EUR 200,000.00.**
- **the maximum total amount of the loan that can be awarded is 300,000.00 Euro.**

Best practice – Micro crediting with EU aid

- **Croatian Bank for Reconstruction and Development is implementing a program intended for:**
 - **self-employment**
 - **establishment of crafts or companies**
 - **modernization and expansion of the existing companies**
 - **increase of the number of working places**
- **the main idea is to help both to people who want to start their own bussiness in order to get employed or to existing entrepreneurs in order to improve their bussiness operation**
- **this program is intended exclusively for physical persons or micro and small enterprises**

Best practice – Micro crediting with EU aid

- **maximum loan amount is 25.000,00 EUR**
- **repayment period is up to 5 years (minimum 1 year)**
- **interest rate is determined for each user individually, but Croatian bank for Reconstruction and Development is co-financing 2% of the interest rate**
- **through this program, users can finance land, buildings, equipment and devices, product development or patents, licenses, concessions, copyrights and so on**

Thank you for your attention!

**PORA Regional Development Agency for Promotion and
Implementation of Development Activities in Koprivnica Križevci
County**

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