



Agência de Desenvolvimento  
Regional do Alentejo, S.A.

**FAME**

Fundo de Apoio às Micro e Pequenas Empresas

**FAME - Support Fund to Micro Companies**

## Other Innovation Incentives!

- FINICIA - axle I (support projects with strong innovation contents, by venture capital with the limit of 85% or €2,5 ML);
- PRIME - Incentives Programme of Economy Modernization
  - ✓ Support projects with the scope to create new products services, ideas or brands;
  - ✓ Promote the creation of R&D centres;
  - ✓ Promote the intellectual property use;
  - ✓ Incentive the economy modernization;
  - ✓ ...

## Other Innovation Incentives!

- Innovation Agency - support projects in the scope of:
  - ✓ Innovation;
  - ✓ Internationalization;
  - ✓ Modernization;
  - ✓ R&D;
  - ✓ HR qualification;
  - ✓ New companies, products, services, ideas, etc.

# FAME?

FAME is an innovative and modern financial instrument. Consists in an initiative of national entities, public and private, with national funds. This fund is available for, new or established, companies and entrepreneurs, who want to promote investments.

## Which factors led to FAME creation?

- High costs of bank loans;
- The Micro Companies in the region experience difficulties to access financing;
- Lack of simple and flexible financial instruments;
- Need for a local / regional Fund system compatible with others existent;
- Need to reinforce the entrepreneurial spirit.

## Objectives:

- Promote and support the creation of Micro Companies;
- Stimulate the micro companies' investment of each municipality;
- Make those companies more competitive;
- Help those companies to increase the quality of their services;
- Promote the investment in areas such as quality, environment, safety and hygiene.



## Target Companies:

- Micro companies in the partner municipalities of Alentejo;
- New companies who would like to set up business in this municipalities.

## Eligible Costs:

- Buildings adaptation, remodelling and conservation;
- Basic equipment;
- Specific machines and equipment;
- Computing equipment (Hardware and software);
- Communications equipment;
- Hygiene and safety equipment.

## Shape

Fame is a loan with a preferential interest rate.

## New Companies:

- The company must have 50% of the capital
- The Municipality lends 25% of the capital
- The Bank lends 25% of the capital (euribor + spread 2,5%)

## Established Companies:

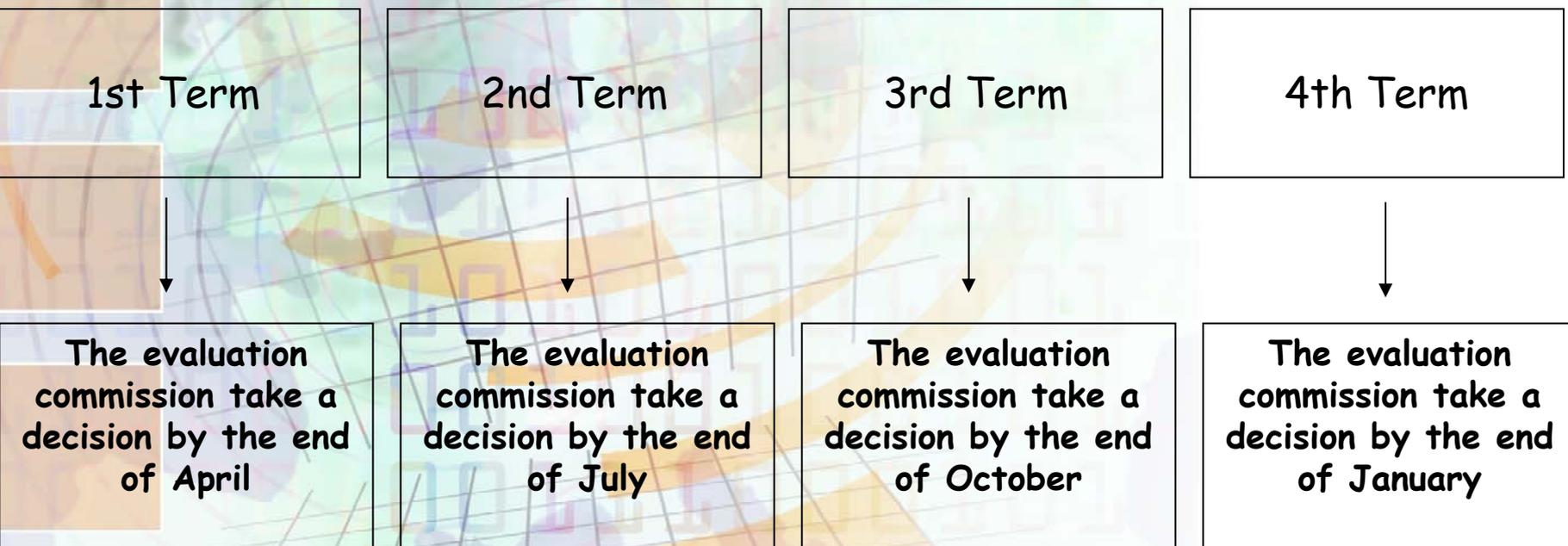
- The Municipality lends 50%
- The Bank lends 50% (euribor + spread 2,5%)

## Reception of applications

- There is a specific application form that the companies / entrepreneurs need to fill and return to one of the FAME partners;
- Each project must be approved by all the FAME partners.

## Assessment Process

Projects may be handed at any time to be analysed in one of the four annual periods:



## Key innovative features:

- Municipalities have an active role on the process, take part on the evaluation of the projects and finance 50% of the eligible amount with no interest;
- The different municipalities can also adjust the fund to their capabilities;
- The Espírito Santo Bank take part on the evaluation process too and finance the rest of the eligible amount (50%) with a special (low) interest rate;
- This fund has a process with a reduced bureaucracy;
- The approval uncertainty and the waiting time is very short comparing to similar products.



**FAME**

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All the Municipalities where the FAME is located:

**Évora**

**Ferreira do Alentejo**

**Montemor-o-Novo**

**Redondo**

**Mértola**

**Vendas Novas**

**Borba**

**Aljustrel**

**Portel**

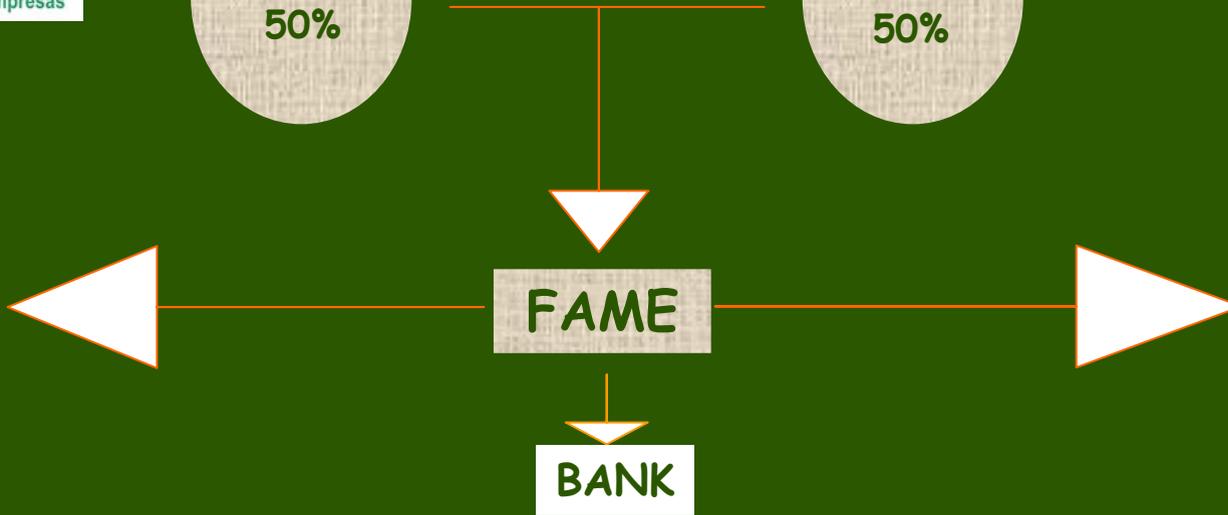
**Moura**

**Nisa**

**Vidigueira**

**Estremoz**





**Evaluation Commission:**

- Municipality
- BES
- ADRAL

**Manager:**

- ADRAL

**FAME**

**BANK**

**New Companies**

50% Private Equity

50% FAME:

- 25% Without Interest
- 25% Euribor + 2,5%

Interest Rate: Euribor +  
2,5 % Sobre  
50% do empréstimo

**The payback  
period: 6 years**

(It is possible for companies  
to pay only the interest  
rates in the first year of  
the loan)

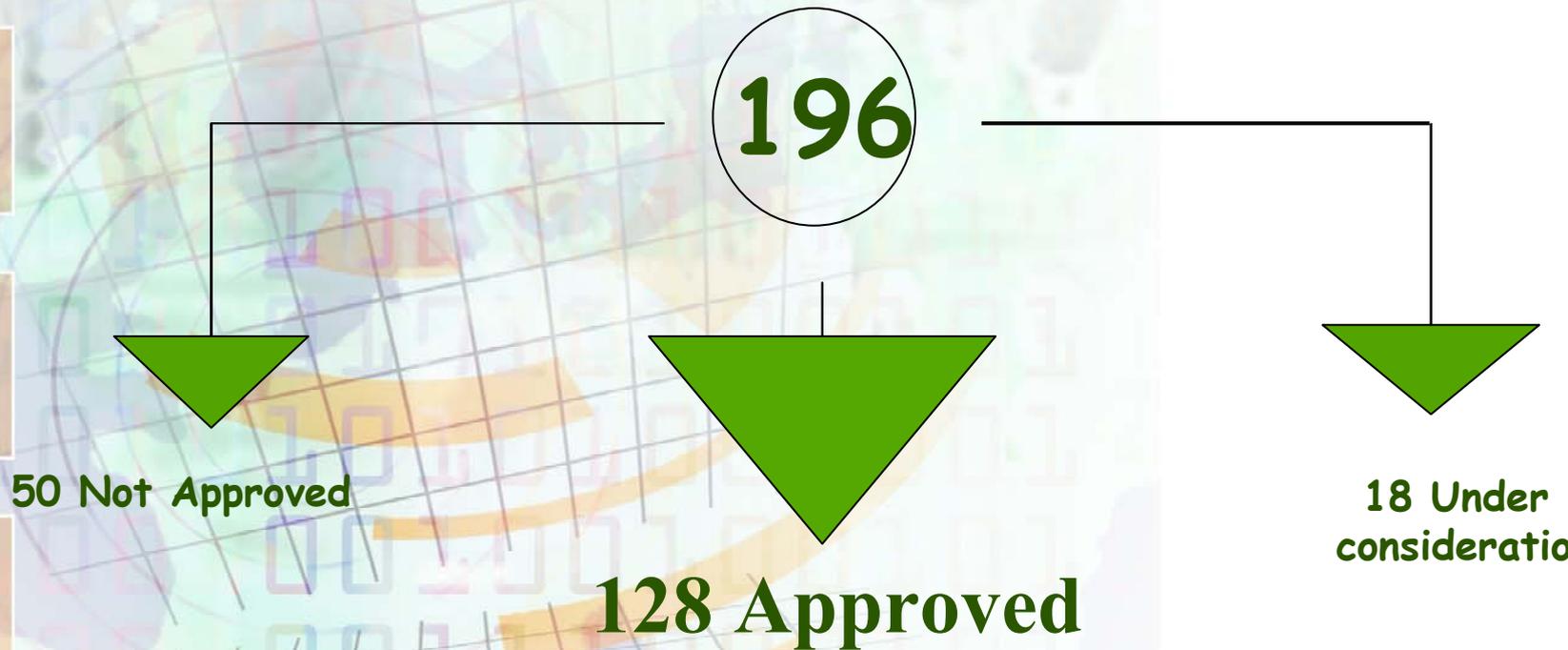
**Established  
Companies**

100% FAME:

- 50% Without Interest
- 50% Euribor + 2,5%

## Statistics:

Number of project applications received



The total amount granted: €1.857.523

## FAME also supported:

- The maintenance and creation of 619 work positions in the supported companies.

## Nature of companies:

- 52% Companies (with one partner)
- 44% Companies (with 2 or more partners)
- 4% Others;

## Supported companies activity:

- 35% Commerce;
- 15% Food and Hosting;
- 14% Industry;
- 12% Services to Companies;
- 15% Other Services;
- 9% Other;

## Why was FAME selected as a Good Practice?

- Innovative concept;
- Fulfil an existing lack in credit access;
- Advantageous financial conditions (low interest rate);
- Complement the existing national and communitarian financial system;
- Public and private financial fund;
- The concept can be transferred to other regions;
- The fund is renewable.

## Sustainability of FAME

- Growing number of partner municipalities;
- Growing amount of the Fund;
- Adoption of FAME by public Institutes, creating a new version, for national level;

Please contact us if you need any further information:

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