

international



Supporting
growth
and innovation
for SMEs

international

The background features a diagonal split between a light gray upper-left section and a white lower-right section. Several thin, curved lines in shades of gray and a single thin orange line sweep across the composition, creating a sense of movement and depth.

When you set your sights on international markets, you set a course for growth.

François Drouin

Chairman & CEO, OSEO



Whether your focus is on sales, technology or manufacturing, setting your sights on international markets means setting a course for growth.

- Whatever your project — exports, a new site or subsidiary outside France, or scientific and technological cooperation in Europe and beyond — OSEO can provide effective support.
- We build on cooperation with partners at regional, national and international levels to provide a sound basis for your projects, facilitating implementation and easing access to the right financing.

Our mission is to help your company innovate and grow. And our teams are there to provide the assistance you need close to home, to make a success of international expansion.

● Did you know?

A survey conducted by Ubifrance, the French agency for international business development, shows that nearly 100,000 small to medium-size businesses in France are involved in exports, half of them on an occasional basis.

While around 90% have fewer than 250 employees, together they account for nearly 45% of all French exports.

Over 65% of the export sales of French SMEs are within the European Union, with over half going to Germany, Belgium, Italy, Spain and the UK⁽¹⁾.

Success on international markets hinges on high levels of added value and thus on innovation. Illustrating this:

- one out of every two innovative SMEs exports its goods or services
- one out of every three has its main market outside France, compared with only one in ten for less innovative SMEs⁽²⁾.

(1) OSEO survey.

(2) Eurostat, 3rd innovation survey (1998-2000).

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● Investments for exports — guarantees and financing

BENEFICIARIES

SMEs⁽¹⁾ in France with activities dedicated to exports.

PURPOSE

Facilitate financing for companies that are planning investments to:

- step up production for export markets
- increase production capacity when exports already account for at least a third of their sales.

ELIGIBLE EXPENDITURES

All investments in tangible and intangible assets.

NATURE OF SUPPORT

Guarantee for up to 60% of financing provided by banks. OSEO may also co-finance investments alongside banks.

CONTACTS

Your bank or the OSEO regional office.

(1) As defined by the European Union, see page 17.

● **Guarantees** of bonds for export markets

BENEFICIARIES

SMEs⁽¹⁾ in France applying to banks for bid bonds and on-demand bonds to cover sales on foreign markets.

PURPOSE

Facilitate guarantees to cover commitments of French exporters and their foreign subsidiaries.

ELIGIBLE COMMITMENTS

All guarantees and bonds on demand (bid bonds, advance-payment bonds, performance bonds, completion bonds, etc.) issued by a French bank or a bank based in the destination country at the request and on behalf of a French SME or its subsidiary.

NATURE OF SUPPORT

Guarantees cover the French bank providing the surety. In some cases, the local bank issuing a bond for a foreign subsidiary can benefit from the counter-guarantee of the French bank.

This guarantee generally covers 60% of the surety, a proportion that may rise to 70% in some cases.

CONTACTS

Your bank or the OSEO regional office.

(1) As defined by the European Union, see page 17.



● Guarantees for special financing

Financing for market prospection

BENEFICIARIES

SMEs⁽¹⁾ in France that are prospecting foreign markets.

PURPOSE

Facilitate financing for expenses incurred by SMEs in France prospecting foreign markets.

ELIGIBLE EXPENDITURES

All prospection expenses, including related increases in working capital requirement.

FORM OF SUPPORT

Support covers 60% of the loan. International deployment can also benefit from the guarantees described on page 4 above.

CONTACTS

Your bank or the OSEO regional office.

(1) As defined by the European Union, see page 17.

Export pre-financing

BENEFICIARIES

SMEs in France exporting capital goods or services.

PURPOSE

Facilitate financing for production or fulfilment of export orders.

ELIGIBLE EXPENDITURES

All expenditure needed to fulfil the contract.

FORM OF SUPPORT

A guarantee covering 60% of the pre-financing loan.

CONTACTS

Your bank or the OSEO regional office.



Documentary credit for imports

BENEFICIARIES

SMEs in France requiring documentary credit or stand-by letters of credit for imports. To qualify, the companies concerned must add significant value to their imports, which naturally excludes trading companies.

PURPOSE

Facilitate access to the supplies and equipment that these SMEs need to develop and produce their own products, or import raw materials.

ELIGIBLE COMMITMENTS

Commitments of the French bank from the time the documentary credit is opened or the stand-by letter of credit is issued through to final settlement.

FORM OF SUPPORT

Guarantee provided to the French bank, covering 60% of commitments.

CONTACTS

Your bank or the OSEO regional office.

● Loans for export

BENEFICIARIES

SMEs⁽¹⁾ in France incorporated as companies that have been in existence for more than three years and are seeking to develop export business. They may already be present abroad, or this may be their first move outside France.

PURPOSE

Funding to develop exports or set up a business operation in another country.

ELIGIBLE EXPENDITURES

- Intangible investments to back export development: expenditure to adapt products and services, the cost of compliance with foreign standards, prospection expense, expenses for participation in trade fairs, recruitment and training, expenses linked to participation in the business volunteer programme (*Volontariat International en Entreprise/VIE*), communications, samples, transfers of equipment, etc.

- The establishment of a foreign subsidiary.
- Investments in equipment with little collateral value — specially designed equipment, IT, etc.
- Increases in working capital requirement connected to exports.

FORM OF SUPPORT

Loan:

- without liens on company assets and without the personal guarantee of managers
- from €20,000 to €80,000
- for six years, with lower repayments in the first year.

CONTACTS

The OSEO regional office, Ubifrance, or your bank.

(1) As defined by the European Union, see page 17.



● International Development Contract loans

BENEFICIARIES

SMEs⁽¹⁾ in France that have been in existence for more than three years. They may already be present abroad, or this may be their first move outside France.

PURPOSE

Funding to develop export business or a move into another country.

ELIGIBLE EXPENDITURES

- Intangible investments to back export development: expenditure to adapt products and services, the cost of compliance with foreign standards, prospection expense, expenses for participation in trade fairs, recruitment and training, communications, samples, transfers of equipment, etc.
- The establishment of a foreign subsidiary.

- Investments in equipment with little collateral value — specially designed equipment, IT, etc.
- Increases in working capital requirement connected to exports.

FORM OF SUPPORT

Loan:

- without liens on company assets and without the personal guarantee of managers
- from €40,000 to €400,000
- for six years, with lower repayments in the first year. This is in association with a bank loan, 60% of which may be covered by a guarantee from OSEO (International Guarantee Fund).

CONTACTS

Your bank or the OSEO regional office.

(1) As defined by the European Union, see page 17.

● Guarantees

for contributions to foreign subsidiaries — FASEP

(Fonds d'Aide au Secteur Privé)

BENEFICIARIES

French companies operating in any sector, with net annual sales not exceeding €460 million. They must be majority-owned by European Union companies.

PURPOSE

Back the expansion of French companies setting up subsidiaries in foreign countries⁽¹⁾ with guarantees for economic risk and excluding political risk, for which other cover is available.

CONTRIBUTIONS GUARANTEED

Equity and quasi-equity contributions to a subsidiary: purchases of or subscription to shares or securities convertible into shares, participating loans, and shareholders' loans frozen on account for more than three years.

FORM OF GUARANTEES

- Provided to the French parent company setting up a subsidiary, or acquiring a majority interest in an existing business, for a period of three to seven years.
- The guarantee covers 50% of the observed loss.

This indemnity is paid to the French parent company. The guarantee may, at the company's request, be transferred to the French bank financing the equity contribution to the subsidiary.

CONTACTS

The OSEO regional office.

(1) Outside the European Union, Iceland, Liechtenstein, Norway and Switzerland.



● Investments by foreign subsidiaries — guarantees and financing

BENEFICIARIES

SMEs⁽¹⁾ in France:

- for the establishment or acquisition of a foreign subsidiary
- for investments carried out by a foreign subsidiary.

PURPOSE

- Facilitate financing for the establishment or acquisition of a foreign subsidiary (through a minority or majority interest).
- Facilitate financing for such subsidiaries planning to invest in business development.

ELIGIBLE EXPENDITURES

All tangible and intangible investments made directly or in the form of contributions from the parent company, including through purchases of securities issued by a foreign company.

FORM OF SUPPORT⁽²⁾

Investments may be financed by a French bank or a bank in the country concerned. In the latter case, the local bank will in general ask for a guarantee from the French bank. OSEO provides a guarantee of 60% to the French bank providing the financing, or a counter-guarantee to the local bank. OSEO may also participate in the financing of the contribution by the parent company, in particular through an International Development Contract (see page 10 above).

CONTACTS

Your bank or the OSEO regional office.

(1) As defined by the European Union; see page 17 below.

(2) See page 5 (guarantee for bonds issued at the order and on behalf of the foreign subsidiary).

● Identifying partners and structuring transnational technology projects

BENEFICIARIES

Companies in France with fewer than 5,000 employees⁽¹⁾.

PURPOSE

- Favour the emergence of innovative projects at transnational level through assistance with project preparation and identification of the most appropriate funding.

ACTION

- Provision of information on transnational cooperation within the scope of the EU's Framework Programme for Research and Technological Development (calls for proposals, funding, networks, etc.) through the National Contact Point network.

- Dissemination of technology needs, and assistance for transnational technology transfer through dedicated networks (Enterprise Europe Network, etc.).
- Identification of the most appropriate national and European funding.
- Technology watch to identify the best calls for proposal.
- Targeted assistance in specific sectors (specialized EU Framework programme National Contact Points).
- Matchmaking and contacts.
- Organization of European and international technology conferences.

CONTACTS

The OSEO regional office.
Eureka France (see page 18 below).
SMEs National Contact Point.

(1) Not controlled by a company or group with more than 5,000 employees.



● Assistance for transnational technology partnerships

BENEFICIARIES

SMEs⁽¹⁾ in France.

PURPOSE

- Support for the preparation of transnational partnerships in innovation.
- Support for the participation of French companies in collaborative R&D projects targeting EC programmes (FP3, CIP, structural funds), transnational initiatives (Eureka Eurostars, etc.), and bilateral cooperation with selected countries⁽²⁾.

ELIGIBLE EXPENDITURES

Feasibility studies including strategic issues, partner searches, legal issues, etc.

FORM OF SUPPORT

Funding for preparation of partnership projects with grants of up to €50,000.

CONTACT

The OSEO regional office.

(1) As defined by the European Union; see page 17 below.

(2) Brazil, China, United States, India, Morocco, Russia and Tunisia.

● **Funding** for transnational research, development and innovation projects

BENEFICIARIES

- SMEs⁽¹⁾ in France and companies with fewer than 5,000 employees⁽²⁾.
- public and private-sector research organizations, French partners in transnational innovation projects under the aegis of Eureka⁽³⁾ or ERA-Net⁽⁴⁾, or within the framework of OSEO agreements with certain countries⁽⁵⁾.

PURPOSES

Sharing financial risk:

- with companies to develop new products, processes and services, with the support of European and international partners
- private and public research organizations and academics.

ELIGIBLE EXPENDITURES

- Project planning and definition.
- Feasibility studies.
- Implementation of innovation (in particular R&D outlays), production of prototypes, models, etc.
- Preparations for full-scale production.

FORM OF SUPPORT

Funding for the French component of the project, including grants of up to €50,000 and an interest-free loan repayable if the project succeeds.

CONTACT

The OSEO regional office.

(1) As defined by the European Union; see page 17 below.

(2) Not controlled by a company or group with more than 5,000 employees.

(3) See page 18 below and eurekafrance@oseo.fr

(4) See page 19 below.

(5) Brazil, China, United States, India, Morocco, Russia and Tunisia.



international

oseo.fr International markets at your fingertips

ON-LINE SERVICES

- Keys to export markets
 - What you need to know and the steps to take before you make your move — the OSEO export guide
- Financing international expansion
 - Practical guides to OSEO services and links to partners in the OSEO network
 - Guide to public assistance for your international growth
- Setting up and participating in transnational technology projects
 - Cooperative project management; guide to European and international structures for backup and financing (Eureka, FP7, CIP), ERA-Net, bi-lateral cooperation with certain countries, etc.) and useful contacts to smooth the way
 - Access to listings of technology opportunities
 - The latest news on the international development of SMEs and interviews

SITE

For all your questions — oseo.fr/exporter

FAQ

● **What is the EU's definition of an SME?**

The category of micro, small and medium-sized enterprises (SMEs) is made up of businesses that employ fewer than 250 persons and have annual turnover not exceeding €50 million, and/or an annual balance sheet total not exceeding €43 million. Such businesses must be independent, meaning that entities that are not themselves SMEs may not have interests jointly exceeding 25%.

● **How do guarantees for export bonds work?**

The bank agrees with its client on the annual amount of bonds (bid bonds, advance-payment bonds, performance bonds, etc.) for all export business and applies for a guarantee to cover this amount. Each year, the bank adjusts the amount, allowing for bonds not yet released. No declaration is required when the bonds are issued. Bonds are guaranteed until their release.

● **Are guarantees from OSEO in addition to those from Coface?**

In addition to its commercial operations, Coface is charged with administering public support for exports, in particular insurance for market prospection. As a result, guarantees from OSEO generally complement those from Coface.

FAQ

● How can Ubifrance help?

The Ubifrance network and teams at French embassies in 120 countries provide back-up to French companies — whatever their size or business sector — launching initiatives on export markets. Concretely, this includes support for market prospection in any country; organization of trade fairs, exhibitions and seminars; sales contacts; advice for export projects; and management of international volunteers (VIE programme) for temporary assignments abroad. By pooling the resources available in their networks, Ubifrance, French embassy economic teams and OSEO work together to facilitate access to international markets for SMEs — from identifying foreign partners to fostering cooperation in technology. With backing from Ubifrance, OSEO offers fast, simple financing through export loans (loans for export: *prêts pour l'export/PPE*).

www.ubifrance.fr

● What can Eureka and Eurostars do for me?

Eureka supports SMEs launching pan-European projects to develop innovative products, processes and services. It does this through a flexible, decentralised network that facilitates access to national public and private funding schemes, and with the internationally recognised Eureka label that gives participants a competitive edge in their dealings with financial, technical and commercial partners. Eureka France — via the OSEO network — can help you find the partners you need in any of the 38 countries taking part in the initiative, and prepare your application for national financing.

Eurostars is a new programme powered by Eureka and the European Community, targeting R&D-performing SMEs with high growth potential. Applying for Eurostars funding and support is straightforward, partly thanks to access to Eureka's network of national project coordinators (NPC) who guide you through the Eurostars application process and support you for the duration of the project.

www.eurekanetwork.org
www.eurostars-eureka.eu

● **How can I locate available patents in France?**

OSEO coordinates the world's largest database of patented technologies developed out of French public research projects.

Called the Bourse de Technologies, this online service was set up to meet the needs of entrepreneurs with business projects, SMEs and large groups looking for technology that is available and transferable in all areas.

The database includes detailed descriptions, potential applications, information on intellectual property and full contact details.

technologie.oseo.fr

● **What is ERA-Net?**

ERA-Net is a programme to build networks linking national research initiatives within the European Research Area (ERA) and provide lasting support for related coordination.

ERA-Net is at the service of programme managers and organizations providing financing for research programmes at national and regional level.

oseo offers expertise in 3 key areas

- Support for innovation
- Guarantees to back bank financing and equity contributions
- Financing for investments and the business operating cycle

Learn more about
our data resources
and services at oseo.fr

Regional offices

OSEO is present throughout France. Our teams in your region stand ready to provide assistance, helping you to obtain the financing you need to make a success of your business and its development.

Photos: photos of OSEO staff by Erik Lasalle

For full contact
details, visit: **oseo.fr**

oseo.fr

