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MINISTEERIUM

MINISTRY of FINANCE of the REPUBLIC of ESTONIA

Horizontal aspects related to public sector financing

March 11, 2016

Public procurement 1

- Promoting cross-border access to public procurement markets, including:
 - no setting of unjustified restrictions for cross-border tenderers;
 - increased use of fully electronic procedures, including cross-border e-invoicing, as soon as possible
 - promoting interoperability of business registries of Member States
 - disseminating information concerning public procurements in other MS through electronic channels
 - in addition to EU procurement register

Public procurement 2

- implementation of the Public Procurement Directives adopted in 2014
- new public procurement act under preparation
- making use of joint procurements, incl. cross-border joint procurements
- developing new type of procurements:
procurement related to innovation partnerships
- promote innovation through public procurements
 - Task Force on innovation in the public sector

State aid considerations

- Different state aid schemes/frameworks, different legal basis for assistance
 - EU: state aid frameworks, Estonia: Competition Act
- “Block exemption regulation” (2014)
 - 43 types of aid possible
 - information to be provided ex post
- Framework for State aid for research and development and innovation (2014):
 - Implies prior notification to EC and positive EC decision
- When support schemes are prepared, opinion of MoF state aid unit is required

As concerns EU level acts and schemes, coordinating use of terminology and rules is desirable

New funding instruments combining EU funds with EFSI

- EstFund agreement between Kredex, Ministry of Economic Affairs and Communications, and EIF (March 1, 2016) :
 - the first Structural Fund-supported fund-of-funds combined with European Fund for Strategic Investments (EFSI)
 - € 60 mln risk capital fund-of-funds, complementary to BIF; oriented at early-stage investment in business ideas
- COSME counter-guarantee agreement between Kredex and EIF (December 18, 2015):
 - with support through EFSI
 - will allow KredEx to support € 200 mln of loans and leases
 - Appr. 1000 SMEs estimated to receive financing for their business ideas

Some hectic considerations related to public sector financing

- Results rather than turnover
- Response to changing/new strategic priorities:
some flexibility required
- Increase integration of RDI activities and innovation related considerations into other EU policy sectors
- Combination of different EU and national sources:
additionality considerations
- Gradual transfer from grants to financial instruments, increase of cooperation with IFI-s: EFSI example
- Planning of sustainability for the long term– not only financial: clients, partners, markets

Thank you!

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