

Microfinance what does it mean ?

Microfinance is not only a financial instrument, but a complex tool which can contribute to a high level of sustainable employment, encourage new businesses, self-employment and stimulate economic growth on local level. Therefore, it is in the public interest that microfinance schemes should be available and easily accessible for the target groups. Many European countries dedicate public funds to finance microcredit programmes; and such schemes have already proved their efficiency and sustainability.

- Why should governments allocate public funds for microfinance programmes?
- What are the benefits of microfinance to the target groups?
- What are the differences between non-profit microfinance and bank loans?

The project “ATM for SMEs” is aiming at giving comprehensible answers to these questions and also showing the ways how decision makers can exploit the potential of non-profit microfinance schemes.



**CAGLIARI
STEERING GROUP
MEETING**



**LET'S LEARN
FROM EACH
OTHER AND ACT!**



**LOCAL
WORKSHOPS**



**EUROPEAN GOOD
PRACTICES**

Cagliari Steering Group Meeting

The meeting was hosted by project partner Autonomous Region of Sardinia Regional Department for Planning in Cagliari, Italy. The 2-day meeting included a steering group meeting and information about the partners other projects.

The participants talked through the most major parts of the Regional Action Plans. The Lead Partner of the ATM for SMEs consortium had already showed their Action Plan for the project partners,

You can download the Regional Action Plan of the Fejér Enterprise Agency here:

<https://www.interregeurope.eu/atmforsmes/library/>



Also we got an insight into the Action Plan of the German project partner. (KIZ SINNOVA). Their plans are the non-financial supports like mentoring and coaching and also financial supports.

One of them the Micro-crowd is a hybrid model of microcredits and crowdfunding. This model was developed and presented in 2016 from Markus Meier to different regional development banks. It combines crowdfunding and microcredit.

The other one is the Colmeia Swap instead of being an association of people, like a credit union, it is an association of enterprises that are responsible for support, access to finance and access to markets. The model was developed by Alexander von Humboldt researcher Gustavo Bernardino in 2017. It aims to increase the outreach of the entrepreneurs to other countries and offer support during sales.

"Let's learn from each other and act!" project film



Release date: December 2018

The aim of the film is to show the experiences of the project to the decision makers, in a comprehensive way.

The film follows 3 main topics:

- Basic knowledge on microfinance to understand the message that we want to transfer
- Good practices, relevant experiences and recommendations shared during the project implementation
- Real client stories, showing the benefits of microfinance from the clients' point of view, in an emotional way

The project video follows the important events of the "ATM for SMEs" project. It contains interviews of project partners and real clients who tell how microfinance helped them moving forward. The video clearly demonstrates that microcredit is the only way out from the financial exclusion and can literally change the life of the entrepreneurs who run small businesses.

European Good Practices: ATM for SMEs Interreg Project's Experience by EMN

In the context of economic crisis and growing inequality that has faced Europe in the last years, microfinance has emerged as an important policy tool to fight against social and financial exclusion, promote self-employment and support microenterprises. In Europe today, there are a wide variety of microfinance initiatives (both private and public) providing financial and non-financial support to vulnerable people underserved by traditional lenders. These microfinance actors have the common goal of increasing social and financial inclusion for their clients; however, there are significant differences in how these initiatives reach and cater to the needs of their target groups.

Building on the variety of actors and practices of the European microfinance sector, the Interreg project "Access to Microfinance for Small and Medium Enterprises" (ATM for SMEs) aims to improve access to microfinance in various European regions by exchanging local knowledge on innovative solutions adopted by project partners. To achieve these objectives, the "ATM for SMEs" consortium is characterized by a balanced proportion of managing authorities and microfinance institutions and is supported by the European Microfinance Network (EMN) as an advisory partner.

In this framework, the EMN has worked on the selection and further elaboration of the Good Practices (GPs) shared by the project partners and which are compiled in this publication.

We hope that the dissemination of the lessons learned from these successful initiatives in Europe will allow project partners to capitalise on the accumulated experience in the participating regions and encourage replication and constant improvement.

Download the study:

<https://www.interregeurope.eu/atmforsmes/library/>



Local Workshop



The Fejér Enterprise Agency, the lead partner of the project consortium, organised their first local workshop. On the session the partners of the Hungarian Microfinance Network ascertain the aims of the project and the views of the stakeholders in the microfinance sector.

The project implemented through the INTERREG Europe programme, is aiming at improving the access to microfinance in the participating regions by sharing and exchanging the local knowledge on innovation solutions. During the workshop the participants got to know all of the Study Trip details and the selected good practices, which are produced by the project partners.

In the end of the event the FEA presented their Regional Action Plan, which focus is on The Integrated Territorial Programme 2014-2020 (ITP) of Fejér County is an intrinsic part of the centralised Territorial and Settlement Development Operational Programme (TOP) of Hungary. The TOP incorporates the territorial development objectives of the Hungarian regions, and the funding of the projects will be managed in a decentralised manner, by the counties, based on the assessment system defined in the ITPs.

The project is implemented through the Interreg Europe programme co-financed by ERDF.