

 BE 80 Date created: 11/05/2006 Date Updated: 11/05/2006 1.0 General presentation of the measure/scheme/action/regulation		
1.1 Country	Belgium	
1.2 Title of measure	Flanders: ARKImedes (Activeren van Risico Kapitaal: Activation of Venture Capital)	
1.3 Keyword(s)	Venture Capital Funds Private participation SMEs Fiscal incentives	
1.4 Overview (nature, main goals)		
<p>The ARKImedes Fund is a public initiative, managed by the Flemish Holding Company. The ARKImedes fund is, with fiscal incentives, attracting investments (shares or bonds) from private persons in Flanders. These investments are put into a fund that invests in private Venture Capital Funds with a professional management and successful track record. The ARKImedes investment in a fund is 50%. These funds (the so-called ARKIV's) invest in start up and expansion of SMEs in Flanders. The investment of an ARKIV is always smaller than 1 MEURO, and is not influenced by the ARKImedes fund. The ARKImedes fund does not interfere with the decision process of the ARKIV to invest in a company: ARKIVs have full power of decision.</p>		
1.5 Background and rationale		
Through fiscal incentives the government mobilizes private capital of individuals. This capital is then used for matching private venture capital. In this way the available VC is doubled with limited costs for the government.		
1.6 Action Plan objective addressed by measure	IV.4. Increase the availability of private sector innovation financing to enterprises	
2. Detailed Information		
2.1 Start date	2005	
2.2 Expected ending	After 2015	
2.3.1 How does the measure relate to other measures?		
Novel (no relation to previous) measure		
2.3.2 If the measure is novel it was	Inspired by need to meet EU level policy objectives Availability of Venture Capital is seen as a limiting factor for economic growth and part of the Flemish Lisbon Agenda.	
2.4 Geographic coverage	Vlaams Gewest	
2.5.1 Target group Which group(s) are the target of the measure (beneficiaries) and (where applicable) which are eligible to apply for funding (participants)		
Category	Target of measure	Eligible for funding
SMEs only	✓	✓
Other	✓	✓
2.5.2 If necessary, give more details on the target groups	Venture Capital suppliers and (income) tax payers in Flanders	
2.5.3 If more than one target group is eligible	- Only proposals from single organisations are accepted	
2.6 Aspect of innovation process addressed by the measure	- Commercialisation of innovation (including IPR) - Not applicable/other	
2.7 What are the criteria for eligibility?	Investments can be made in start ups and SMEs that are seeking for expansion and must lead to creation of jobs or added value in Flanders	
2.8.1 What is the mode of funding of the measure?	- Venture capital (including subordinated loans) - Tax incentives (including reduction of social charges)	
2.8.2 Eligible costs	- Other equity	

2.9.1 Sources of financing	- Co-financed by the private sector - Other co-financing bonds and shares in the ARKImedes fund may be obtained by individual taxpayers
2.9.2 Overall budget	Overall budget (for period as specified in 2.1 and 2.2) 110 MEURO In 2005 the maximum target of 110 MEURO was captured from the Flemish general public. This will lead to an additional availability of VC of 220 MEURO.
3.0 Results, evaluation and impacts	
3.1 Were any indicators specified ex ante for the measurement of the results, and if yes what are they?	Yes 110 MEURO of shares and bonds for the ARKImedes Fund 110 MEURO additional availability of VC 450 MEURO investment in Flemish SMEs Meaning additional financing of 500-1500 Flemish start ups and SMEs in the next five years
3.2 Where an evaluation has taken place, what were the main findings?	Ex-ante No On-going/Mid-term No Final/Ex-post No Too early
3.3.1 If no official evaluation has been undertaken is there any evidence which allows an appraisal of the success of the measure?	The fund was able to raise the maximum target of 110 MEURO from the general public in September 2005. In October a participation in 12 ARKIVs was announced for more than 65 MEURO.
4.0 How to find out more about the measure	
4.1 Information Source/Reference	URL: http://http://www.pmv-kmo.be/pmv-1.0/view/nl/521 Uploaded document:  ARK-besluit.pdf
4.2 Legal basis	Decree of December 19, 2003 of the Flemish Parliament with respect to the activation of risk capital in Flanders Decision of December 3, 2004 of the Flemish Government with respect to the execution of the Decree of December 19, 2003 of the Flemish Parliament with respect to the activation of risk capital in Flanders
4.3 Manager(s) responsible for the measure	 PMV-KMO (ParticipatieMaatschappij Vlaanderen-KMO)