Republic of Latvia

Cabinet

Regulation No. 510

Adopted 5 September 2023

**Common Regulations Regarding the Implementation of Financial Instruments of the European Union Cohesion Policy Programme 2021–2027**

*Issued pursuant to*

*Section 19, Clause 14 of the Law on Management of European Union Funds for the 2021–2027 Programming Period and Section 12, Paragraph four of the Law on Development Finance Institution*

**I. General Provisions**

1. The Regulation prescribes the following regarding the financial instruments to be used within the scope of the European Union Cohesion Policy Programme 2021–2027 (hereinafter – the Policy Programme):

1.1. the procedures for implementation;

1.2. the available funding;

1.3. the eligible activities and eligible costs.

2. Financial instruments are implemented within the following specific objectives and activities of the Policy Programme:

2.1. in Activity 1.2.1.2 “Productivity Loans (Including With Capital Discount) For Innovative Equipment, Research, Development, Technology Transfer” of the Specific Objective 1.2.1 “Strengthening Research and Innovation Capacity and the Introduction of Progressive Technologies for Enterprises” (hereinafter – Activity 1.2.1.2);

2.2. in Activity 1.2.2.2 “Individual Guarantees for Digitalisation and Automation” of the Specific Objective 1.2.2 “Use of Benefits of Digitalisation for Development of Entrepreneurship” (hereinafter – Activity 1.2.2.2);

2.3. in the Specific Objective 1.2.3 “Promoting Sustainable Growth and Competitiveness of Small and Medium-sized Enterprises (SMEs) and Job Creation in SMEs, Including by Productive Investments”:

2.3.1. in Activity 1.2.3.2 “Venture Capital Investments”;

2.3.2. in Activity 1.2.3.3 “Start-up and Growth Loans”;

2.3.3. in Activity 1.2.3.4 “Guarantees and Portfolio Guarantees for Full-cycle Entrepreneurship”;

2.3.4. in Activity 1.2.3.5 “Loans for Increasing Productivity (Investments and Current Assets)” (hereinafter Sub-paragraphs 2.3.1, 2.3.2, 2.3.3, and 2.3.4 of this Regulation together – SO Activities 1.2.3);

2.4. in the Specific Objective 2.1.1 “Promotion of Energy Efficiency and Reduction of Greenhouse Gas Emissions”:

2.4.1. in Activity 2.1.1.1 “Improvement of Energy Efficiency in Residential Buildings, including Development of ESCO market (apartment, private and small-scale apartment building complexes)” (hereinafter – Activity 2.1.1.1);

2.4.2. in Activity 2.1.1.2 “Use of Renewable Resources (RES) and Improvement of Energy Efficiency in Industries and by Merchants” (hereinafter Sub-paragraphs 2.4.1 and 2.4.2 of this Regulation together – SO Activities 2.1.1);

2.5. within the scope of the Specific Objective 2.1.4 “Promotion of Renewable Energy Sources – Solar Energy and Electricity from other Renewable Energy Sources” (hereinafter – SO 2.1.4);

2.6. in Activity 6.1.1.4 “Entrepreneurship Greening and Product Development Measures, Promoting Improvement in Energy Efficiency and Introduction of Renewable Energy Technologies in Enterprises” of the Specific Objective 6.1.1 “Provision of Opportunity for Regions and People to Deal with the Social, Economic and Environmental Consequences Caused by Transition towards Climate Neutrality” (hereinafter – Activity 6.1.1.4.).

3. Financial instruments shall be implemented, using holding funds within the meaning of Article 2(20) of Regulation (EU) No 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the European Regional Development Fund, the European Social Fund Plus, the Cohesion Fund, the Just Transition Fund and the European Maritime, Fisheries and Aquaculture Fund and financial rules for those and for the Asylum, Migration and Integration Fund, the Internal Security Fund and the Instrument for Financial Support for Border Management and Visa Policy (hereinafter – Regulation No 2021/1060) (hereinafter – the holding funds). A specific fund is established for each financial instrument within the meaning of Article 2(21) of Regulation No 2021/1060 (hereinafter – the specific fund).

4. The purpose of the holding funds is to ensure the availability of funding to final recipients according to the conditions of the Policy Programme and the analysis of market failures in access to finance.

5. The specific fund is established to provide support to final recipients within the meaning of Article 2(18) of Regulation No 2021/1060. The conditions for granting support to final recipients shall be determined in accordance with the specific objective and activity support and development programmes referred to in Paragraph 2 of this Regulation and approved by the Cabinet within the meaning of Section 1, Paragraph two of the Law on Development Finance Institution (hereinafter – the support programme ).

6. The total eligible funding planned within the scope of the holding funds for the objectives and activities referred to in Paragraph 2 of this Regulation shall be EUR 506 397 484 (a detailed breakdown of the planned funding is available in Annex to this Regulation), including:

6.1. for the Policy Programme priority 1.2 “Support for Entrepreneurship”, EUR 230 827 298 (including EUR 36 407 308 in flexibility amount), consisting of the funding from the European Regional Development Fund (hereinafter – the ERDF) in the amount of EUR 196 203 201 (including EUR 30 946 213 in flexibility amount) and the co-funding from the State budget in the amount of EUR 34 624 097 (including EUR 5 461 095 in flexibility amount);

6.2. for the Policy Programme priority 2.1 “Mitigation of Climate Change and Adaptation to Climate Change”, EUR 234 042 127 (including EUR 36 914 368 in flexibility amount), consisting of the ERDF funding in the amount of EUR 198 935 807 (including EUR 31 377 214 in flexibility amount) and the co-funding from the State budget in the amount of EUR 35 106 320 (including EUR 5 537 154 in flexibility amount);

6.3. for the Policy Programme priority 6.1 “Transition towards Climate Neutrality”, EUR 41 528 059 (including EUR 2 727 555 in flexibility amount), consisting of the funding from the Just Transition Fund (hereinafter – the JTF) in the amount of EUR 35 298 850 (including EUR 2 318 422 in flexibility amount) and the co-funding from the State budget in the amount of EUR 6 229 209 (including EUR 409 133 in flexibility amount).

7. Within the scope of the holding funds, until the interim evaluation and the decision of the European Commission on the final allocation of flexibility amount for the objectives and activities referred to in Paragraph 2 of this Regulation, the available funding shall be EUR 430 348 253, including:

7.1. for Policy Programme priority 1.2 “Support for Entrepreneurship” – EUR 194 419 990 consisting of the ERDF funding in the amount of EUR 165 256 988 and the co-funding from the State budget in the amount of EUR 29 163 002;

7.2. for the Policy Programme priority 2.1 “Mitigation of Climate Change and Adaptation to Climate Change” – EUR 197 127 759, consisting of the ERDF funding in the amount of EUR 167 558 593 and the co-funding from the State budget in the amount of EUR 29 569 166;

7.3. for the Policy Programme priority 6.1 “Transition towards Climate Neutrality” – EUR 38 800 504 consisting of the JTF funding in the amount of EUR 32 980 428 and the co-funding from the State budget in the amount of EUR 5 820 076.

8. Financial instruments funded from the holding funds may be additionally funded by *akciju sabiedrība* *“Attīstības finanšu institūcija Altum”* [joint-stock company Development Financial Institution Altum] (hereinafter – the company Altum) or by reimbursement of the public resources, and also by financial resources attracted by fund managers which are intended within the relevant support programme. In addition, the company Altum may attract loans from State or international financial institutions.

9. The result indicator of the holding funds – the private investments supplementing the public aid (including grants, financial instruments):

9.1. until 31 December 2024, in Activity 6.1.1.4 – EUR 11 468 531;

9.2. until 31 December 2029:

9.2.1. in Activity 1.2.1.2 – EUR 61 482 571;

9.2.2. in Activity 1.2.2.2 – EUR 20 000 000;

9.2.3. in activities of SO 1.2.3 – EUR 161 620 000, including:

9.2.3.1. in Activity 1.2.3.2 “Venture Capital Investments” – EUR 31 620 000;

9.2.3.2. in Activity 1.2.3.4 “Guarantees and Portfolio Guarantees for Full-cycle Entrepreneurship” – EUR 110 000 000;

9.2.3.3. in Activity 1.2.3.5 “Loans for Increasing Productivity (Investments and Current Assets)” – EUR 20 000 000;

9.2.4. in Activity 6.1.1.4 – EUR 41 726 032.

10. The output indicator of the holding funds – enterprises supported by the financial instruments:

10.1. until 31 December 2024:

10.1.1. in Activity 1.2.1.2 – six enterprises;

10.1.2. in Activity 1.2.2.2 – 15 enterprises;

10.1.3. in activities of SO 1.2.3 – 85 enterprises, including:

10.1.3.1. in Activity 1.2.3.3 “Start-up and Growth Loans” – 20 enterprises;

10.1.3.2. in Activity 1.2.3.4 “Guarantees and Portfolio Guarantees for Full-cycle Entrepreneurship” – 35 enterprises;

10.1.3.3. in Activity 1.2.3.5 “Loans for Increasing Productivity (Investments and Current Assets)” – 35 enterprises;

10.1.4. in Activity 6.1.1.4 – 28 enterprises;

10.2. until 31 December 2029:

10.2.1. in Activity 1.2.1.2 – 60 enterprises;

10.2.2. in Activity 1.2.2.2 – 60 enterprises;

10.2.3. in activities of SO 1.2.3 – 565 enterprises, including:

10.2.3.1. in Activity 1.2.3.2 “Venture Capital Investments” – 80 enterprises;

10.2.3.2. in Activity 1.2.3.3 “Start-up and Growth Loans” – 135 enterprises;

10.2.3.3. in Activity 1.2.3.4 “Guarantees and Portfolio Guarantees for Full-cycle Entrepreneurship” – 200 enterprises;

10.2.3.4. in Activity 1.2.3.5 “Loans for Increasing Productivity (Investments and Current Assets)” – 150 enterprises;

10.2.4. in Activity 6.1.1.4 –102 enterprises.

11. The output indicator of the holding funds – the new supported enterprises – in the SO Activities:

11.1. until 31 December 2024, in Activity 1.2.3.3 “Start-up and Growth Loans” – 9 enterprises;

11.2. until 31 December 2029 – 135 enterprises, including:

11.2.1. in Activity 1.2.3.2 “Venture Capital Investments” – 45 enterprises;

11.2.2. in Activity 1.2.3.3 “Start-up and Growth Loans” – 90 enterprises.

12. The output indicators of the holding funds – housing with improved energy efficiency – in Activity 2.1.1.1:

12.1. until 31 December 2024 – 2000 dwellings;

12.2. until 31 December 2029 – 13 450 dwellings.

13. The result indicator of the holding funds – primary annual energy consumption (including dwellings, public buildings, enterprises, other) – in the activities of SO 2.1.1 until 31 December 2029:

13.1. in Activity 2.1.1.1 – 112 595 MWh/year;

13.2. in Activity 2.1.1.2 – 18 454 MWh/year.

14. The output indicator of the holding funds – additional renewable energy generation capacity (solar energy and other RES electricity) – within the scope of SO 2.1.4:

14.1. until 31 December 2024 – 1 MW;

14.2. until 31 December 2029 – 9.58 MW.

15. The result indicator of the holding funds – the total generated renewable energy (including electricity, thermal energy):

15.1. until 31 December 2029 within the scope of SO 2.1.4 – 9649 MWh/year;

15.2. until 31 December 2029, in Activity 6.1.1.4 – 7047 MWh/year.

16. The output indicator of the holding fund programme – dwellings with improved energy efficiency occupied by persons at risk of energy poverty – in Activity 2.1.1.1:

16.1. until 31 December 2024 – 1000 dwellings;

16.2. until 31 December 2029 – 2017 dwellings.

17. The result indicator of the holding fund programme – estimated greenhouse gas emission savings – in Activity 6.1.1.4 until 31 December 2029, 3480 CO2 equivalent tonnes/year.

**II. Procedures for the Implementation of the Holding Fund**

18. The company Altum shall be the implementing entity of the holding funds, on the basis of Article 59(3)(c) of Regulation No 2021/1060. The company Altum shall act according to the support programmes and the funding agreement within the scope of specific objectives and activities referred to in Paragraph 2 of this Regulation by the means of direct or indirect financial instruments.

19. The functions of the responsible institution shall be carried out by the Ministry of Economics (hereinafter – the responsible institution).

20. The holding funds and the specific funds shall be introduced in accordance with the market failure assessment drawn up in accordance with Article 58(3) of Regulation No 2021/1060. The responsible institution shall, in accordance with Article 40(1)(d) of Regulation No 2021/1060, submit the initial and subsequent versions of the market failure assessment for information to the monitoring committee for the programming period 2021–2027 of the European Union Funds (hereinafter – the monitoring committee).

21. The company Altum shall develop an investment strategy and an introduction plan (hereinafter together – the business plan) for the holding funds in accordance with Annex X to Regulation No 2021/1060 and Section 12, Paragraph three of the Law on Development Finance Institution, including information on the impact, risks and expected losses, financial performance, management fees and repayment amounts of the financial instruments of the specific objectives and activities referred to in Paragraph 2 of this Regulation and, upon request of the responsible institution, shall submit a business plan to the responsible institution within the time limit indicated therein.

22. The responsible institution shall examine the business plan submitted by the company Altum within 20 working days and assess, in accordance with the internal regulatory enactment of the responsible institution, whether it meets the requirements referred to in Paragraph 21 of this Regulation, whether it eliminates market failures and also whether the activities included in the business plan are specified in the support programmes (if applicable). If the business plan needs to be revised or supplemented, the responsible institution shall inform the company Altum by letter accordingly and shall request that the deficiencies be remedied within 10 working days from the date when the letter was sent.

23. The responsible institution shall examine the revised business plan within 10 working days after receipt thereof and, if it meets the conditions referred to in Paragraph 21 of this Regulation, shall take the decision to approve the business plan of the company Altum and send the abovementioned decision together with the business plan of the company Altum to the co-operation institution.

24. The co-operation institution and the company Altum shall, within 25 working days after receipt of the decision referred to in Paragraph 23 of this Regulation, conclude a funding agreement for the implementation of the holding fund in accordance with Annex X to Regulation No 2021/1060.

25. Funding agreements are concluded for the total funding planned for the holding funds. If flexibility amount or part thereof is not to be allocated after the interim evaluation and the decision of the European Commission on the final allocation of flexibility amount, the funding planned for the holding fund in the funding agreement will be reduced by the corresponding amount of funding, and also the output and result indicators set for the holding funds will be reduced accordingly. Until the interim evaluation and the decision of the European Commission on the final allocation of flexibility amount, the company Altum may only use the available funding specified for the holding funds in Paragraph 7 of this Regulation.

26. When introducing the holding funds, the company Altum has an obligation:

26.1. to introduce the specific funds in the direct form of financial instruments:

26.1.1. in accordance with Article 59(7) of Regulation No 2021/1060, to ensure an open, transparent, and objectively reasoned selection, ensuring equality and preventing a conflict of interest;

26.1.2. to provide support under the conditions of the support programme;

26.1.3. to inform the final recipients that the support is funded from the ERDF or the JTF resources;

26.1.4. to submit reports to the co-operation institution on the support provided;

26.1.5. to accumulate and publish information on the final recipients in accordance with Article 50(1) of Regulation No 2021/1060;

26.1.6. to ensure information and publicity activities in accordance with Articles 47 and 50 of Regulation No 2021/1060 and the procedures by which the institutions involved in the management of the European Union funds shall ensure the introduction of these funds for the programming period 2021–2027 and also the Communication and Design Guidelines for the Programming Period 2021–2027 of the European Union Funds and the Recovery Fund;

26.1.7. to ensure the availability of information for 10 years, counting from the date on which individual support and support under a scheme are granted to the final recipients, maintaining detailed records containing information and corresponding documents to verify that all conditions of this Regulation and the relevant support programme are fulfilled in accordance with the European Commission Decision No. SA.100013 (2022/N) of 18 November 2022 – Latvia “Funding and remit of Altum until 2029” (hereinafter – the EC Decision on activities of the company Altum);

26.2. to introduce the specific funds in the indirect form of financial instruments:

26.2.1. to organise the selection of fund managers and the financial services offered by them in an open, transparent, non-discriminatory, and competitive procedure in accordance with Article 21(14) of Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty, preventing situations of a conflict of interest;

26.2.2. to conclude contracts with fund managers in conformity with Annex X to Regulation No 2021/1060;

26.2.3. to determine that fund managers comply with the publicity requirements referred to in Sub-paragraph 26.1.6 of this Regulation;

26.2.4. to supervise the activities of fund managers, including to oversee the use of the funding in conformity with the objectives set and according to the support programme;

26.2.5. to summarise the information provided by the fund managers and to prepare reports for the submission to the co-operation institution on the results of the introduction of the financial instrument;

26.2.6. to impose an obligation on fund managers to accumulate and publish information on final recipients in accordance with Article 50(1) of Regulation No 2021/1060;

26.2.7. to impose an obligation on fund managers to ensure the availability of information for 10 years, counting from the date on which individual support and support under a scheme are granted to the final recipients, maintaining detailed records containing information and corresponding documents to verify that all conditions of this Regulation and the relevant support programme are fulfilled in accordance with the EC Decision on activities of the company Altum;

26.2.8. to impose an obligation on fund managers to ensure conformity with the conditions referred to in Article 59(7) of Regulation No 2021/1060 and to ensure the prevention of a conflict of interest, including by way of statements on the prevention of a conflict of interest, including in conformity with Articles 61, 154(4), and 209(1) of Regulation (EU, Euratom) 2018/1046 of the European Parliament and of the Council of 18 July 2018 on the financial rules applicable to the general budget of the Union, amending Regulations (EU) No 1296/2013, (EU) No 1301/2013, (EU) No 1303/2013, (EU) No 1304/2013, (EU) No 1309/2013, (EU) No 1316/2013, (EU) No 223/2014, (EU) No. 283/2014, and Decision No. 541/2014/EU and repealing the Regulation (EU, Euratom) No 966/2012 (hereinafter – Regulation No 2018/1046);

26.3. within 25 working days of the entering into effect of the new support programme (or amendments to the programme), to review and propose amendments to the business plan (if applicable). The procedures for amending the business plan shall be laid down in the funding agreement;

26.4. to accumulate and enter the information into the Cohesion Policy Fund Management Information System on the programming period 2021–2027 until the deadlines specified in the funding agreement;

26.5. to invest the resources of the financial instruments not used for covering the eligible costs referred to in Paragraph 31 of this Regulation in accordance with Article 62(1) of Regulation 2021/1060;

26.6. to ensure a system of internal control which provides for the prevention of a conflict of interest (including by way of relevant statements), in conformity with Article 61 of Regulation 2018/1046, and a mechanism for the prevention of fraud, risk of corruption, and double funding;

26.7. upon request of the responsible institution, to ensure the provision of the necessary information on the holding funds or the implementation progress of the relevant financial instruments;

26.8. to accumulate data on final recipients by the size of an enterprise (large, medium-sized, and small) and sector according to NACE Revision 2;

26.9. to accumulate data on the merchants supported by the smart specialisation strategy, entering them into the Cohesion Policy Fund Management Information System;

26.10. once a year, to submit information to the responsible institution on the supports issued in the following areas of the smart specialisation strategy:

26.10.1. knowledge-intensive bio-economy;

26.10.2. bio-medicine, medical technologies, pharmacy;

26.10.3. photonics and smart materials, technologies and engineering systems;

26.10.4. smart power industry and mobility;

26.10.5. information and communication technologies;

26.11. to ascertain that the principles specified in Article 209(1) of Regulation No 2018/1046 are respected when the company Altum or the financial intermediary takes the decision to grant support.

27. The responsible institution has the obligations:

27.1. to update the market failure assessment and to submit it to the monitoring committee for information upon changes in the financial market situation or when providing for a support programme for a financial instrument co-funded by the ERDF or the JTF which has not been indicated in the market failure assessment;

27.2. within 25 working days after the market failure assessment or its amendments have been examined by the monitoring committee, to publish it on the website of the European Union funds;

27.3. to take a decision on the business plan of the company Altum and its amendments;

27.4. upon invitation of the co-operation institution, to provide consultations on the implementation of the holding fund;

27.5. to cooperate with the company Altum and fund managers for improvement of the implementation of the support programme.

28. The co-operation institution has the obligations:

28.1. to draw up funding agreements in conformity with Annex X to Regulation No 2021/1060;

28.2. to supervise the introduction of the holding funds in accordance with the procedures for carrying out checks on the European Union fund projects for the programming period 2021–2027 and other laws and regulations in the fields of aid for commercial activity and the European Union funds;

28.3. once a year, to inform the monitoring committee of the eligible and approved management fee of the company Altum.

**III. Eligible Activities and Expenses of the Holding Funds and Financial Instruments**

29. The holding funds of the company Altum and the financial instruments funded thereby shall be separated as a separate block of finance in accordance with Article 58(6) of Regulation No 2021/1060. The ERDF and JTF funding available in the holding funds shall be used indivisibly within the scope of each respective fund for the issuance of the financial instruments referred to in Paragraph 2 of this Regulation for the specific objectives and activities of each respective fund, for making investments (including for paying the management fees of fund managers in venture capital instruments), for covering credit risk losses (is used for covering expected losses), for the management fee of the holding funds, and for the management fee of the direct financial instruments. The company Altum has the right to refuse subsequent issuance of financial instruments and making of investments if the actual and estimated losses exceed the public funding available for the covering of losses.

30. The management of the holding fund and also the implementation and management of the financial instruments specified in the specific objectives and activities referred to in Paragraph 2 of this Regulation shall be the activities to be supported by the company Altum within the scope of the holding funds.

31. The following costs shall be eligible within the scope of the holding funds and financial instruments:

31.1. the costs of each specific fund which, within the scope of the relevant support programme, correspond to Article 68(1) of Regulation No 2021/1060;

31.2. the management fee of the holding fund of the company Altum and the management fee of the specific funds introduced by means of direct financial instruments in accordance with the thresholds specified in Article 68(4) of Regulation No 2021/1060;

31.3. the management fee of the specific funds introduced by means of indirect financial instruments in accordance with Article 68(4) of Regulation No 2021/1060.

32. Financial instruments funded from the holding funds shall be introduced in conformity with the provisions of the relevant support programme, including the conditions of the regulation on aid for commercial activity.

33. A 2 % reduction shall be applied to the management fee of the holding funds of the company Altum and the management fee of direct financial instruments calculated on the basis of performance results if the result indicators, output indicators, and specific output indicators of the programme to be achieved by the company Altum and specified in Paragraphs 8–17 of this Regulation are not achieved by 31 December 2029.

34. Repayments generated by the first cycle of the public funding of financial instruments within the scope of the holding funds (including repayments of the principal amount and repayments generated by revenue) shall be used by the company Altum in accordance with the conditions of Article 62 of Regulation No 2021/1060 in conformity with the decision of the European Commission on the activity of the company Altum, including with regard to the compensation of management fee, and according to the conditions of the relevant support programmes or the decision of the Cabinet.

35. The administration fee of direct and indirect financial instruments or part thereof covered by the final recipients shall not be declared as eligible expenditures.

36. The company Altum shall ensure that aid for commercial activity is to be excluded at the level of fund managers in conformity with Sub-paragraph 26.2.1 of this Regulation.

37. The management fee of the holding funds of the company Altum and the management fee of direct financial instruments referred to in Paragraph 31 of this Regulation shall be eligible for the period from 1 January 2023 until 31 December 2029.

38. Within the scope of all financial instruments, the activities of final recipients are funded in the Republic of Latvia to the same or lesser extent as the total amount invested by the holding funds in the financial instruments for the funding of the final recipients, except for investments by fund managers and management fee, in conformity with Article 63(4) of Regulation No 2021/1060.

39. For the implementation of the holding funds and the specific funds, the company Altum shall open accounts with the Treasury to which the financial resources intended within the scope of the holding funds and the specific funds shall be transferred.

40. The funding paid in within the scope of this Regulation for the financial instruments of the holding fund shall be managed by the company Altum according to the principles of active management of financial resources and sound financial management.

41. Funding agreements shall stipulate the procedures by which the co-operation institution shall make payments of the funding, including interim payments, to the financial instruments implemented within the scope of the holding fund.

42. Sub-paragraph 26.2.1 of this Regulation shall come into force on the day following the publication in the Official Journal of the European Union on 9 March 2023 of amendments to Regulation (EU) No 651/2014 of the European Commission of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty.

Prime Minister, Acting Minister for Foreign Affairs A. K. Kariņš

Minister for Economics I. Indriksone

**Annex**

Cabinet Regulation No. 510

5 September 2023

**Planned Distribution of the Funding in Financial Instruments for the Specific Objectives and Activities Specified in Paragraph 2 of this Regulation**

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| Activity No. | Name of the activity | TOTAL planned funding (with flexibility amount) | TOTAL flexibility amount | ERDF/JTF funding | ERDF/JTF flexibility amount | Funding from the State budget (SB) | Flexibility amount from the State budget |
| **SO 1.2.1 “Strengthening Research and Innovation Capacity and the Introduction of Progressive Technologies for Enterprises” (ERDF)** |
| 1.2.1.2. | Productivity Loans (Including With Capital Discounts) For Innovative Equipment, Research, Development, Technology Transfer | 68 237 555 | 36 407 308 | 58 001 921 | 30 946 213 | 10 235 634 | 5 461 095 |

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| --- |
| **SO 1.2.2 “Use of Benefits of Digitalisation for Development of Entrepreneurship” (ERDF)** |
| 1.2.2.2. | Individual Guarantees for Digitalisation and Automation | 4 934 738 | 0 | 4 194 527 | 0 | 740 211 | 0 |
| **SO 1.2.3 “Promoting Sustainable Growth and Competitiveness of Small and Medium-sized Enterprises (SMEs) and Job Creation in SMEs, Including by Productive Investments” (ERDF)** |
| 1.2.3.2. | Venture Capital Investments | 91 786 124 | 0 | 78 018 205 | 0 | 13 767 919 | 0 |
| 1.2.3.3. | Start-up and Growth Loans | 15 662 858 | 13 313 429 | 2 349 429 |
| 1.2.3.4. | Guarantees and Portfolio Guarantees for Full-cycle Entrepreneurship | 34 543 165 | 29 361 690 | 5 181 475 |
| 1.2.3.5. | Loans for Increasing Productivity (Investments and Current Assets) | 15 662 858 |  | 13 313 429 | 2 349 429 |

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| **SO 2.1.1 “Promotion of Energy Efficiency and Reduction of Greenhouse Gas Emissions” (ERDF)** |
| 2.1.1.1. | Improvement of Energy Efficiency in Residential Buildings, including Development of ESCO market (apartment, private and small-scale apartment complexes)” | 173 218 155 | 34 181 939 | 147 235 431 | 29 054 649 | 25 982 724 | 5 127 290 |
| 2.1.1.2. | Use of Renewable Resources (RES) and Improvement of Energy Efficiency in Industries and by Merchants | 43 500 000 | 36 975 000 | 6 525 000 |
| **SO 2.1.4 “Promotion of Renewable Energy Sources – Solar Energy and Electricity from other Renewable Energy Sources (RES)” (ERDF)** |
| n/a | n/a | 17 323 972 | 2 732 429 | 14 725 376 | 2 322 565 | 2 598 596 | 409 864 |

|  |
| --- |
| **SO 6.1.1 “Provision of Opportunity for Regions and People to Deal with Social, Economic and Environmental Consequences Caused by the Transition towards Climate Neutrality” (JTF)** |
| 6.1.1.4. | Entrepreneurship Greening and Product Development Measures, Promoting Improvement in Energy Efficiency and Introduction of Renewable Energy Technologies in Enterprises | 41 528 059 | 2 727 555 | 35 298 850 | 2 318 422 | 6 229 209 | 409 133 |
| Total for the holding funds | **506 397 484** | **76 049 231** | **430 437 858** | **64 641 849** | **75 959 626** | **11 407 382** |