

Direct grants and equity funds in support of spin-offs in Greece

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The case study analyses from an implementing agency perspective two instruments supporting academic spin-offs in Greece, describing their objectives, interactions with other policy instruments, and impacts.

Topics covered

Academic start-ups, equity funding, policy mix

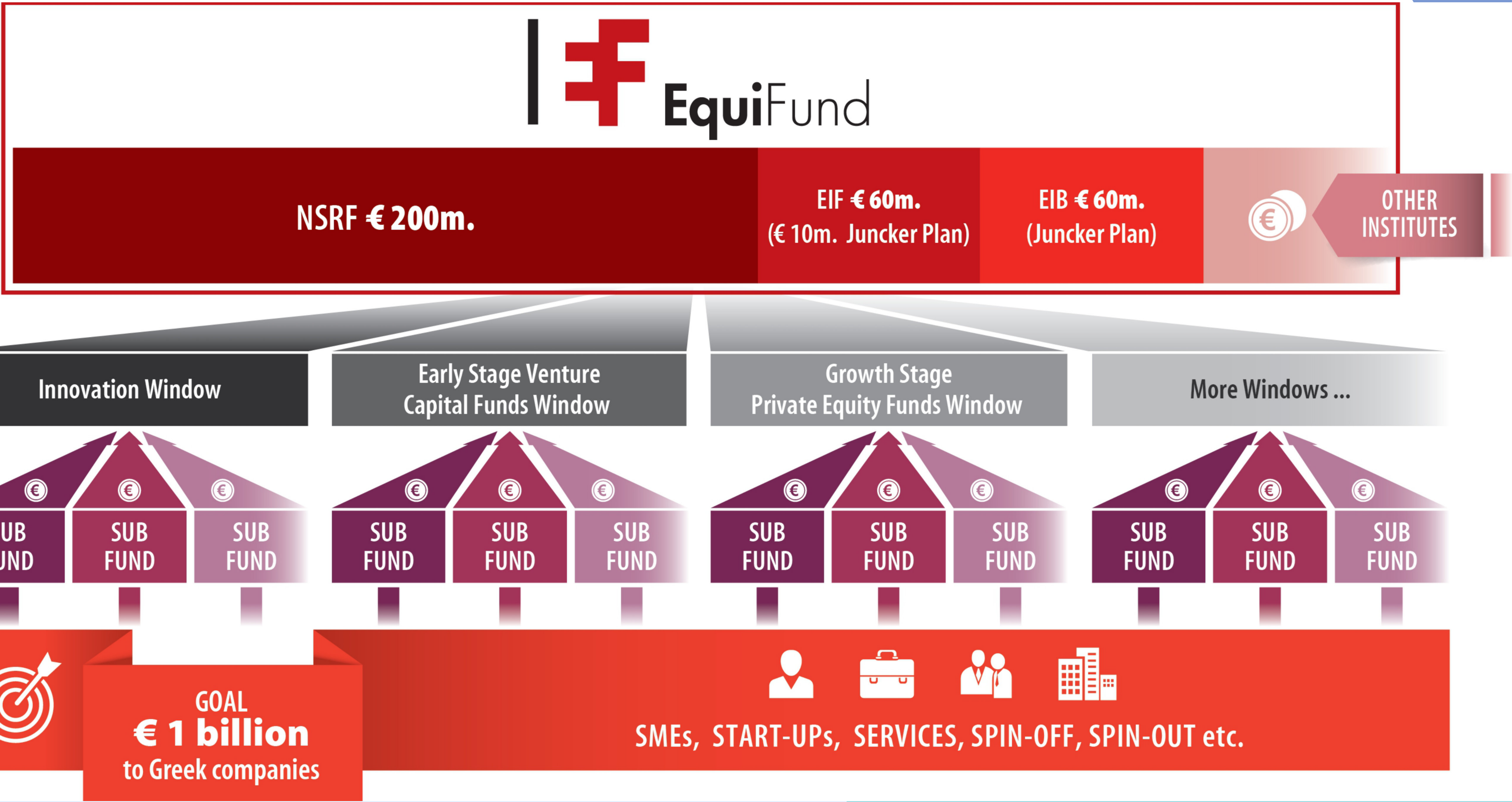
Objectives

- **Boost innovative entrepreneurship** and attract private funding to all start-up stages
- Attract **young talent** back to Greece (Greek diaspora) and fight brain drain

Challenges to the policy mix

- **Duplication:** Direct grants & Equifund address same group of beneficiaries
- Equity funding is **risk-averse**

Equifund funding for growth stages of start-ups



Policy instruments to support academic spin-offs

Equity funds (Equifund)

Launched in **2018**, provides equity funding for spin-offs

Target audience: Researchers, professors, students, & entrepreneurs

"Innovation Window" scheme: Initial stages of operations of start-ups

"Early Stage Venture Capital Window" scheme: SMEs & spin-offs (e.g. product development, marketing, etc.)

"Growth Window" scheme: Start-up expansion

Direct grants

- Since **2001**, relaunched after appraisal of the Equifund performance
- **Target audience:** Researchers, professors, students, & entrepreneurs
- Provides **pre-seed capital** for academic spin-offs
- **Grants** from EUR 50k to EUR 700k of up to 24 months (up to 70% of project costs)
- 50% - 80% **co-financed** by European Structural & Investment Funds (**ERDF**)

Interaction with other policy instruments

- EU-SME Instrument
- Cluster policies (e.g. si-Cluster, gi-Cluster, Bionian Cluster)
- StartUpGreece
- Technology Parks
- Incubators
- Colocation and co-working spaces

Evaluation

- Companies that received **public support** showed above-average exports, R&D expenditures, and patents
- Creation of **jobs for highly skilled** students
- **Low share of women** founders
- Companies did not attract significant **investments** from international investors
- **Small number and size** of spin-offs

Policy implications

Strengthen coherence of policy mix

- Establish **national plan** for knowledge transfer and start-ups
- Establish **evaluation and monitoring structures** of policy impacts

Reduce complexity of policy mix

Limit **number of instruments**

Inequality

Consider conflict between the regional **development policies** and **policies supporting excellence** (i.e. high-tech start-ups)