



La Financière Région Réunion

Aubin Bonnet, European Investment Fund



 #ficompass



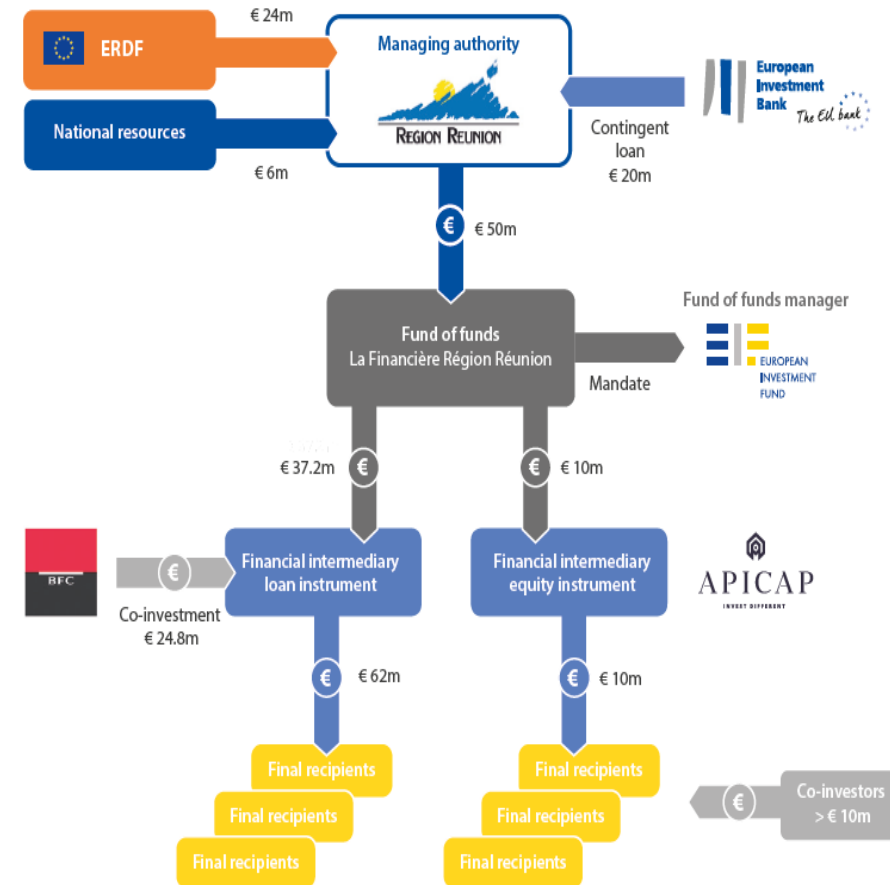
- **La Réunion in a nutshell:**
 - French Outermost Region located in the Indian Ocean / 9 500 Km from Paris;
 - EU's second largest Outermost Region after The Canaries, with 861 000 inhabitants and a EUR 20bn GDP;
 - Despite a 23% unemployment rate, the ecosystem is vibrant with an annual business growth rate of 2.3%, investment rate of over 20%, alongside about 55 000 SMEs and over 150 000 people employed by SMEs;
- **La Financière Région Réunion : Main steps**
 - The Region finalised its ex ante assessment in October 2015, then entrusted the EIF in September 2017;
 - Calls for Expression of Interest were launched in September 2017;
 - Signatures of the Operational Agreements with BFCOI [June 2018] and with APICAP [November 2018];
 - Deployment until December 2023 / Possibility to do some follow-on investments [since signature of the OA occurred before Dec 2018].



La Financière Région Réunion – Structure



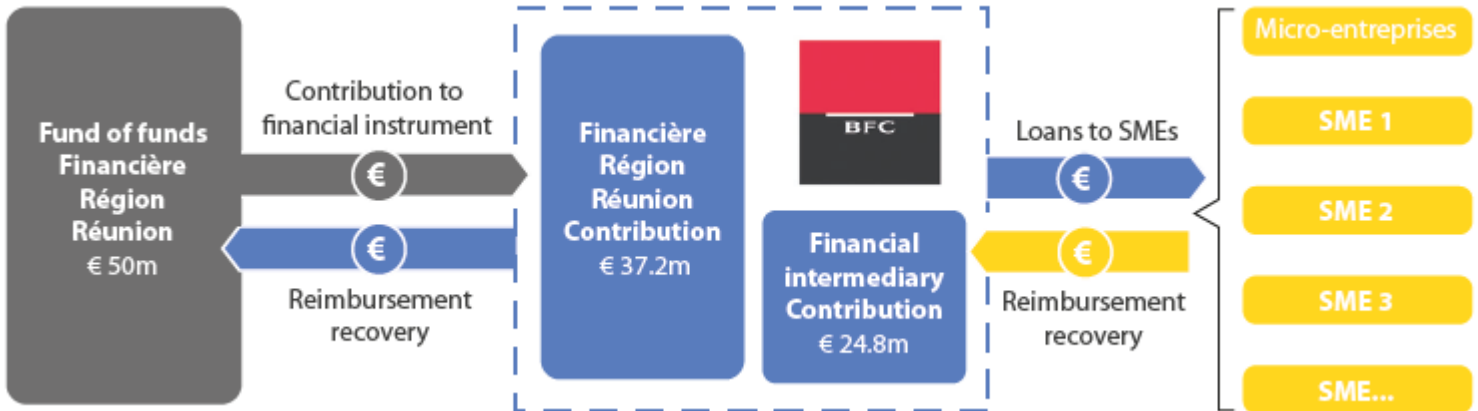
- **EUR 50m Fund of Fund** financed by ESIF and Regional resources + including a EUR 20m EIB facility covered by EFSI;
- The FoF **aims to:**
 - Secure access to debt financing for SMEs at lower interest rates than available in the market;
 - Mobilise private sector equity investment in the region;
 - Reinforce the local ecosystem to support SMEs / Achieve full complementarity between the products;
 - Specifically target young and high growth potential SMEs.
- **Governance:** Région Réunion is the **MA** / supervises the operations through a dedicated team + **Investment board** two elected representatives of the region who act as board members and three observers representing the managing authority + **EIF** acting as the FoF manager.



La Financière Région Réunion – Underlying Instrument: FRSP



Funded Risk Sharing Product



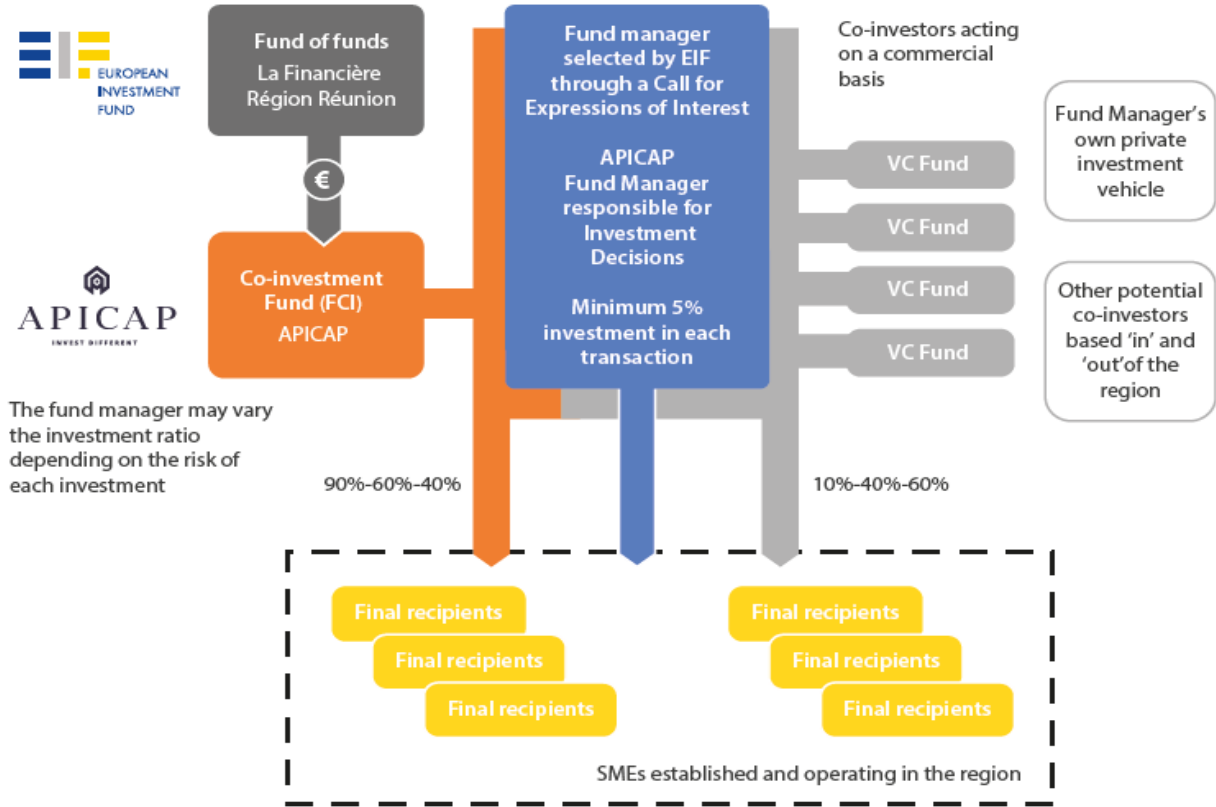
Leverage = 1 / Risk sharing rate (60%)



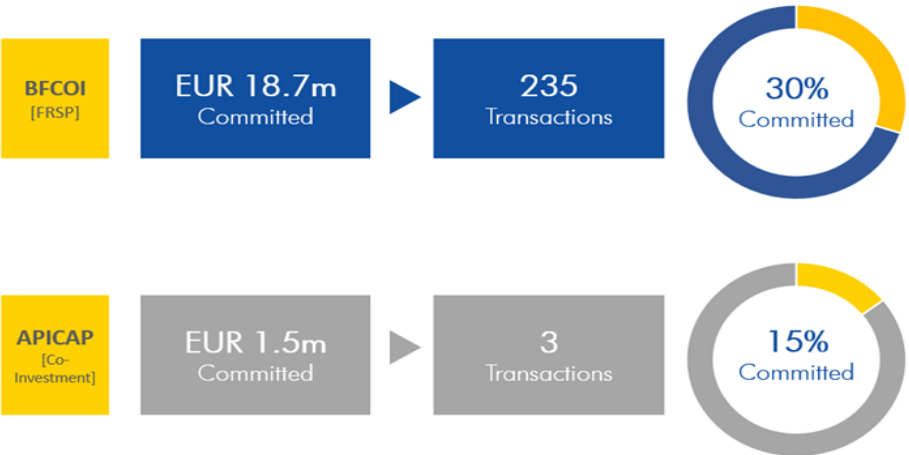
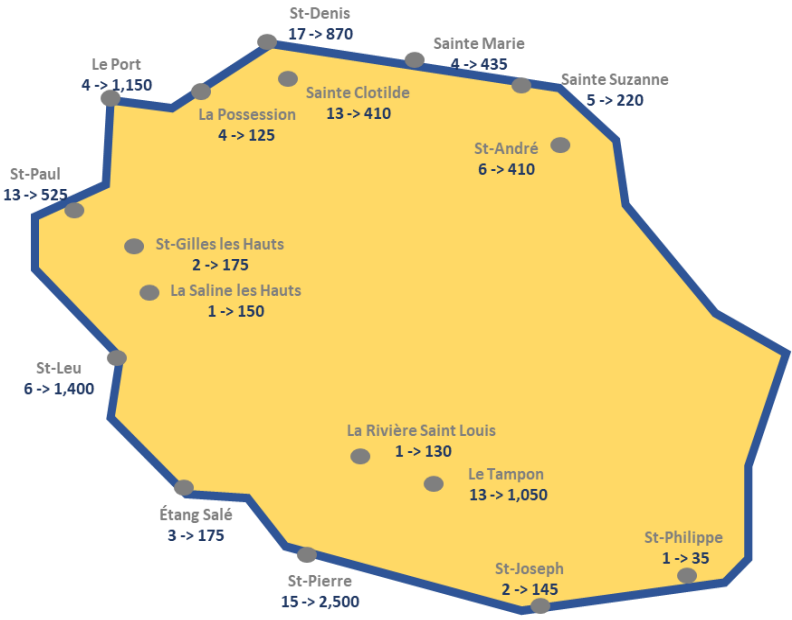
La Financière Région Réunion – Underlying Instrument: Co-Investment



Co-Investment Instrument



La Financière Région Réunion – Results to Date



- 99% of Final Beneficiaries are micro-firms; 92% of them are less than 5 years old;
- Since January 2018, the main geographic areas and all main sectors have benefited from the initiative;
- Nurture and strengthen the financial ecosystem in Île de la Reunion;
- Foster competition and improve access to finance for local entrepreneurs.



EIF website :

- http://www.eif.org/what_we_do/resources/la_financiere_region_reunion/index.htm

Région La Réunion / FRR presentation:

- <https://www.regionreunion.com/aides-services/article/la-financiere-region-reunion>

Financial Intermediaries website / presentation of the Instruments:

- <https://www.bfcoi.com/professionnels/financer-votre-activite/financervosinvestissements/i-run-by-bfc>
- <https://www.apicap.fr/capital-developpement-apicap/FPCI-Essor-PME-La-Reunion-apicap>



