

SEE IFA Network
Kickoff-Meeting, 10.7.2009 (Vienna)
Minutes

Time: 10.00 - 22.00h
Places: Room "Aufsichtsratsraum" aws, Ungargasse 37, A-1030 Vienna
and Restaurant "Eisvogel" in A-1020 Vienna

Agenda: see Annex 1 "Agenda"

Participants: see Annex 2 "List of Participants"

Apologies for absence were received from:

Stanislav Berlec and Saša Keleman from SID Bank (Slovenia, ERDF-Partner 7)

1. Welcoming words Kurt Leutgeb (Managing Director, aws)
Dr. Gerhard Burian (Head of Department for International
Regional Policy and Finance, Federal Ministry of Economy,
Family and Youth – Austrian First Level Control)

2. Report about the Status of the Programme and the Project, Roles of the partners (Roswitha Mosburger, aws)

- See presentation: "Status, Roles MOS" with the following comments:
- Ad Slide No.10: "Timetable Contracting SEE-IFA":
 - The Conclusion of the Subsidy Contract between JTS and aws can realistically be expected by August 2009.
- Ad slide No. 12: "Tasks and collaboration of Partners by WP and number of MDs":
 - The MDs (man-days) per Work Package and the respective staff-costs per hour (assumed during the budgeting process) form the basis of the respective WP-budget for staff costs of each partner.
- Ad slide No.14: "SEE-IFA Communication Levels (2)":
 - The 1st Steering Group Meeting was integrated into the Kickoff-Meeting (Nomination of Steering Group Members in the evening and at dinner)
 - Mr. Petropoulos/GEORAMA suggested to hold Steering Group Meetings also in other countries than the WP-Leader countries, e.g. in HU, GR, ... Ms. Mosburger/aws replied that this is not foreseen in the budget, and therefore will depend on whether this is considered necessary for the effective implementation of the project and whether any additional funds remain for that.
- Ad slide No.16: "SEE IFA Communication Levels (4)":
 - Local Support groups in each country should (each) be composed of 5-10 stakeholders from the area of SME and Innovation Finance
 - The Local support Group Members of the respective partner countries/regions where the partner meetings (Thematic Seminars, Steering Group Meetings, ...) take place, should also be invited to those meetings as external experts/guests.
 - The purpose of the local support groups is to create a forum for discussion and support in each partner country in order to discuss and address relevant development and needs in the countries and to foster the development of the project.
 - Mr. Petropoulos suggested involving also representatives of IFIs, such as EBRD, World Bank, or multilateral organisations (UNIDO) into the Local Support Groups. This is especially relevant for the Balkan area, where many IFIs are actively involved. Involving representatives of EC delegations in Croatia, Serbia or Macedonia might be also be of interest.

3. Presentations of the Partner Organisations and Comments

(Please refer to the respective partner presentations in the annex)

Austria Wirtschaftsservice – aws, Austria (Roswitha Mosburger)

Euro Perspectives Foundation – EPF, Bulgaria (Rayna Karcheva)

GEORAMA, Greece (Nicolas Petropoulos)

- Dr. Burian/FLC asked in which way cooperation with public authorities can foster innovative instruments.
- Mr. Petropoulos suggested including them from the beginning into the project (high level staff from ministries, not too much influenced by political considerations), creating a sense of ownership and providing them with access to information.

Finlombarda, Italy (Anna Barone)

- More detailed information on Finlombarda's revolving funds was given by Finlombarda:
 - Regarding a revolving fund for innovation of SMEs, Finlombarda is still in the process of selecting suitable financial intermediaries.
 - Since 2003, Finlombarda operates venture capital funds with private resources from the market and public guarantee.
 - "Next Fund", "Jeremy" (= "Fund of Funds"): Finlombarda, acting as the funds manager, is currently selecting a suitable financial intermediary to fund SMEs at a regional level.
- It was discussed that in Italy, a general decentralisation from national to regional actors can be seen, with regional bodies being responsible for innovation and technology.

Regione Veneto, Italy (Giulio Cavinato)

- Mr. Cavinato pointed out that Veneto Region, besides participating in the SEE IFA project, is acting as Lead Partner in the "ARCO" project (EU Adriatic Programme) aiming at the investment into enterprises, involving counter guarantees and a revolving fund.

Hungarian Science and Technology Foundation, Hungary - TETALAP (Richard Gönczi)

- Mr. Gönczi clarified that the focus of TETALAP's activities lies in providing services for SMEs, not in the provision of financial instruments.

AMCSIT, Romania (Nicolae Vasiliu)

- Mr. Vasiliu stressed that one of AMCSIT's strengths is the design of IT-tools and systems as well as its relevant experience regarding the implementation of communication tools in the framework of WP2 of the project.

SID Bank, Slovenia (Stanislav Berlec – absent with an excuse)

- Ms. Mosburger briefly presented SID Bank (Export Credit Agency, Promotional & Development Bank) as a high level institution in Slovenia, which will make a valuable contribution to the project.

University of St. Cyril and Methodius, Business Startup Center, Macedonia – UKIM BSC (Bojan Jovanovski)

- Expenditure of IPA Partners is only eligible for reimbursement after their signing of the contract with the EC-Delegation. However, the contracting process turns out to be rather slow. Therefore, according to Mr. Jovanovski, the estimated date for signing of the contract is end of August 2009.
- Mr. Jovanovski expressed that he was worried that project activities could be delayed in case the related costs were not eligible for reimbursement. This could especially affect

the next planned activities, such as the country studies. Dr. Burian suggested asking delegates of BMeiA (Austrian Ministry of Foreign Affairs) and BMWFJ (Austrian Ministry of Trade and Industry, Family and Youth) in Brussels to push the respective EC-delegations at the next IPA-meetings in Brussels in order to speed up the process.

- Dr. Burian furthermore suggested UKIM BSC to contact Peter Lindholm (a project designer at the World Bank) for possible involvement into the local support group. Mr. Jovanovski and Mr. Velkovski/UKIM BSC pointed out that UKIM BSC is already in contact with Mr. Lindholm.
- Dr. Burian offered UKIM BSC his support regarding the current CI-RCE project “MakFOODs” funded by Austrian funds to facilitate contacts or know how where needed.

Regional Agency for Socio-Economic Development, Serbia – RDA Banat (Mirjana Paunov)

- Ms. Paunov explained that RDA Banat, although being a service institution for SMEs, is neither a financial institution nor offers financial services. However, she reported that a new regional development law has recently been approved by the Serbian government which might lead to a structural change of the relevant organisations and might also enable them to offer financial support to SMEs in the future.
- Ms. Paunov suggested to involve the following stakeholders in the local support groups:
 - Ministry of Economics and Regional Development (SME Department)
 - Regional and Provincial Development Organisations

Varazdin County Development Agency, Croatia – AZRA (Patrick Galeski)

- Mr. Galeski reported that in the framework of the reference project ICE (Interreg III Programme), a network of 250-300 SMEs and support organisations was created in the project area, which can possibly serve as a basis for the current project.

4. Financial Management of the Project (aws, Andrea Waclik)

The following issues were discussed in connection with the presentation:

- The presented procedures apply for all ERDF Partners – IPA Partners are requested to clarify procedures with their national first level controls.
- Ad slide 4 “Eligibility of Project Expenditures per Budget Lines (2)”: Cost efficiency for accommodation could best be justified vis-à-vis the national first level controls, if, in the future, at each partner meeting, the respective host partner makes reservations for all partners in an eligible hotel.
- Ad slide 6: “Eligibility of Project Expenditure”:
 - Examples for expenditures which do not fulfil the eligibility criteria:
 - expenditures that cannot be verified on the basis of original invoices or equivalent accounting documents,
 - expenditures not directly related to the project,
 - expenditures that don't comply with the principles of cost efficiency (e.g. business class flights, luxury hotels, ...)
 - ineligible expenditure according to the SEE Programme Manual:
 - fines, penalties
 - interest on debt
 - currency conversion costs, exchange losses, ...
 - contribution in kind (e.g. voluntary work)
- Ad slide 9 “Financial Management Procedures – General Remarks”:
 - The Lead Partner can and will submit the Application for Reimbursement only for those Declarations of Verification of Expenditure available at the deadline. All other expenditures can only be reimbursed in the next reporting period. Partners need to bear that in mind when planning their liquidity.

- The separation of period 3 into 3.a. and 3.b. will be necessary due to administrative purposes on behalf of JTS.
- Significant underspendings on a Project Partner basis may lead to decommitment on behalf of the Monitoring Committee, which may reduce the original project budget accordingly. This decision will be made by the Monitoring Committee on a case by case basis. By contrast, overspending between periods (– not between budget lines or work packages!) is admitted.
- Ad slide 10 “Changes, Modifications to the Budget”:
 - The approval of the Lead Partner will always be required - also for less significant changes. This will also serve as a safeguard vis-à-vis the respective national FLC.
 - More details can be found in section 1.3. of the Implementation Manual

5. Project Time Frame (aws, Andrea Waclik)

6. Work Package Presentations

WP1 – Project Management and Coordination (aws, Andrea Waclik)

WP 2 – Project Communication (aws, Christian Lossgott and AMCSIT, Viorel Vulturescu)

WP 3 – Needs and Gaps Analysis (AMCSIT, Viorel Vulturescu)

- It was discussed that in the process of information gathering for the country studies, some partners might encounter difficulties, e.g. if some data are difficult to find/access or some statistics need to be paid for. Ms. Mosburger requested to communicate serious difficulties to the WP-leader and the LP-Management Team. She advised to consider the use of budgeted funds (budget line “External experts and services”) for this purpose (e.g. purchase of statistical material, surveys, ...).
- In any case, along with the country study template, Mr. Vulturescu notified the project partners to provide them with a list of possible sources of information for the realization of the country study.

WP 4 – Development of Financial Instruments (Finlombarda, Anna Barone)

- The possibility of introducing the results of the project into the European Grouping for Territorial Cooperation (EGTC) was discussed in order to enhance dissemination of knowledge and experiences gained from the project.

WP 5 – Patent and Licence Fund (aws, Georg Buchtela and Arina Tkacheva)

- Ad slide 6 “Activity Plan 2009”: Regarding the interviews with stakeholders and policy makers, these need to be delivered to the WP-Leaders in English language. Ms. Mosburger suggested that for this purpose, budgeted funds for “external experts and services” could be used for translation services.
- As WP3 and WP5 both involve some form of needs and gaps-analyses, it was discussed that these studies could be combined in order to avoid redundancy.
- Sabine Mayer of the Austrian Institute for SME Research recommended to put a lot of effort in the elaboration of drafts and templates, to work thoroughly on definitions and as well on maps in order to avoid gaps in the implementation of activities.

WP 6 – Setting up a new Innovation & Finance Agency (Regione Veneto, Giulio Cavinato)

- Mr. Cavinato suggested that the following two financial agencies of Veneto Region could serve as an example and that study visits to both institutions could be organised:
 - Veneto Innovazione (Regional Agency for Innovation)
 - Veneto Sviluppo (investments into SMEs)

- Ms Mosburger added that study visits were planned and budgeted to aws and Finlombarda and that their experiences should be included as well.

WP 7 – Training (aws, Roswitha Mosburger)

- Ad slide 3: “Training Needs Assessment”: It was clarified that the training needs assessment should be the result of the relevant country reports and modified by the project partner institutions.
- Ad slide 6: “Twinning/Internships”
 - Travel and accommodation expenses of trainees will be mostly covered by the project, whereas staff costs need to be covered by the respective partner institutions.
 - It was suggested to carry out internships for more people but for a shorter time (e.g. 3 people for 6 months each, instead of one person for 12 months and another one for 6 months). This would reduce the risk for the involved organisations to lose well trained staff after the trainee programme. But it was explained that they should make respective contracts with their staff members.
 - It will be clarified, how and under which circumstances the respective host organisations will be able to offer trainee positions.
- Ad slide 7: “Study Tours”:
 - The study tours will be realized approximately from July 2010.
 - Apart from Austria and Lombardy Region, one study visit could also be to Veneto Region (see WP 6 presentation).
 - Also other stakeholders than the direct project partners can participate in and benefit from the study visits (e.g. other relevant stakeholders such as Local Support Group members, banks, etc.)
- Ad slide 8: “Intensive Training Courses”
 - The Patent Management ITC should be finalized between March and April 2010.
 - The Project Assessment ITC should be finalized between May and October 2011.

The next Partner Meeting will take place in Bucharest, Romania in November 2009, organised by the WP-Leader of WP3 (Needs and Gaps Analysis), AMCSIT.

7. Dinner and Discussion for all Meeting Participants at Restaurant “Eisvogel”

- Nomination of Steering Group Members, i.e. the LPMT (Lead Partner Management Team) and all WP-Leaders:
 - aws:
 - Roswitha Mosburger, Andrea Waclik, Christian Lossgott - LPMT, WP1, WP7
 - Arina Tkacheva - WP5
 - AMCSIT: Viorel Vulturescu – WP2, WP 3
 - Finlombarda: Anna Barone – WP 4
 - Regione Veneto: Giulio Cavinato – WP 6
- Discussion about the Local Support Groups: Ideas were exchanged which organisations could be integrated into the Local Support Groups with concrete suggestions to be delivered by the end of August 2009.
- Practical issues regarding the next steps (realisation of country analyses, 1st Thematic Seminar and Steering Group Meeting etc.) were dealt with.

Annexes:

1. Agenda
2. List of Participants

by Andrea Waclik, 24.July 2009