



Trend Chart on Innovation in Europe

GR 13

General presentation of the measure/scheme/action/regulation

Country

Greece

Geographical coverage, national or regional (state region)

(National)

Title of the measure

Venture Capital Companies / Εταιρείες Κεφαλαίου Επιχειρηματικών Συμμετοχών

Information Source/Reference

Ministry of Development, General Secretariat of Industry

Overview (nature, main goals)

The programme started in 1997 and seeks to establish new financial institutions and to contribute to SME creation and growth. The aim of this action is to support Venture Capital companies (existing or new ones). The Venture Capital Companies can invest to non-listed companies capital and to shares issued by the companies. They can additionally provide guarantees to loans and provide advisory services. The long-term target is entrepreneurship and overall economic development. It is a clear centralised top down approach, designed by the Ministry of Development, managed by an intermediary agency.

Action Plan objective addressed by measure

II.5. Financing

Administering agency

PISTI

Valaoritou Str., Greece

Phone: + 301 36 20 977

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Name of the manager(s) responsible for the implementation of this measure with address, fax, phone

Aimilios Samaras

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Description of Scheme

General Information

Reference to legal basis (e.g. act, public document, ...)

Operational Program for Industry, Measure 4.1: Financial Institutions and Tools, Action 4.1.2: Venture Capital Companies, L. 2789/2000, L. 2367/95

Does the measure receive central funding or regional funding?

Central

Start date

1997

Expected date of completion

2001

Previous measure (name, date, links with the current measure)

None.

Reasons for launching/modifying the new measure

In the Greek market there are only a few venture capital companies, thus the program makes tries to fill a market gap.

Have any of the main features of the measure/scheme/action/regulation changed during its implementation

No

What is the predominant role of the government?

Provider of co-funding.

Organisation and Implementation



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Organisation and Structure

There was a call for proposals in 1997. Nine proposals were submitted to the managing agency and were evaluated by a specific committee, approved by the Minister of Development. It was a mixed committee of experts and representatives from the Union Greek Banks etc. The monitoring and implementation of the project was a responsibility of the intermediary agency. Six companies were selected and only three became operational.

What are the criteria for eligibility?

N/A

What is the mode of delivery of the measure?

The measure is delivered as a competitive grant, externalised and managed by a private company.

Financing : Overall budget allocated to the measure

Greek Capital Partners, Athens, Approved Share Capital: 12,1 mil Euros (4.000 mil Drachmas), Subsidy: 2,4 mil Euros (800 mil Drachmas), Total budget: 14,5 mil Euros (4.800 mil Drachmas). Ergo Venture Capital, Athens, Approved Share Capital: 6,0 mil Euros (2.000 mil Drachmas), Subsidy: 1,2 mil Euros (400 mil Drachmas), Total budget: 7,2 mil Euros (2.400 mil Drachmas). National Development Company of North Greece S.A. Komotini, Approved Share Capital: 6,0 mil Euros (2.000 mil Drachmas), Subsidy: 1,2 mil Euros (400 mil Drachmas), Total budget: 7,2 mil Euros (2.400 mil Drachmas). Renaissance Vent. Capital, Athens, Approved Share Capital: 7,6 mil Euros (2.515 mil Drachmas), Subsidy: 1,5 mil Euros (503 mil Drachmas), Total budget: 9,1 mil Euros (3.018 mil Drachmas). Ithaki Vent. Capital, Athens, Approved Share Capital: 6,0 mil Euros (2.000 mil Drachmas), Subsidy: 1,2 mil Euros (400 mil Drachmas), Total budget: 7,2 mil Euros (2.400 mil Drachmas). AVC, Athens, Approved Share Capital: 3,0 mil Euros (1.000 mil Drachmas), Subsidy: 0,6 mil Euros (200 mil Drachmas), Total budget: 3,6 mil Euros (1.200 mil Drachmas). Total: Approved Share Capital: 40,7 mil Euros (13.515 mil Drachmas), Subsidy: 8,1 mil Euros (2.703 mil Drachmas), Total budget: 49,1 mil Euros (16.218 mil Drachmas). Only three of them participated: National Development Company of North Greece S.A., Ithaki Vent. Capital and AVC. The other three decided to leave the programme.

Financing : expenditure per year

During the year 2000 the total public contribution for the above three companies was given.

Financing : other budgetary sources (additional financing)

No.

Results

Result Measurement

What are the main indicators for the measurement of the results ?

- To invest an amount equal to 150% of the subsidy until 30/6/2001- The number of new jobs

Where an evaluation has taken place, what were the main results achieved?

N/A

If no official evaluation has been undertaken, have there been any indicators of success?

Moderate success due to unfavourable market conditions.

Observations

Which mechanisms seem to function well in the measure?

The measure was not so successful. There was no interest by the companies to invest money in the frame of this programme.

Which mechanisms seem to be less successful in the measure?

N/A

Are there any other measures planned or in operation as a follow up to this measure? Direction of the planned measures? Objectives? Target groups?

TANEO and the New Scheme expected by the GSRT.

