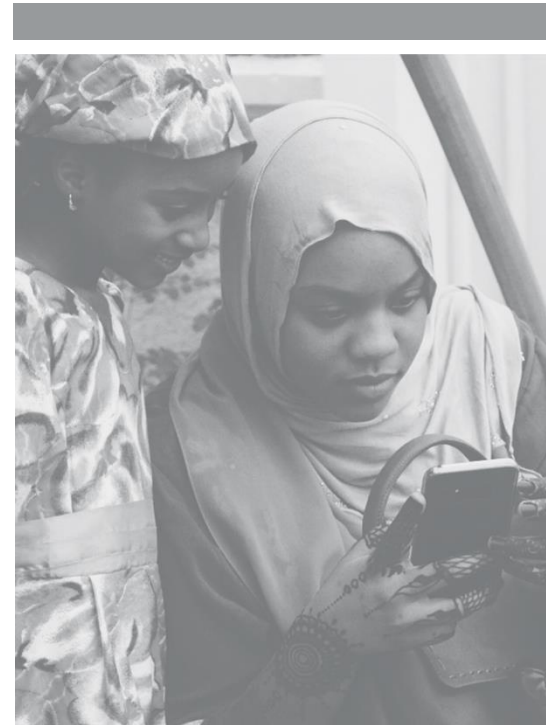




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ALLIANCE FOR ETRADE DEVELOPMENT

HOW PROMOTING DIGITAL TRANSFORMATION FUNDS COULD SUPPORT MSMES IN ECOMMERCE?

September 30, 2022

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I. INTRODUCTION

eTrade Alliance's surveys with developing country micro, small and medium enterprises (MSMEs) reveal gains from digitization and interest in it, for firms to streamline and scale their businesses. Both marketplace sellers and social sellers highlight digitizing sales, marketing, finance, and accounting as being among the top needs for their businesses.

However, businesses also see access to finance to acquire and apply new technologies as a key constraint to their digital transformation. Firms of all sizes also see access to finance as a leading challenge for their digital transformation.

One reason is that traditional lenders prefer offering MSMEs standard instruments such as lines of credit, working capital, and financing for fixed assets, rather than more innovative instruments for riskier projects with longer-term horizon. Meanwhile, for unbanked firms, equity and grant financing is available only in selected instances.

Governments around the world have over the past few years set up several digital transformation funds to enable MSMEs to access financing for their digital transformation. This brief discusses how businesses and governments, including the eTrade Alliance, could build on these efforts to unlock long-term financing for digitizing MSMEs at scale.

The following section reviews data on how digitized businesses outperform brick-and-mortar companies and how ecommerce use and digitization correlate. Section three reviews digital transformation fund models, while section four puts forward testable ideas to scale these models and make them sustainable.

II. ONLINE SELLER MSMES' FINANCING NEEDS FOR DIGITAL TRANSFORMATION FUNDING

“Digital transformation” can in general be taken to mean replacing analogue, paper-based and manual processes with digital processes, data, and technologies that impart new efficiencies and interoperability within a company and in its interactions and transactions with customers and suppliers. It can mean a variety of things to different companies, such as:

- Acquisition of new equipment or machinery or data and analytics software and techniques to increase productivity or the quality produced – for example, in manufacturing, it could mean use of additive manufacturing techniques to reduce leads times and waste, and use of data and AI to optimize processes and reduce defects.
- Use of online marketing, digital payments, online stores, CRM systems, and order management systems to reach and service customers at scale, in lieu of personal contact;
- Digitizing procurement and supply chains, such as through supplier relationship management and procure-to-pay systems, and digitized billing and invoicing.
- Leveraging enterprise resource planning (ERP) systems and cloud computing for more agile and interoperable operations and flexible workloads.
- Skills development of existing staff and/or hiring entirely new staff capabilities to develop and/or apply technologies.

MSMEs' digital transformation and success in ecommerce correlate heavily. In the Alliance's surveys with firms around the developing world, we have found that online and marketplace sellers have not only digitized their sales and marketing. Rather, they have typically engaged in a fuller digital transformation and use bundles of complementary technologies such as online banking and digital payments, enterprise resource planning (ERP) systems, and other software and online tools for marketing, accounting, supply chain and inventory management, and human resources (figure 1).

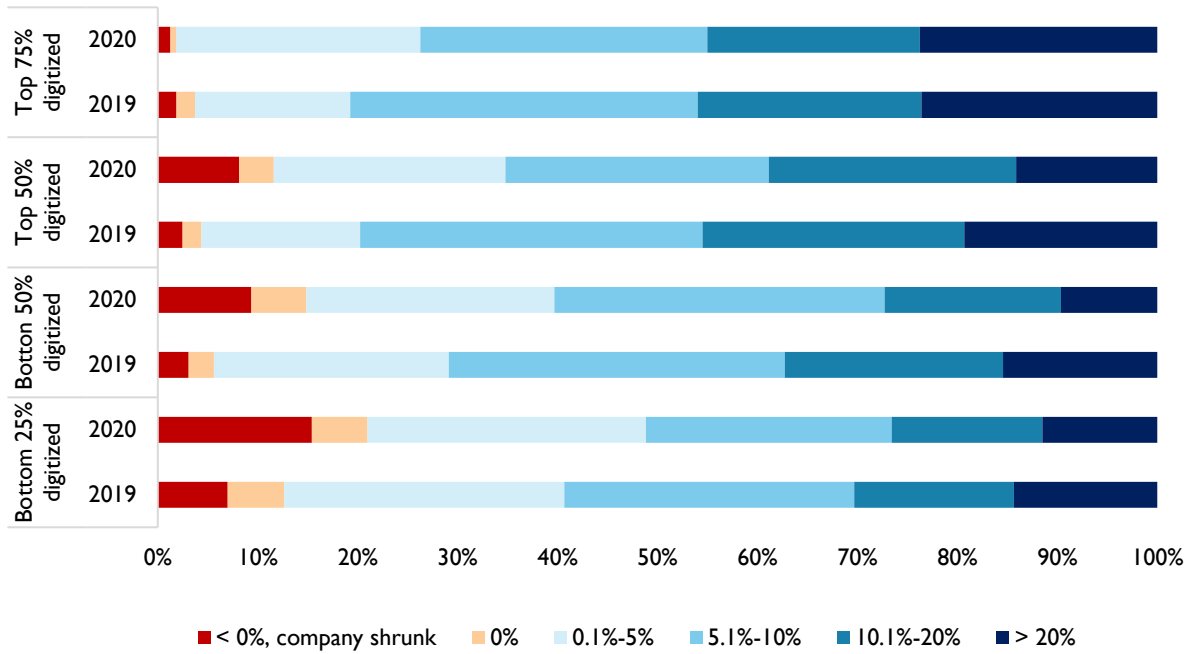
Figure I: Complementarities in the surveyed firms' use of digital technologies

| | Global marketplace | Social media platform | Online store | Online banking | Mobile payments | Digital payments | Online lending platforms | Equity crowdfunding platforms | Inventory management platforms | ERP systems | Accounting platforms | Marketing platform | Online learning platform | Online job platforms |
|--------------------------------|--------------------|-----------------------|--------------|----------------|-----------------|------------------|--------------------------|-------------------------------|--------------------------------|-------------|----------------------|--------------------|--------------------------|----------------------|
| Global marketplace | | | | | | | | | | | | | | |
| Social media platform | 10% | | | | | | | | | | | | | |
| Online store | 13% | 6% | | | | | | | | | | | | |
| Online banking | 8% | 26% | 12% | | | | | | | | | | | |
| Mobile payments | 6% | 38% | 12% | 32% | | | | | | | | | | |
| Digital payments | 14% | 8% | 13% | 23% | 27% | | | | | | | | | |
| Online lending platforms | 23% | 13% | 8% | 13% | 18% | 20% | | | | | | | | |
| Equity crowdfunding platforms | 27% | 14% | 5% | 12% | 16% | 14% | 60% | | | | | | | |
| Inventory management platforms | 18% | 10% | 17% | 21% | 22% | 24% | 39% | 48% | | | | | | |
| ERP systems | 24% | 14% | 11% | 19% | 21% | 22% | 42% | 50% | 64% | | | | | |
| Accounting platforms | 13% | 11% | 18% | 21% | 17% | 21% | 33% | 37% | 59% | 58% | | | | |
| Marketing platforms/software | 25% | 18% | 20% | 24% | 19% | 25% | 42% | 47% | 56% | 59% | 60% | | | |
| Online learning platform | 25% | 27% | 11% | 21% | 22% | 26% | 33% | 35% | 33% | 39% | 31% | 43% | | |
| Online job platforms | 24% | 21% | 16% | 16% | 24% | 21% | 41% | 44% | 41% | 47% | 43% | 44% | 50% | |
| Online networking platforms | 27% | 23% | 14% | 17% | 23% | 25% | 39% | 39% | 48% | 49% | 45% | 52% | 51% | 57% |

Source: eTrade Alliance's MSMEs surveys in various markets.

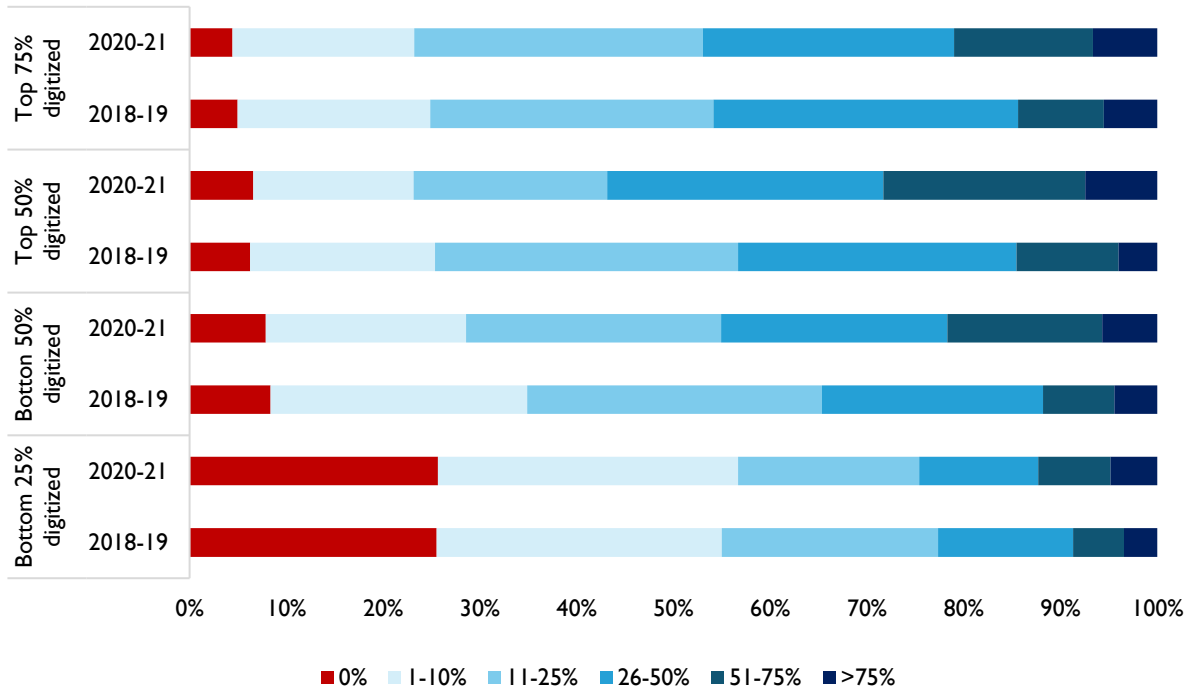
It is highly plausible that this digital transformation, by enabling businesses to scale and streamline their operations, contributes to marketplace sellers' success as exporters and high-growth companies. Highly digitized marketplace sellers are much likelier to export and significantly more productive and grow faster than firms that are only commencing their digital journeys, and firms that end up using technologies across their operations outperform their peers in terms of revenue growth and ecommerce sales (figures 2 and 3).

Figure 2: Growth in firms' level of digitization in 2019 and 2020, percentages



Source: eTrade Alliance's MSMEs surveys in various markets.

Figure 3: Surveyed firms' online sales as a percentage of all sales in 2018-19 and 2020-21, by firms' level of digitization



Source: eTrade Alliance's MSMEs surveys in various markets.

Business fully grasp the importance of digitization, Both marketplace sellers and social sellers highlight digitizing sales, marketing, finance, and accounting as being among the top needs for their businesses (figure 4). However, businesses also see access to finance to acquire new technologies as a key constraint to their digital transformation (figure 5). For small firms, also the challenges of understanding the return on investment from a digital transformation and building consensus around this transformation are among the key challenges to acquiring new technologies

Figure 4: Online sellers’ views on the need for digital transformation across business functions

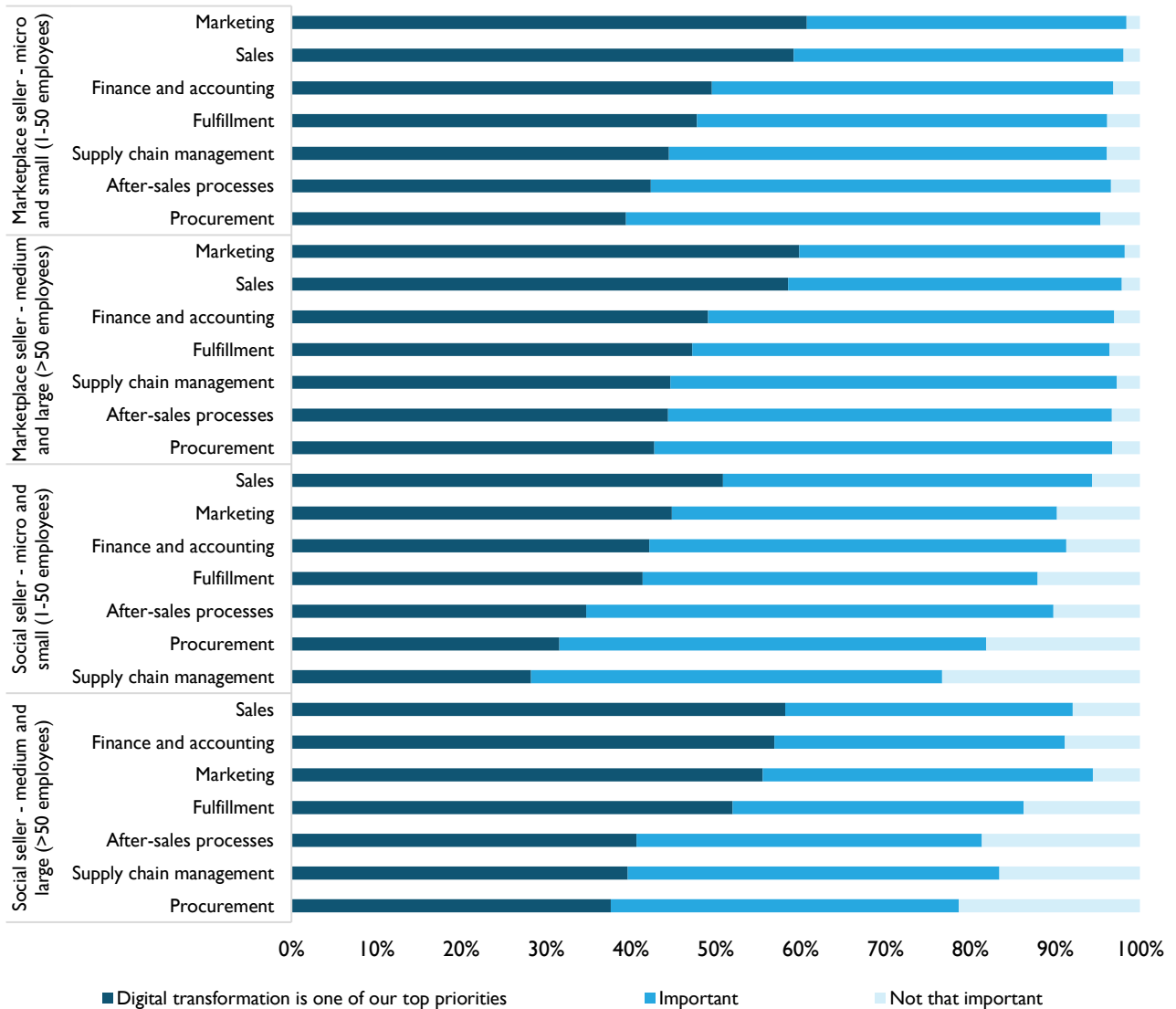
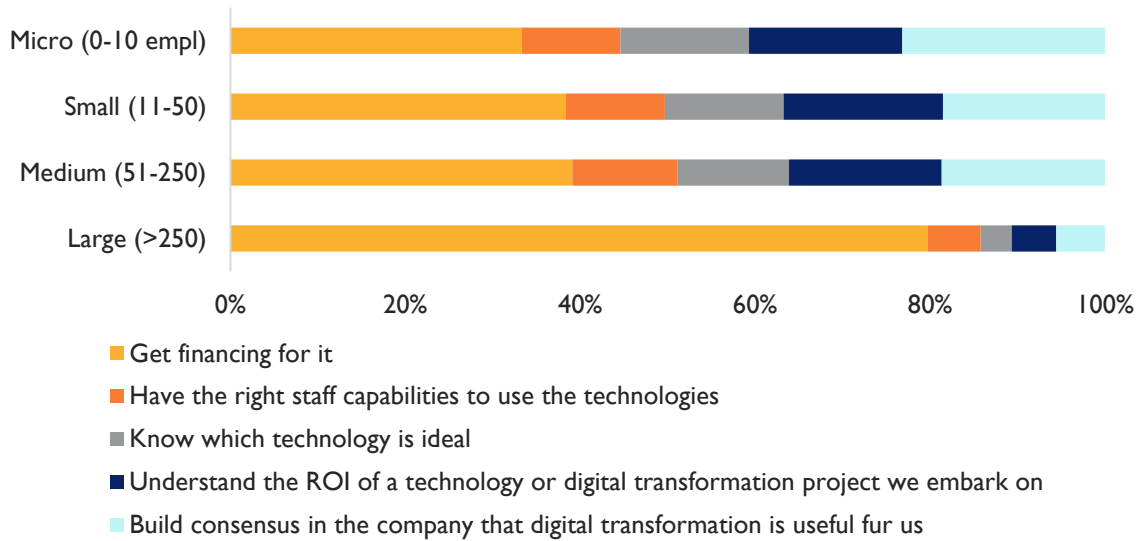


Figure 5: Top challenges to implementing digital transformation processes, by firm size, percentages



What then impedes financing? One reason is that traditional lenders prefer offering MSMEs standard instruments such as lines of credit, working capital, and financing for fixed assets, rather than more innovative instruments for riskier projects with longer-term horizon. Meanwhile, for unbanked firms, equity and grant financing is available only in selected instances. The following section reviews funding mechanism that have been mounted to fill this gap.

III. DIGITAL TRANSFORMATION FUND MODELS

Realizing there is market failure facing small businesses that seek digital transformation financing, governments around the world have over the past few years set up several digital transformation funds to enable MSMEs to access financing for their digital transformation. These come in different sizes and are for different types of firms – for example, both national and city governments have offered microgrants of some US\$1,000 for micro enterprises to set up an online store; matching grants for small businesses to digitize their operations; loan guarantees of hundreds of thousands of dollars for midsize manufacturing firms seeking to automate production; and equity financing for globalizing, established MSMEs in technology-intensive fields (table 1). Numerous countries as well as city governments have realized the importance of supporting MSMEs digital transformation and have offered these types of facilities. The following reviews different models.

Table 1 - Examples of Digital Transformation Financing Facilities

| Model | Typical approaches and sizes | Examples |
|-----------------------|--|--|
| Microgrant | Grant of US\$1,000-2,000 for a microenterprise to set up their websites and online store | <ul style="list-style-type: none"> • Malaysia’s eTrade Program • Ecommerce grant for Central American micro enterprises |
| Matching grant | Funding typically \$30,000-\$200,00 against adoption of technologies and company-wide digital development and reskilling | <ul style="list-style-type: none"> • Costa Rica PROPYME Innovation Fund • UK’s Made Smarter program • South Korea’s Digital Transformation Fund Grant |
| Loan guarantee | Loans into \$500,000-\$1m to promote the adoption of disruptive technologies in bankable businesses. | <ul style="list-style-type: none"> • Malaysia, SME Automation and Digitalization Facility (ADF) • EU’s InnovFin SME Guarantee Facility and Innovation and the Digitalization Portfolio Guarantee |
| Equity | Growth capital for larger-scale digital transformation | <ul style="list-style-type: none"> • Brazil’s Criatec • Panama’s Innovatec |

A. MATCHING GRANTS AND MICROFINANCINGS

Many governments around the world are using matching grants, loan guarantees, and tax breaks to support SMEs, and a growing number are using these instruments to accelerate firms' digital transformation – but academic literature suggests that these instruments have distinct impacts on different types of firms.¹

- There are government- and donor-funded microgrants for companies to build online sales capabilities for example, Malaysia's export promotion agency MATRADE offers incentive up to RM5,000 to accelerate exports via build out of ecommerce capabilities – onboarding and use of global ecommerce platforms.
- Chile's CORFO (Corporación de Fomento de la Producción) offers co-financing of up to 70 percent in digital transformation projects, up to US\$40,000.² The beneficiary company needs to fund 30 percent with existing or new investments.
- The Slovenia Enterprise Fund has a €30 million fund of direct loans supported by the European Bank for Economic Reconstruction and Development (EBRD) to partially cover the costs for technical equipment and digital transformation for 300 projects championed by Slovenian SMEs that seek to grow the added value per employee by at least 3 percent.³ The support is on average US\$118,000 per company.
- Central American Bank for Economic Integration (CABEI) approved \$50 million to Argentina to support 300 SMEs in their digital transformation (200 with non-reimbursable grants and 100 with loans, or about US\$167,000 per firm).
- UK's Made Smarter program supports technology implementations for UK SME manufacturers; the average finding amount is US\$27,000. The program seeks to match its support with 2.5 times of private capital, bringing the total per project to about US\$100,000.
- Singapore's Advanced Digital Solutions (ADS) supports the adoption of advanced technologies (e.g., AI, Robotics, Blockchain and Internet of Things) and integrated solutions (e.g., B2B solutions that integrate inventory management, e-invoicing, and e-payments) that address common enterprise-level challenges at scale.
- South Korea's Digital Transformation Fund Grant funding is to be used to support digital solutions that enable SMEs adopt digital solutions needed to thrive in a digital economy, and underserved job seekers to provide upskilling/reskilling to integrate them into the digital economy. Minimum grant size is KRW 150M, maximum KRW 200M; at least 5 grantees will be selected.

B. LOAN GUARANTEES

Governments have also launched loan guarantees on bank loans for digital transformation. These are often for larger projects and companies. As examples:

- In Malaysia, SME Automation and Digitalization Facility (ADF) supported by Credit Guarantee Corporation Malaysia (CGC) and Syarikat Jaminan Pembiayaan Perniagaan (SJPP) provides 80 percent guarantees on bank loans for Malaysian SMEs, of up to US\$725,000. The latest available funding pool is US\$170 million.

- Spain's ICO Red.es Acelera. Experimental development projects (prototyping, development of pilot projects, testing and validation of products in technologies such as Artificial Intelligence, 5G technologies, massive data and information processing technologies, Blockchain, robotics, digital content); projects that promote the development, promotion and adoption of digital technologies.
- EU's InnovFin SME Guarantee Facility and Innovation and the Digitalization Portfolio Guarantee; provides loan guarantees (and counter-guarantees for investments in tangible assets as well as intangible assets and working capital, The portfolio includes 80% guarantee only for working capital loans up to €150,000; 60% minimum and 70% maximum on counter-guarantees on loans.
- In France, the Num Guarantee offers loans of up to EUR 50,0000 offered by 6 banks in France are guaranteed by Bpifrance up to 80 percent.

C. EQUITY FUNDS

There are also equity financing from government to firms' digital transformation, such as:

- Brazil's Criatec operated by the development bank BNDES invests in MSMEs with revenues of up to \$2.4 million in sectors such as ICT, agrobusinesses, nanotechnology, biotechnology, advanced materials and digital technologies .Average investment is US\$775,000 in funds one and two; total up to US\$785,000 in two rounds (round one up to US\$300,000)
- Panama's Innovatec provides pre-seed, seed, new ventures, and scaling up of established companies to finance initiatives with international growth potential and with innovative products or services and that can generate an economic, social or environmental impact in the country.

IV. TOWARD SCALABLE DIGITAL TRANSFORMATION FUNDING MODELS

Digital transformation is critical for developing country firms that aspire to grow into a competitive online seller. This brief has highlighted a number of digital transformation facilities set up by countries around the world to promote MSMEs' access to financing and advice for digitizing their businesses. There could be several ways to scale these nascent initiatives and maximize their impact, including for online seller MSMEs, through the following measures:

- **Rigorously screen and select viable MSMEs poised to translate their digital transformation** into productivity gains and ideally also employment opportunities.
- **Incentivize MSMEs to invest in their own ongoing digital transformation.** The funds that have been set up likely offer financing as a “one-shot” investment, when digital transformation is a long-term process. Some however appear to incentivize repeats; for example, Singapore’s Productivity Solutions Grant (PSG) Program provides for repeat applications made annually.
- **Support banks in offering digital transformation loans with guarantees.** Banks can be wary about lending to digital transformation projects not because they lack financing, but because they feel that the loan may not translate into revenues that enable a company to repay the loan, or because of opacity of company financials. Loan guarantees are a good option for supporting bankable firms; this is a model employed for example by Malaysia.
- **Consider long-term loan instruments to promote sustainable funding models.** Development partners could also test mezzanine loans to support MSMEs digital transformation. Mezzanine debt bridges the gap between debt and equity financing and enable the recipient to forgo paying interest for some years until the interest payments kicks in, typically at 12-20% per year. For development partners, this type of financing is less risky than equity financing and can enable companies that consider payment terms offered by banks a too limited. As the interest in mezzanine debt kicks in only during years 4-5, the firms would be better placed to translate its digital transformation into revenues and ready. This model could also become self-sustaining and ultimately private sector-driven.
- **Test crowdfunding for online sellers’ digital transformation.** There exists a growing number of crowdfunding vehicles in the developing world, Governments and development partners could also leverage these funds for catalyzing funding in existing online sellers digital transformation, for example by incentivizing individual investors to invest in such companies and their digitization projects.
- **Leverage market development funds for scalable solutions.** Many large brands operate “market development funds” that help affiliates, channel partners, resellers, or distributors to market and sell its products and promote its brand; there are some 4,500 such funds in the United States alone, spending US\$50 billion per year.⁴ To quickly reach viable MSMEs at scale, development partners could support these types of funds with additional support for the channel partners to promote their digital transformation and thus also benefit the brand.
- **Provide technical assistance for firms’ digital transformation.** Firm surveys strongly suggest that the digital transformation funding will need to be complemented by technical

assistance for digital transformation, for example to learn about available technologies and choose appropriate technologies for their digital transformation, and access expert such as consultants to learn to deploy and leverage technologies. This approach is used for example by UK's Made Smart digital transformation facility,

- **Development partners can also educate governments and other providers of funding for digitizing firms** about the best instruments and practices both to finance firms' technology transformation at different stages of firms' lifecycles, and to incentivize firms to invest in their digital transformation.
- **Promote dialogue of digital transformation funding models and how they can be scaled.** There is also need for dialogue with financial services sector on digital transformation business models, emerging financing instruments and programs used by their peers around the world, and continued dialogue on emerging practices for banks to broaden the consideration of borrowers' collateralizable assets beyond fixed assets, to enable financing to asset-light technology and IP-intensive companies.

Appendix - Table I-I – Selected Digital Transformation Financing Facilities around the World

| Program | Type | Beneficiaries | Average financing | Use of proceeds |
|--|--------------------|---|--|--|
| Chile - Viraliza ⁵ | Co-financing | Chilean firms | Up to 70% of the total cost of the project with a ceiling of \$40,000; average \$28,000 | To enable digitization of processes, business models, business strategies, big data, cybersecurity, artificial intelligence and social networks of SMEs. |
| Slovenia - Slovenian Enterprise Fund ⁶ | Co-financing | 300 projects or companies that will implement digital transformation processes. Focused on firms that can increase worker productivity and added value per employee by at least 3%. | \$118,000 | Technological solutions and digital transformation of key production and business processes; digital transformation and energy-efficient and material-efficient processes; roll-out of new digital business models. |
| Argentina - Competitiveness Support Program (PAC) Digital Transformation by Ministry of Productive Development ⁷ | Co-financing grant | Formal MSMEs | 70% matching grant, up to \$6300: - Up to \$3775 for technical assistance services - Up to 10% to the pre-diagnosis, coordinates the execution of the project - Up to 30% for the acquisition of goods associated with technical assistance | Technical assistance for digital transformation project to improve business management, increase productivity and improve the efficiency and quality of processes. Must be for: purchasing and / or suppliers, marketing and sales, human resources, procurement and distribution, production and operations. |
| Costa Rica PROPYME Innovation Fund by Ministry of Science and Technology (MICITT) ⁸ | Grant | MSMEs working on technological development projects, patents, human capital, technology transfer, and technological services | Non-reimbursable financial support, a maximum amount of up to eighty percent (80%) of the total cost of an innovation and | Actions and activities aimed at promoting and improving the management capacity and competitiveness of Costa Rican SMEs, through technological development as an instrument to contribute to the economic and social technological development project. |

| Program | Type | Beneficiaries | Average financing | Use of proceeds |
|--|---|---|--|---|
| Brazil - Criatec⁹ | Equity by BNDESPAR, a subsidiary of BNDES | MSMEs with revenues of up to \$2.4 million | Average \$775,000 in funds I&2; total up to \$785,000 in two rounds (round one up to \$300,000) | Investing in sectors such as ICT, agrobusinesses, nanotechnology, biotechnology, advanced materials and digital technologies. |
| FONDEPRO EI Salvador by Ministry of Economy (MINEC)¹⁰ | Matching grant | MSMEs in El Salvador with annual gross sales of up to US \$ 7 million | Co-financing limit from US\$8,000 up to US\$100,000 of contribution from the Fund For a consortium of three or more companies, co-financing limit from US\$8,000 up to US\$200,000 | Strengthen the competitiveness of MSMEs through non-reimbursable co-financing for improving productivity and incorporation of technologies, or adoption and transfer of technology in production processes, through technical assistance. |
| Innovatec Panama 2021¹¹ | Marching grant | SENACYT- National Secretary of Science, Technology, and Innovation | The maximum amount of the non-refundable contribution granted by SENACYT is up to 90% of the total cost of the proposal. Mentoring from an academic or established entrepreneur. | Development of technology-based and innovative projects for the economic reactivation; projects that have growth potential at the national and international level and can generate an economic, social or environmental impact on the country. |
| Panama Business Innovation Projects 2021 by SENACYT- National Secretary of Science, Technology, and Innovation | Matching grant | Formal MSMEs with minimum of 24 months of operation | Up to US\$175,000 | Projects that promote innovations in processes, services or products; integration and validation of technologies and existing components, which are aimed at their successful introduction to the market. |
| Honduras IDB- Fedecámara Digital Transformation Fund by the Inter-American Development Bank (IDB) and the Commerce of | Grant | MSMEs in hospitality, restaurant and service sectors in tourist areas, small businesses, market vendors or traditional channels, and cultural enterprises in support of informal companies; expected to reach 3,000 | Technical assistance, for a period of 36 months | Transition to a digital model of business, generate coordination mechanisms for the innovation and entrepreneurship ecosystem and the application of digital solutions. |

| Program | Type | Beneficiaries | Average financing | Use of proceeds |
|--|---|---|---|--|
| Honduras Fedecámara ¹² | | MSMEs with direct technical assistance for digitization, 1,000 with financial assistance where 50 percent are led by women, as well as promoting the creation of 11,000 new jobs. | | |
| Singapore - Productivity Solutions Grant (PSG) Programme (Under the SMEs Go Digital scheme) Enterprise ¹³ Singapore | Matching grant | MSMEs with <100M SGD in annual sales turnover and <200 employees | Annual cap at SDG 30,000 per company Receive up to 70% funding support for eligible costs of pre-scoped solutions | Adoption of pre-scoped IT solutions, equipment and consultancy services that improves productivity, aligned to the industry roadmaps such as the Industry Transformation Maps (ITMs) and Industry Digital Plans (IDPs) |
| Singapore - Advanced Digital Solutions (ADS) (Under the SMEs Go Digital scheme) by IMDA ¹⁴ | Matching grant | MSMEs with <100M SGD in annual sales turnover and <200 employees | Up to 80% funding support for the qualifying costs of digital solutions. Funding support can cover the costs of hardware, software, infrastructure, connectivity, cybersecurity, integration, development, enhancement and project management; also covers the cost of deploying these solutions. | ADS supports the adoption of advanced technologies (e.g., AI, Robotics, Blockchain and Internet of Things) and integrated solutions (e.g., B2B solutions that integrate inventory management, e-invoicing, and e-payments) that address common enterprise-level challenges at scale. |
| South Korea - Digital Transformation Fund ¹⁵ | Grant BY AVPN (Asia Venture Philanthropy Association), and MYSC (Merry Year Social Company); with support from Google.org | Registered non-profit organizations that support: (i) underserved SMEs, and (ii) underserved job seekers | Minimum grant size is KRW 150M, maximum KRW 200M; at least 5 grantees will be selected | To support digital solutions that enable SMEs adopt digital solutions needed to thrive in a digital economy, and underserved job seekers to provide upskilling/reskilling to integrate them into the digital economy. |

| Program | Type | Beneficiaries | Average financing | Use of proceeds |
|--|--|---|---|--|
| Argentina - Pilot Program for SMEs' Digital Transformation ¹⁶ | Grants and loans by Central American Bank for Economic Integration (CABEL) | Formal SMEs. 200 companies will receive non-refundable contributions and 100 will have access to loans for productive transformation 500 workers and entrepreneurs receive courses on digitization | \$166,000 | Technological infrastructure for the digital transformation of the productive sector, particularly SMEs, train entrepreneurs and workers for the transition to 4.0. |
| Malaysia - SME Automation and Digitalization Facility (ADF) by Bank Negara Malaysia, guaranteed by Credit Guarantee Corporation Malaysia (CGC) and SJPP ¹⁷ | Loan guarantee | Malaysian SMEs | Up to RM 3M and financing tenure of up to 10 years at up to 4% per annum, inclusive of guarantee fee. | To encourage SMEs across sectors to automate processes and digitalize operations to increase productivity and efficiency. |
| Spain - ICO Red.es Acelera ¹⁸ | Loan by Official Credit Institute; distributed via banks | Companies, foundations, associations, professional associations, etc. | Interest rate: fixed or variable, plus the margin established by the credit institution according to the repayment term. Amortization possibility of up to 2 years of principal grace depending on the term. | Experimental development projects (prototyping, development of pilot projects, testing and validation of products in technologies such as Artificial Intelligence, 5G technologies, massive data and information processing technologies, Blockchain, robotics, digital content); projects that promote the development, promotion and adoption of digital technologies. |
| FNE Innovation | Loan by Banco do Nordeste ¹⁹ | Legal entities and registered entrepreneurs, individual microentrepreneurs (MEI), exclusively served under the FNE – Startup line, farmers and cooperatives of rural producers | Up to 100% financing for small firms; 95% for medium. Fixed according to the project's physical-financial schedule and the company's ability to pay, up to 15 years, including up to a 5-year grace period. | Innovation in products, services, processes and organizational methods in enterprises: In non-rural sectors: project aimed at implementation, expansion, modernization, reform and relocation that enable innovations in products, services, processes and organizational methods in enterprises; In the rural sector: projects for technological innovation in rural properties, including rural investment and costing associated with investment. |

| Program | Type | Beneficiaries | Average financing | Use of proceeds |
|--|---|---------------|--|--|
| InnovFin SME Guarantee Facility and Innovation and the Digitalization Portfolio Guarantee Product by EIF (European Investment Fund) ²⁰ | Loan guarantee | SMEs | <p>50% guarantee, complementary security for investment and working capital loans. 80% guarantee only for working capital loans up to EUR 150,000; 60% minimum / 70% maximum on counter-guarantees on loans (Digital Financial Receipt Transactions in the form of debt) up to EUR 150,000; only covers investments in tangible assets not to exceed 40% of the Digital Financial Receipt.</p> <p>Minimum loan amount of revolving loan: 26,000 EUR. Minimum loan maturity - 12 months; maximum loan maturity 120 months</p> | The facility specifically targets support for the digitalization of SMEs via the financial intermediaries already participating in COSME; provides loan guarantees (and counter-guarantees for investments in tangible assets as well as intangible assets and working capital. |
| The France Num Guarantee (2021) by Bpifrance (French public investment bank), with EIF COSME as counter-guarantor ²¹ | Loan guarantee | SMEs | Loans of up to EUR 50,0000 offered by 6 banks in France are guaranteed by Bpifrance up to 80% | Financing for digital transformation projects. |
| UK - Made Smarter | Matching grant PPP between the UK Government and private businesses | British SMEs | <p>Up to 50% match-funding for technology implementation to SME manufacturers</p> <p>\$27,000; mobilizes 2.5x private capital for a total ticket of \$100,000 per firm</p> | <p>Automation and digital technologies.</p> <p>Free expert advice, funded digital internships, specialized leadership and management training:</p> <ul style="list-style-type: none"> - Specialist technology advice, digital transformation workshops and strategic expertise are fully funded - A 50% subsidized Leadership Program is currently available for business leaders, managers and decision makers - Technology intern (fully funded at £5,760 across a 480-hour technology integration project) |



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