



European Investment Fund: Venture Capital Funds for Innovative Business in Bulgaria

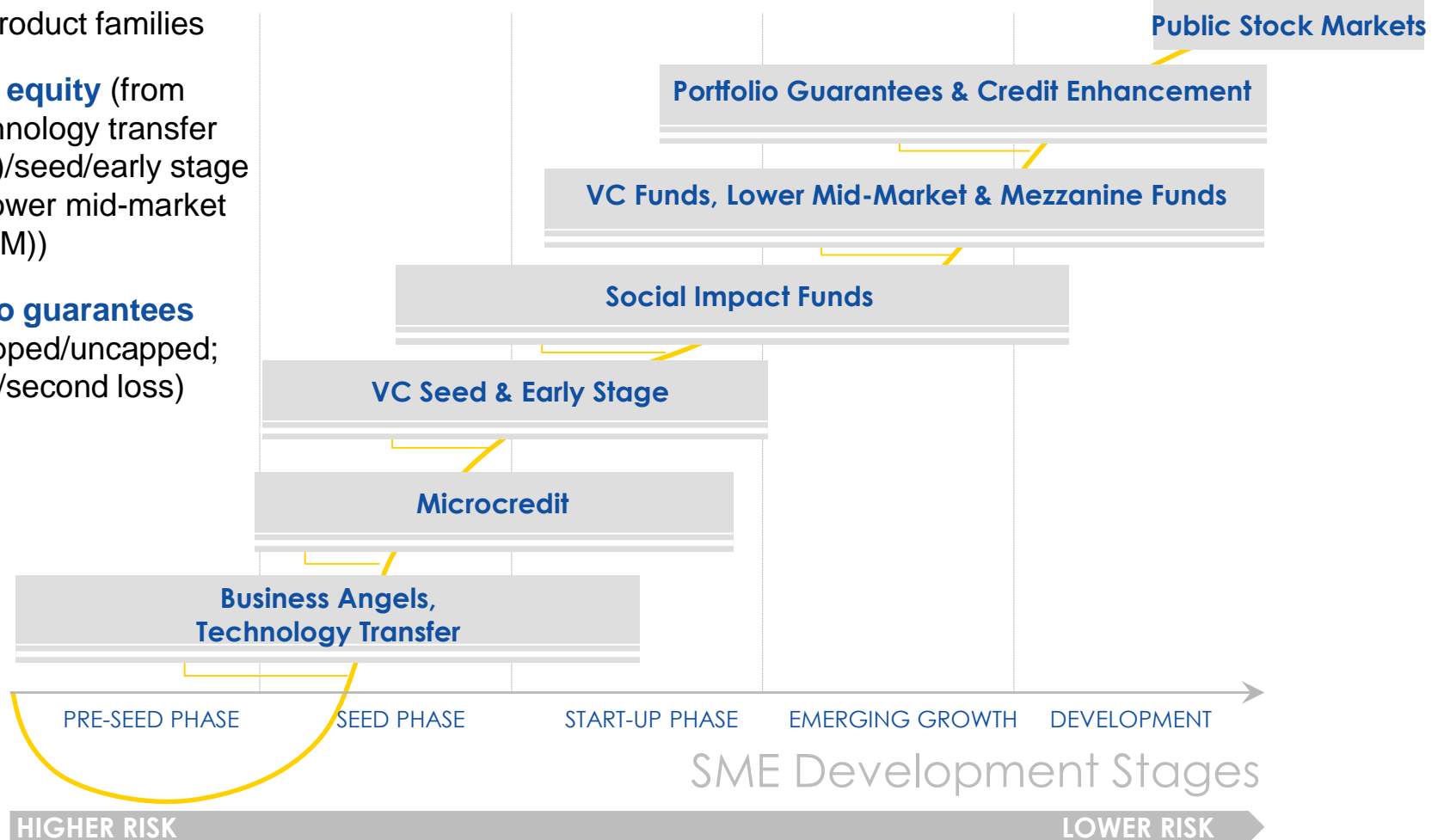
21 November 2019, Sofia

Helping businesses at every stage of their development

Two main product families

Indirect equity (from technology transfer (TT)/seed/early stage to lower mid-market (LMM))

Portfolio guarantees (capped/uncapped; first/second loss)



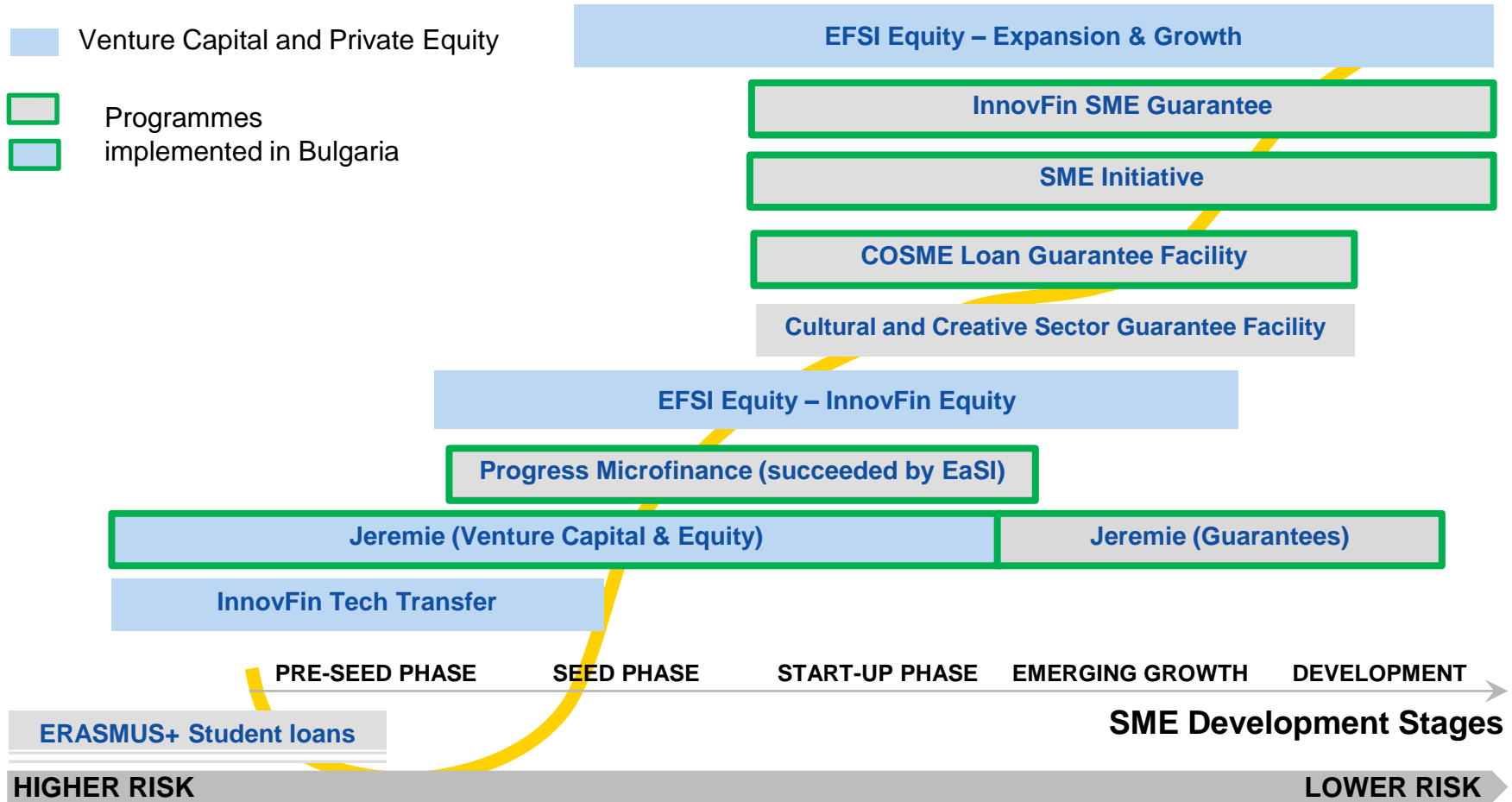
Programmes helping SMEs at every stage across sectors and geographies



Guarantees & Debt

Venture Capital and Private Equity

Programmes implemented in Bulgaria



Strong presence in Bulgaria

Equity – *targeting companies in early development stage; key role in creating the start-up ecosystem in Bulgaria*

- 6 Venture Capital funds, investments in 240 young companies, incl. 180 start-ups

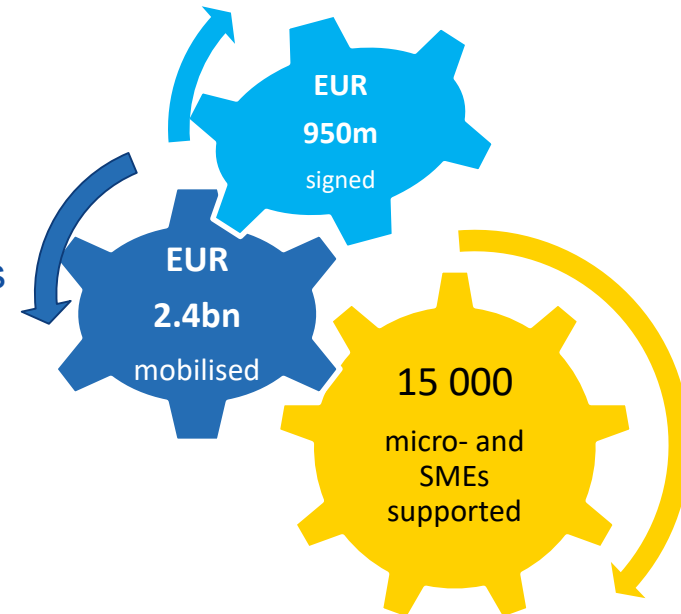
Guarantees – *targeting innovation, growth and employment*

- More than 14,000 credits to SMEs and small mid caps so far

Microfinance – *targeting micro-enterprises with up to 10 employees*

- EUR 23m mobilized until 2018

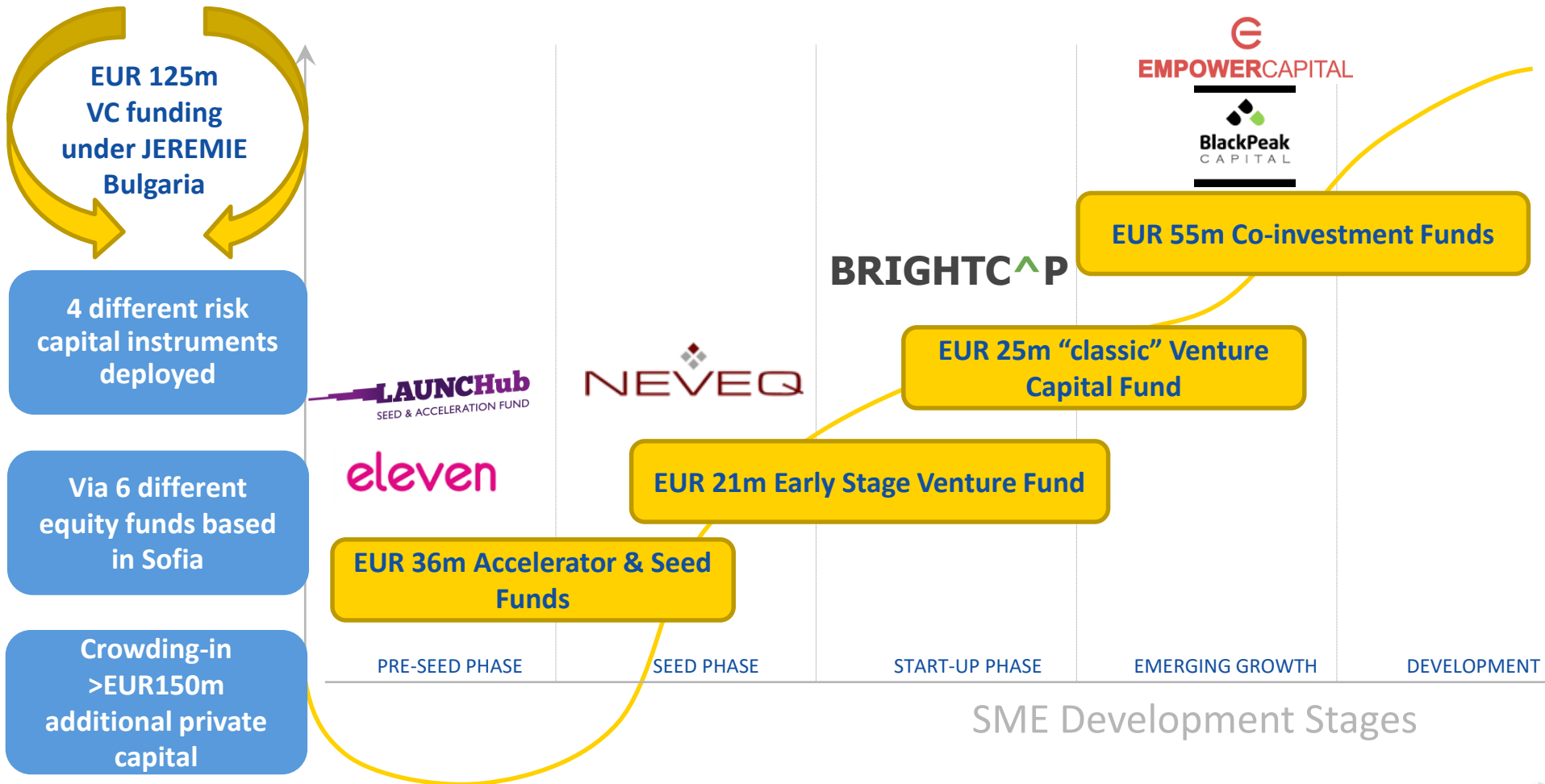
**EIF's support for business
2012 – 2018**



Investment Plan for Europe SME Window

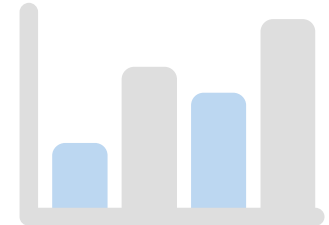
Bulgaria ranks third in mobilised investments per EURm of GDP

JEREMIE Bulgaria: A portfolio approach



Kick-starting the development of VC ecosystem

“ The key goal of developing JEREMIE Bulgaria early stage risk capital strategy was to foster the development of entrepreneurial ecosystem



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No start-up funds

No existence of private equity funds for start-up capital in Bulgaria prior to 2010

Lack of angels

The paradigm of angel investing was developing, but in embryonic stage

Unstructured mentorship

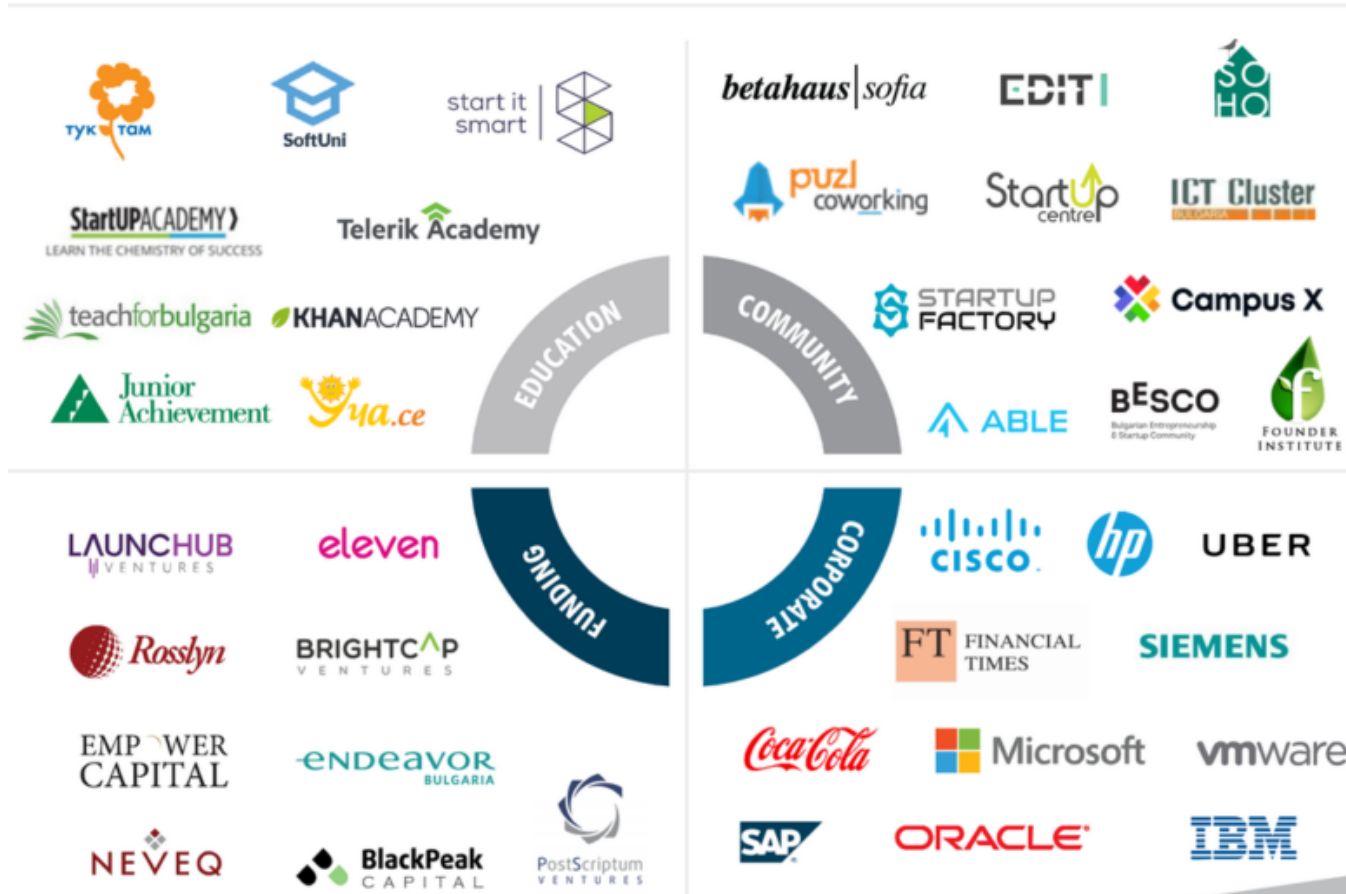
First-time entrepreneurs had limited access to **mentorship from industry captains**

Limited VC capital

Only one ‘classic’ **Venture Capital fund** operating domestically

Key local players in the innovation ecosystem

The innovation ecosystem is thriving

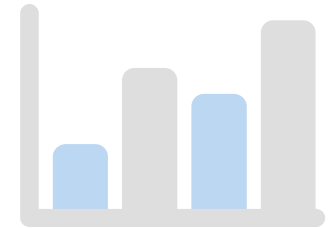


Source: Bulgarian Venture Capital Association

New regional equity platform started in Bulgaria in 2019



“ InvestBG Equity initiative will invest EUR 110m in new generation of regional VC and growth capital funds to support emerging high-tech champions in their global expansion ”



Scale-up capital

Emerging high-tech innovators need **bigger investment rounds** to compete globally

Regional integration

Developing **connections b/n local ecosystems** across the Balkans

Private Investors

Larger equity funds with commercial focus will attract **more private capital**

Attracting Talent

Faster track to global expansion will expand existing **pool of talent** in the region

EIF Equity coverage in Bulgaria

