

INVEST IN **GRAN CANARIA**,
CONNECT YOUR BUSINESS TO THE WORLD

3. AID AND INCENTIVES



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3. AID AND INCENTIVES

3.1 Introduction

Firms that are located or are locating on Gran Canaria have access to a range of aid and incentives that facilitate their investment and growth processes.

This guide sets forth the most important incentives and aid available. In order to help the reader to identify those that it considers to be of most relevance, they have been classified on the basis of the following criterion:

- Regional incentives to investment
- Incentives to employment and training
- Large-scale Investments
- Incentives to R+D+i
- Aid to SMEs
- Sectoral incentives:
 - Tourism
 - Renewable energies
 - Cultural and audiovisual industry
- Aid to internationalization
- Other financing instruments

The SPEGC web page (www.spegc.org) provides more detailed information about the above aid and incentives as well as about other aid for those and other sectors.

3.2 Description of the aid and incentives

3.2.1 Regional Incentives to Investment

Objective: Regional Incentives are financial aid to the productive investment granted with a view to encouraging business activity in the Canary Islands in order to contribute to reducing imbalances and to strengthen and develop the region's socio-economic fabric.

The aid granted may be as much as **40%** of the approved investment.

Economic sectors eligible for promotion:

- Downstream industries and production support services that, including advanced technology, focus on environmental improvements and are a significant advance on the quality or innovation of the process or product and, in particular, those that facilitate the introduction of new information and communications technologies and those that significantly improve trade structures.
- Tourist establishments and complementary leisure facilities of an innovative nature, particularly those that introduce environmental improvements and significantly improve the endogenous potential of the area.

Period: All year until December 31, 2013.

Beneficiaries:

In general, the beneficiaries of the incentives may be natural or legal persons who are either Spanish or have resident status.

An entity will be deemed to have its center of effective management in Spanish territory when that is where the management and control of all of its activities takes place.

Investment expenditure eligible for subsidies:

This aid subsidizes projects for the creation of new establishments or expansion or modernization projects, including:

- Public works
- Intermediate goods, excluding elements relating to external transport
- Prior viability studies
- Exceptionally, other matters

Eligible actions and requisites for subsidies:

- Projects for the creation of new establishments, which means investments that lead to the initiation of a business activity and also the creation of new jobs, with an approved investment of more than 600,000€.
- Expansion projects, being investments that involve the carrying on of an already-established activity or the initiation of others. With respect to the carrying on of an already established activity, whether or not related to that already carried on by the owner, the project must involve a significant increase in productive capacity. Similarly, extension projects must lead to the creation of new jobs and the preservation of those that already exist. They must have an approved investment of a significant amount in relation to the establishment's tangible assets and, in any event, over 600,000€.
- Modernization projects whose approved investment is significant in relation to the establishment's tangible assets that must be, in any event, equal to or above 600,000€, provided that the following conditions are met:
 - The investment constitutes a significant part of the tangible assets and exceeds a given percentage of the provision for depreciation of the establishment being modernized and that involves the acquisition of technological advanced machinery that produces a significant increase in productivity.
 - The investment gives rise to a diversification of an establishment's production to attend to markets in new and additional products or that involve a fundamental transformation in the global production process of an existing establishment.
 - Existing jobs are preserved.

Institution:

State Treasury Department-Directorate General for Community Funds. Canarian Government-Treasury Department-Directorate General for Economic Promotion.

Additional information:

- *Royal Decree 169/2008, of February 8, defining the economic development area of the Canary Islands (State Bulletin no. 59 of 8.3.2008).*
- *Law 50 1985 of December 27, on Regional Incentives (State Bulletin no. 3 of 3.1.1986).*
- *Royal Decree 899 2007 of July 6, Regulation on Regional Incentives (State Bulletin no. 172 of 19.7. 2007).*
- *Order of May 23, 1994, on the processing of Regional Incentives (State Bulletin no. 136 of 8.6.1994).*
- *Order EHA/2874/2009, of October 15, approving supplementary rules for the processing and management of the regional incentives provided for in Law 50/1985, of December 27.*

3.2.2 Employment and training incentives

3.2.2.1 Employment Incentives

The main types of employment incentives at both the national and regional level are as follows:

DESIGNATION	AREA
Promotion of indefinite-term employment and the transformation of temporary contracts into indefinite-term contracts	National
Complementary actions of the Canary Employment Service that promote employment in the Canaries	Regional

Promotion of permanent employment and the transformation of temporary contracts into permanent employment

The Spanish Government, through the Employment and Immigration Ministry, offers a wide range of aid, largely consisting of **social security allowances**, in order to promote the hiring of employees on a new stable and permanent basis and to encourage the conversion of temporary jobs into permanent employment through an extraordinary plan of an exceptional nature and limited term.

With respect to hiring, the efforts focus on the unemployed falling into the following groups:

- Women in general
- Young people of 16 - 30 years old
- Long-term unemployed
- Unemployed who are over 45 years old
- Unemployed in receipt of unemployment benefit who come within the Social Security Special Regime for Agriculture and disabled persons

In this context, Law 43/2006, of December, on improving growth and employment offers incentives to the creation of permanent employment and stimulates the conversion of temporary jobs into permanent positions, providing in return allowances and reductions with respect to the social security contributions that companies have to pay.

In outline, said allowances and reductions can be broken down into the following groups:

- Allowances for permanent employment contracts
- Allowances for temporary employment contracts
- Allowances for preserving permanent employment contracts
- Allowances for self-employed work
- Other allowances: for social insertion enterprises (offering help to marginalized individuals) and in the following sectors: textile, footwear, tanning and leather goods.
- Reduced social security contributions for preserving employment

All of the information on allowances and reductions can be consulted via the following link: [Incentives to Employing Personnel with Respect to Social Security Allowances](#).

Supplementary actions of the Canary Islands Employment Service for the promotion of employment in The Canary Islands

To supplement national aid, the Canary Islands Employment Service ("SCE"), as the regional body of the Canary Islands Government, offers its main types of support to businesses related to employment, aimed at:

- Encouraging, through subsidies, permanent contracts in firms defined as I+E (Innovation and Employment).
- Promoting the permanent employment of the disabled by subsidizing companies that take on permanently disabled workers.

Further information available at:

www.gobiernodecanarias.org/empleo

The Organisation for the Economic Promotion of Gran Canaria, which supports business activities in Gran Canaria, offers the following assistance:

Aid aimed at encouraging new employment contracts in companies that operate in new productive sectors of high added value

Objective: Promote the hiring of qualified unemployed persons through the signing of new employment contracts by companies that operate in new productive sectors with high added value, whether such companies are newly established in Gran Canaria or, if already established, they are expanding their activity.

Beneficiaries: The beneficiaries of this aid may be businesses, whether natural or legal persons, that comply with the following requirements:

- Businesses that operate in new productive sectors with high added value, whether newly set up in Gran Canaria or, being already established, expanding their activity that certify that new employees hired are unemployed and have a university degree or diploma course, or higher vocational training qualifications, and that they are registered in the Gran Canaria Employment Offices of the Canary Island Employment Service.
- Micro, small or medium-sized enterprises (SMEs) in accordance with the definition and requirements laid down from time to time by the European Union.
- With regard to newly formed businesses, where they have started their business activity within the year before the day on which they file their request for aid with the SPEGC.
- Their head office, the effective management of their businesses and the main establishments are in Gran Canaria or, regardless of where their registered office is, they have a permanent establishment in Gran Canaria.

Amount of aid: 250,000€

Institution: Organization for the Economic Promotion of Gran Canaria

Further information:

Access to Applications for Aid

3.2.2.2 Training incentives

Training incentives form part of the Spanish Government's employment development policy, channeled through the Employment and Immigration Ministry. Such incentives currently help beneficiary businesses save labor costs.

Specifically, the "**Sub-System of Professional Training for Employment**" (*governed by Royal Decree 395/2007, of March 23 and by various implementing provisions*) covers a range of instruments and actions whose object is to encourage and extend among businesses, and also the employed and unemployed, training that corresponds to their needs and contributes to the development of a knowledge-based economy. The following schemes are particularly worthy of note:

- **Training of demand:** Training actions of enterprises and individual training permits. These are programs which the companies **plan and manage** for their employees; as regards financing, they use the amount for training that is assigned to each company on the basis of its total staff.

The assigned Credit takes the form of social security allowances and is sub-divided into the following types:

- Credits for the carrying out of own training actions.

- Credits for the grant of **individual training permits** to employees, which allow employees to engage in recognized training actions for official qualifications at no cost to their employers.

• **Training of supply**

Training programs principally aimed at the employed.

• **Training alternating with employment**

The objective here is to contribute to the acquisition of the professional skills required for the job in question, through a mixed process of employment and training which allows the employee to engage in both formal training and professional practice in the workplace.

Training support and complementary actions: the objective of this training initiative is to develop the instruments, methods and tools that contribute to the improvement of the planning, organization, development, teaching and assessment of professional training for employment, through general and sectoral studies, research and innovation and information actions and professional guidance.

Similarly, the Canary Island Employment Service (SCE) offers other forms of subsidized training of supply, such as plans mainly aimed at the employed and the program of training actions that include **hiring commitments** mainly aimed at the unemployed.

The grant of subsidies to businesses will take into account the geographic scope and the training areas of the corresponding program, together with the procedures for program proposals, the selection of employees, management and monitoring of actions.

The commitment to hiring employees will be based on a percentage of the total number of employees trained according to the circumstances of the business and the local employment market. Said commitment cannot cover less than 60% of the trained employees.

In addition, the businesses located on the island and that wish to run training programs for their employees have the right to use certified **Training Centers and Entities** that dispose of a range of facilities covering the human, material and technical resources to meet this end.

Professional training for employment may be offered by national public authorities through their own centers (National Reference Centers, Integrated Professional Training Centers), business associations and trade unions, companies that offer training activities for their employees or for the unemployed with a commitment to hire them and the training centers not aimed at obtaining professional qualifications.

Further Information:

ROYAL DECREE 395/2007, of March 23, governing the sub-system of professional training for employment.

ORDER TAS/718/2008, of March 7, implementing Royal Decree 395/2007, of March 23, governing the sub-system of professional training for employment, with respect to the training of supply and laying down the legal basis for the grant of public subsidies for the financing thereof.

ROYAL DECREE 357/2006, of March 24, governing the direct grant of certain subsidies in the fields of employment and professional occupational training.

ORDER TIN/2805/2008, of September 26, implementing Royal Decree 395/2007, of March 23, governing the sub-system of professional training for employment, with respect to actions supporting and supplementary to training and laying down the legal basis for the granting of public subsidies for the financing thereof.

DECISION of November 18, 2008, of the Public Service of State Employment governing the justification of expenditure arising in relation to the carrying out of professional training actions for employment, with respect to the training of supply, mainly aimed at unemployed employees (State Bulletin no 305 December 19, 2008).

3.2.3 Program for the Financing of Large-Scale Investments in Spain

Through the *GRINVE Program* (Program for the Financing of Large-Scale Investment in Spain), the Official Credit Institute (the “ICO”) offers loans to large private enterprises (not SMEs) and their dependent companies.

The purpose of the loans is to finance investments in Spain. The main priority sectors of this financing program are: environmental improvement, energy, gas and electricity, infrastructures, telecommunications, R+D+i and socio-health care.

Amount of financing: The minimum loan amount is approximately 6m€ or its exchange value in foreign currencies, except as regards project finance operations, where the limit is 10m€.

These are always long-term operations. The specific repayment period is negotiated with each borrower. The operations may include interest-only periods, depending on the project.

The loans obtained through the ICO are compatible with other finance operations, as well as all types of subsidies or funds from EU, regional or central government programs.

3.2.4 Research, Development and Innovation Incentives

For the development of projects of innovation, technological improvement, research and development on Gran Canaria, different aid programs and incentives are available of which the following are worthy of note:

National aid:

- Aid within the framework of the National R+D+i Plan (2008-2011)
- FEDER Technology Fund

Regional aid granted by the Canary Island Agency of Research, Innovation and Information Society.

Island-wide aid under the Program TECNOVA GRAN CANARIA.

3.2.4.1 Aid within the National R+D+i Plan (2008-2011)

The VI National R+D+i Plan (2008-2011) is the central government instrument for R+D and technological innovation programs, managed by the Ministry of Industry, Tourism and Trade.

Throughout the Plan (2008-2011), aid schemes are announced whose beneficiaries are both natural and legal persons and public institutions.

Actions eligible for subsidies are those coming within the framework of the following areas:

AREAS
Area 1. Generation of knowledge and scientific and technological skills
Area 2. Promotion of cooperation in R+D
Area 3. Sector development and technological innovation ¹
Area 4. Strategic actions ²
Area 5. Nan science and nanotechnology, new materials and new industrial processes

To comply with the objectives of the National Plan, and on the basis of the five areas identified, a range of different instruments grouped into six **Principal Lines of Action** are developed. The Lines are developed through thirteen **National Programs**, as can be seen from the following table:

¹ The following ten key sectors are identified: Food, Agriculture and Fish; Environment and Eco-innovation; Energy; Security and Defence; Construction, Regulation of territory and Cultural Heritage; Tourism; Aerospace; Transport and Infrastructures; Industrial sectors; Pharmaceuticals.

² The following strategic actions are identified: Health, Biotechnology, Energy and Climate Change, and Telecommunications and Information Society.

Instrumental Lines	National Programs
Human resources (HR)	Training of Human Resources (HR) Mobility of HR Contracting and incorporation of HR
R+D+I projects	Basic research projects Applied research projects Experimental design projects Innovation projects
Institutional reinforcement	Institutional reinforcement
Infrastructures	Scientific-technological infrastructures
Use of knowledge	Transfer of technology, evaluation and promotion of technology-based firms
Articulation and internationalisation of the system	Networks Public-private cooperation Internationalisation of R+D

In this context, the most important types of aid for enterprises, within the VI National R+D+i Plan (2008-2011) are as follows:

3.2.4.1.1 Aid related to National R+D+i Programs

The main national programs offering aid to enterprises are as follows:

- National Program for the Hiring of Personnel
- National Applied Research Program
- National Experimental Development Projects Program
- National Innovation Projects Program
- National Program of Technology transfers, valorization and development of technology-based enterprises
- National Networks Program
- National Public-Private Cooperation Program
- National R+D Internationalization Program

National Program for the Hiring of Personnel

Objective: Boost the number of people involved in R+D+i in Spain, both in research bodies and in enterprises, supporting and strengthening the hiring of highly qualified staff in the business sector, particularly in SMEs and private non-profit making research bodies, encourage horizontal mobility between universities, the aforementioned research bodies and enterprises.

Beneficiaries: Enterprises, private research organizations and universities.

Actions eligible for subsidies and amount of aid:

Where the beneficiary is an enterprise, it may have access to the aid available under the following sub-program:

“Torres Quevedo” Subprogram: Grants aid for a 3-year period to companies, technology centers, business associations and science and technology parks for the hiring of R+D staff (doctors and technicians) that carry out projects involving industrial research, technological development or prior technical viability studies both with respect to industrial research and technological development activities. The aid available will be used for

the total or partial financing of the cost of hiring personnel, where such cost is deemed to mean gross salary plus the social security contribution to be paid by the enterprise.

Amount of aid: 65,000,000€.

Institution: Ministry of Science and Innovation.

Further information:

[Access to Applications for Aid](#)

National Applied Research Program

Objective: Favor the activities whose goal is the acquisition of new knowledge, exploring the possible application of new technologies in the creation of new products or processes or to obtain a substantial improvement in existing products, processes or services, including the carrying out of pre-competitive projects, whose results are not directly marketable and which have a high level of technical risk.

Beneficiaries: Public and private sector institutions: enterprises, innovative business clusters, public research bodies, universities, hospitals, technology centers, science and technology parks, technology transfer support groups.

Actions eligible for subsidies and amount of aid:

Where the beneficiary is an enterprise, it may have access to the aid available under the following sub-programs:

Subprogram of applied industrial research projects: under this subprogram the aid granted focuses on improving the technological capacity of the industrial base. The applicable financial instrument is partially reimbursable aid. The subprogram is run by the Industrial Technological Development Center (CDTI), part of the Ministry of Science and Innovation.

Amount of aid: 130,000,000€.

National Experimental Development Projects Program

Objective: Promote technological development among the different agents in the Spanish Science, Technology and Business System (SECTE) in order to strengthen technological capacity leading to growing competitiveness in the productive sector, taking into account socio-economic and environmental criteria, while also promoting a thematic focus through cooperation between different agents in the system to facilitate the integration of R+D efforts and to increase the participation of Spanish players in the leading European programs.

Beneficiaries: Public and private sector institutions: enterprises, innovative business clusters, public research bodies, universities, hospitals, technology centers, science and technological parks, technology transfer support groups.

Actions eligible for subsidies and amount of aid:

Projects that involve the creation or significant improvement of a production process, product or service from a technological point of view.

Where the beneficiary is an enterprise, it may have access to the aid available under the following sub-programs:

Subprogram of experimental industrial development projects, under which aid is granted to improve businesses' technological capacity.

Amount of aid: 680,000,000€

Sub-program of experimental development projects in environmental and eco-innovation, for the grant of aid aimed at developing technological solutions that guide the productive processes towards sustainability, the efficient use of natural resources and the prevention of pollution and that contribute to the improvement of basic scientific knowledge to be used for the conservation of the National Parks.

Amount of aid: 20,000,000€

Institution: Ministry of Science and Innovation.

National Innovation Projects Program

Objective: Promote the carrying out by enterprises of innovation and technology transfer projects that involve the incorporation and active adaptation of emerging technologies in the workplace, together with the processes of adapting and improving technologies to new markets. The program also covers the application of industrial design and product and process engineering for the technological improvement thereof. In the same way, financing is encouraged for the improvement of the competitiveness of the company, provided that the technology in question is emerging in the sector.

Beneficiaries: Principally private-sector institutions, enterprises, business clusters, technology transfer support groups, technology centers, science and technology parks, innovative business clusters.

Actions eligible for subsidies:

Where the beneficiary is an enterprise, it may have access to the following aid:

BANK –CDTI Line: which grants aid for financing, at a reduced interest rate, the incorporation of innovative physical capital that improves the competitiveness of the enterprise, provided that the technology in question is emerging in the sector.

Amount of aid: 1,500,000€ granted in one or more operations. Minimum amount per operation: 100,000€.

Innoempresa Program: aid to promote innovation projects among small and medium-sized enterprises of a supra-regional nature, being projects that contemplate actions in which SMEs of various autonomous regions will participate.

Amount of aid: 8,000,000€

Additional information:

[Access to applications for aid](#)

Innoempresa Canarias Program: In order to provide support to businesses, increase their innovative capacity as a means of increasing competitiveness, contribute to sustainable growth and, as a result, create employment and wealth, subsidies are made available to Intermediate Organizations and Small and Medium-Sized Enterprises (SMEs) that carry out projects included in the following programs: Organizational Innovation and Advanced Management, Technological Innovation and Quality and Innovation in Cooperation.

Amount of aid: 3,200,000.00€ (ERDF, Central Government, Autonomous Region).

Sector eligible for incentives: industry (including agro-food), construction, tourism, trade and services.

Actions eligible for subsidies: tangible or intangible investments, technical personnel costs, external cooperation, interurban transport and accommodation and general expenses.

Maximum percentage of subsidy: 60% for tangible/intangible investments and 50% for all other expenses.

Further information:

[Access to Applications for aid](#)

National Program of Technology Transfer, Assessment and Development of Technology-Based Companies

INNOCIDE

Objective: Boost protection, assessment and commercial exploitation (in the form of licenses, new technology-based enterprises) of the R+D+i results created in universities and other research centers; encourage cooperative research activities involving university R+D teams and units and other research centers with enterprises and institutions; contribute to the consolidation and professionalization of personnel in universities and other research centers involved in activities concerning valorization and technology transfer and knowledge.

Beneficiaries: Research Results Transfer Offices registered in accordance with the Order of the Ministry of Education and Science, of February 16, 1996, regulating the register of research results transfer offices (State Bulletin no. 47, of February 23, 1996).

Further information:

[Access to applications for aid](#)

Where the beneficiary is an enterprise, it may have access to the aid available under the following sub-programs:

NEOTEC Initiative: aid granted with a view to supporting the creation and consolidation of new technology-based enterprises in Spain through instruments that will facilitate matters for technological entrepreneurs from the very moment of the conception of the business idea until it is successfully converted into a viable business. This subprogram covers new enterprises located in science and technology parks.

- *NEOTEC Venture Capital Program:* the Program is divided into two actions that will function through two vehicles, both with the legal form of a Venture capital firm:
- The venture capital firm “NEOTEC Capital Riesgo” will act as a fund of funds, investing in venture capital investment vehicles managed by qualified teams based in Spain.
- The co-investment venture capital firm “Coinversión NEOTEC” will co-invest, with previously chosen venture capital programs (action of the Co-investment Fund), in Spanish technology SMEs.

Institution: Ministry of Science and Innovation-CDTI.

Further information:

[Access to Program](#)

National Networks Program

Objective: Support innovative business clusters which aim to boost cooperation between businesses and between enterprises and innovative agents with a view to improving the external competitive position of the final supply of goods and services. It aims to encourage scientific-technological research between different agents, through the creation of public-private groups to consider, analyze and discuss subjects of strategic national interest that boost greater technological capacity, leading to the increasing competitiveness of the national productive sector.

Subprogram of support to technological platforms (INNFLUYE): the objective of this subprogram is to encourage scientific-technological research among the different agents in the science-technology-enterprise system, through the creation of stable public-private groups that encourage the improvement of technological capacity and the growing competitiveness of the national productive sector.

Institution: Ministry of Science and Innovation.

Subprogram of support to Innovative Business Clusters: under which aid is granted to support the strength of business clusters as a means of alleviating the consequences that certain market deficiencies, related to problems of size and coordination, have with respect to the possibility of companies relating to each other, establishing knowledge flows and achieving sufficient critical mass to develop innovative projects that improve competitiveness.

Institution: Ministry of Industry, Tourism and Trade.

National Public-Private Cooperation Program

Objective: To favor stable cooperation with respect to the R+D+i of companies and research bodies of a public and private nature, with a view to providing favorable conditions for the carrying out of large-scale projects that increase the scientific-technological capacity of national enterprises and research groups, extend the culture of cooperation in research and technological development, prepare the participating consortia so that they have more effective access to international programs (Framework Program of the EU) and mobilize the participation of SMEs in large-scale projects.

Institution: Ministry of Science and Innovation-CDTI.

Subprogram providing support to public-private cooperation concerning transport and infrastructure, providing aid for business projects that are carried out on a cooperative basis in the areas of transport and infrastructure. The applicable financial instrument is partially reimbursable aid.

Institution: Ministry of Science and Innovation-CDTI.

INNFACTO, whose objective is support for public-private cooperation projects between research bodies and companies for the carrying out of R+D+i projects concentrating on the development of products, processes or services with potential projection towards the future market based on demand. These projects will be capable of having an impact on the competitiveness of the productive base, boosting the leading markets in order to create a favorable environment for private investment in R+D+i, and to stimulate the introduction of enterprises into innovative technological activity, thus making it possible to balance the national technological scales.

Institution: Directorate General of Technology Transfer and Business Development (DGTTE), Ministry of Science and Innovation (MICINN).

National R+D Internationalization Program

Objective: Encourage the internationalization of R+D+i, promoting participation in international R+D+i activities of national operators and even cooperation in research; in particular, the participation of Spanish groups at an international level, and especially with respect to enterprises, technology centers and Spanish public centers in the Seventh Framework Programme of the European Union.

Beneficiaries: Public and private sector institutions: public research bodies, universities, hospitals, technology centers, science and technology parks, technology transfer support groups, enterprises.

Actions eligible for subsidies and amount of aid:

Where the beneficiary is an enterprise, it may have access to the aid available under the following sub-programs:

Subprogram of support for the participation of technology centers in international R+D programs (INNOEUROPA Sub-program), which grants aid mainly oriented towards favoring the participation of Spanish technology centers in international cooperation programs in the R+D field, such as the Seventh Framework Programme of the European Union through the financing of actions for the preparation of proposals for the participation of said entities in the programs referred to, as well as R+D+i projects in cooperation with entities from other countries, in order to increase the economic returns obtained under the Seventh Framework Program.

Amount of aid: 1,875,000€.

Institution: Directorate General of Technology Transfer and Business Development (DGTTE)

Subprogram of incentives to international enterprise-led projects (EUROSTARS, EUREKA, IBEROEKA and bilateral programs), that grant aid focused largely on favoring the participation of Spanish companies in international cooperation programs in the R+D field, such as the Seventh Framework Programme of the European Union, EUREKA, IBEROEKA, EUROSTARS or Era-Nets, through the financing of actions for the preparation of proposals for the participation of said entities in the programs referred to, and also R+D+i projects in cooperation with entities from other countries.

Amount of aid: 10,000,000€.

Institution: Ministry of Science and Innovation-CDTI

TECNOEUROPA Subprogram that grants aid to promote and improve the participation of enterprises and associations in the Framework Programme of the European Union.

Amount of aid: 8,800,000€.

Institution: Ministry of Science and Innovation-CDTI.

3.2.4.1.2 Aid related to the strategic area of Telecommunications and the Information Society: “Avanza Plan 2”

The objectives of the Telecommunications and the Information Society Strategic Action are to place Spain in the vanguard of knowledge; encourage the existence of highly competitive companies; promote high quality digital public services; facilitate education in the digital era; develop a new digital context based on accessible broadband infrastructures, e-confidence for the services of the Information Society and digital contents.

The Telecommunications and the Information Society Strategic Action is based on a two-pronged approach: a) subject areas that produce new products and telecommunications systems and b) subject areas that produce new services or contents.

Action areas under the Avanza Plan for Enterprises:

- *Avanza Training Subprogram, aimed at improving general training, in and with ICT, of SME employees and the self-employed.*
- *Avanza Competitiveness (R+D+i) Subprogram, for the carrying out of projects and actions with respect to research, development and innovation.*

AVANZA Training Subprogram, which grants aid for the carrying out of general training projects and actions related to telecommunications and information technologies which allow SMEs to progressively introduce information and communication technologies into their business processes, in order to contribute to increasing their competitiveness and improving their productivity.

Amount of aid: 10,000,000€.

Institution: Directorate General for the Development of the Information Society (DGDSI). Ministry of Industry

AVANZA R+D Subprogram, which grants aid for the carrying out of the following: projects and actions with a national scope in the field of industrial research and experimental development; projects and actions oriented towards the definition of projects concerning public purchases of innovative technology in the field of information technology and communications; projects relating to industrial research and experimental development of private-public cooperation; industrial research and experimental development of international cooperation projects and actions tending to increase the internationalization of R+D of operators in the sector.

Amount of aid: 199,700,000€.

Institution: Directorate General for the Development of the Information Society (DGDSI).

Further information:

<http://www.planavanza.es/>

3.2.4.2 ERDF Technology Fund

Objective: The Technology Fund is a special part of the European Union’s ERDF funds, whose objective is to promote business R+D+i in Spain.

Beneficiaries: The priority is to help projects carried out by business clusters.

Actions eligible for subsidies:

Actions eligible for subsidies must be related to the following types of project:

Integrated Projects: Large-scale R+D projects of an experimental nature whose objective is to develop new technologies and which result in a pilot plant, a prototype or a demonstration of a significant technological and industrial impact for the regions where they are carried out.

Technological cooperation projects among SMEs: R+D projects of an experimental nature, aimed at resolving, through the use of new technologies, common problems in a given sector or area of economic activity, resulting in the installation of technology demonstration facilities in some or all of the participating enterprises. These projects must involve an important technological and industrial advance for the regions where they are carried out.

Inter-enterprise national cooperation projects: These are R+D projects of an experimental nature that are implemented by business clusters, whose objective is the development of new technologies, products or processes, encouraging the culture of cooperation between them.

Amount of aid: (2007-2013) - 44m€ for the Canary Islands.

Institution: Ministry of Science and Innovation.

Further information:

[Technological Fund](#)

3.2.4.3 Regional aid: Canary Island Agency for Research, Innovation and the Information Society

The Canary Island Agency for Research, Innovation and the Information Society (<http://aciisi.itccanarias.org/agencia>) is the entity forming part of the Autonomous Region of the Canary Islands with responsibility for fostering scientific and technological research and development, business innovation and the deployment of telecommunication infrastructures and services forming part of the information society.

The main lines of aid offered by the Canary Islands Research Agency are as follows:

- Aid for R+D+i Projects: Aimed at enterprises and research groups carrying out R+D projects with the capacity to drive the economy.
- Aid for the creation and consolidation of Innovative Business Clusters.
- Aid for the hiring of research personnel: aimed at SMEs to co-finance the stable employment of doctors and technologists with a view to promoting innovation.
- Aid to encourage the use of Information and Communications Technologies (ICT Projects) and Technological Innovation (TEC Projects) for Canary Island SMEs and entrepreneurs.
- The **Technological Bonus Program** consists in a series of types of aid whose object is to encourage the use of Information and Communications Technologies (ICT Projects) and Technological Innovation (TEC Projects) among Canary Island SMEs and entrepreneurs.
- **Repayable loans** for the creation and consolidation of technology-based enterprises and the carrying out of technological development and innovation projects.

3.2.4.4 Island-wide aid: creation of innovation workshops and technological cooperation

Objective: Support cooperation initiatives through the setting up of workshops between enterprises, centers, entities and research groups focused on preparing joint projects for technological development, the innovation of products, services or processes oriented towards their marketing.

Beneficiaries:

- Any enterprise whose legal form qualifies it as an SME and that is an autonomous enterprise in accordance with European Union law, the current law being contained in Commission Recommendation 2003\361\EC, of

May 6, concerning the definition of micro, small and medium-sized enterprises (OJ L124, of May 20, 2003) and Commission Regulation (EC) No. 800/2008 (OJ L214/3, of August 9, 2008).

- Technology centers and technological innovation support centers set up under Royal Decree 2093/2008, of December 19 (State Bulletin January 23, 2009, no. 20).
- University institutes, research and public development centers and duly certified research groups.
- Other duly certified non-profit private entities such as those that normally carry out activities related to fostering, management and intermediation in the field of science, technology, research and innovation.

Amount of aid: 300,000 Euros.

Institution: Organisation for the Economic Promotion of Gran Canaria (SPEGC).

Further information:

Actions eligible for subsidies must come within the following categories to be developed within the framework of the workshop:

- Technology viability studies
- Technological explorations
- Economic, financial and/or commercial viability studies
- Advice in the identification and formal execution of financial instruments and aid

Further information:

[Access to Applications for Aid](#)

3.2.5 Aid to SMEs

The Official Credit Institute (ICO) is a public commercial entity attached to the Ministry of Economic and Fiscal Affairs, whose goals are, inter alia, to support the investment projects of Spanish companies, so that the latter are more competitive and contribute to economic progress in Spain.

In this context, the ICO offers the following credit lines to SMEs:

- ICO Line - Investment
- ICO Line – SME Liquidity

3.2.5.1 ICO Line - Investment

Objective: With the ICO Investment Line, the Official Credit Institute supports and finances, on preferential conditions, the development of investment projects of the self-employed and small and medium-sized Spanish enterprises.

Amount of aid: Through this line 10,000m€ is made available to the self-employed and SMEs.

Self-employed, micro and small enterprises: Up to 2m€, in one or more operations.

Medium-sized enterprises and all other enterprises: Up to 10m€ in one or more operations.

Period: Until December 20, 2010.

Beneficiaries: The Self-employed, SMEs and all remaining enterprises carrying out foreign investment in national territory.

Eligible investments: Productive investment in new fixed assets and supplementary financing for the client. Up to 100% of the investment project is financed, subject to the following limitations and conditions:

- The supplementary financing is linked to the financing of the fixed assets, rather than the other way round.
- The financing of the fixed assets must represent, at least, 60% of the total financing.
- Investments in fixed assets capable of attracting financing cannot be more than 6 months' old from the date of signature of the finance agreement and must be implemented within a maximum of one year from signature.
- Fixed productive assets: new and second hand.
- Purchase of automobiles whose price (including VAT) does not exceed 24,000€.
- Acquisition of Enterprises.
- Value Added Tax or the Canary Island General Indirect Tax (IGIC).

The investment to be financed must not have commenced prior to January 1, 2009, and should be implemented within a maximum of 12 months from the date of signature of the finance agreement.

In any event, the following are not financed: restructurings of liabilities or refinancing, any other taxes on investment and working capital.

Further information:

<http://www.ico.es>

3.2.5.2 ICO Line - Liquidity

Objective: Meet the working capital financing needs of small and medium-sized enterprises that are solvent and viable.

Amount of aid: Under this line 10m€ is made available to the self-employed and SMEs, of which 5,000m€ is contributed by the ICO and 5,000m€ by credit entities.

Period: Until December 20, 2010.

Beneficiaries: Self-employed and enterprises, regardless of their size, that are up-to-date in their payments with the ICO.

Amount of aid:

Self-employed and enterprises with less than 50 employees: up to 2m€.

Enterprises with 50 or more employees: up to 50m€.

Further information:

www.ico.es

3.2.5.3 Tecnova Gran Canaria Aid for the creation of technology-based and innovative enterprises

Objective: Contribute to the creation of technology-based and innovative enterprises in Gran Canaria, i.e. those firms whose activity requires the generation or intensive use of technologies for the production of goods or services derived from research, development and innovation.

Amount of aid: (2009-2010): 500,000€, up to a maximum of 60,000€ for each enterprise created.

Period: Until June 2010.

Beneficiaries: Enterprises, whether natural or legal persons, which meet the following requirements:

- Micro and/or small enterprises (SMEs).
- They must have begun their business activity in the six months prior to the day on which the request for aid is filed.
- Their registered office, effective management center and main establishment must be within the geographic boundaries of Gran Canaria.
- Their total intangible and intangible assets at the date of filing of the request are less than 18,000€.

Institution: Organisation for the Economic Promotion of Gran Canaria (SPEGC).

Further information:

The expenses and investments eligible for subsidies are as follows: industrial property, equipment for information processing, computer applications, technical facilities, machinery, tools and equipment, other facilities, furniture, work carried out by other firms, services of independent professionals.

Items that are not specified in this section, such as the IGIC and any other taxes that can be recovered, are expressly excluded.

Further information:

[Access to Applications for Aid](#)

3.2.6 Relevant Sector Incentives

3.2.6.1 Tourism

3.2.6.1.1 ICO Line - Future 2010

Objective: Finance investments in the tourism sector that offer improvements to the energy efficiency of tourist facilities, involving the saving of energy and water, the implementation of new technologies and quality systems.

Institutions: Ministry of Industry, Tourism and Trade, in cooperation with the Official Credit Institute (ICO).

Amount of aid: Up to 2,000,0000€.

Period: Until December 20, 2010 or until available funds are exhausted, if this occurs before the date in question.

Beneficiaries: The following enterprises with their corporate and fiscal domicile or an establishment in Spain that carry on their activity within the Spanish tourist sector:

- Enterprises that own or run hotels, tourist apartments, tourist camps and rural accommodation.
- Enterprises that own or run restaurant establishments.
- Enterprises that own or run travel agencies.
- Enterprises that own or run establishments that offer supplementary tourist services.

Eligible Investments: Up to 100% of productive investments in fixed assets (including VAT or similar tax) of the client can be financed according to the Eligible Investments Guide prepared by the Ministry of Industry, Tourism and Trade.

Under no circumstances shall the following be financed: investments in ordinary maintenance, investments in the acquisition of real estate or vehicles (except for electric cars for the transport of clients), restructurings of liabilities or refinancings, working capital and other taxes on investment.

Eligible investments in fixed assets cannot be dated before February 22, 2010, and must be implemented within 2 years of signature of the finance agreement.

Further information:

[Access to Applications](#)

Repayment period: The client may choose between:

- 3 years with interest-only period.
- 5 years without grace period or with an interest-only period of 1 year.
- 7 years without grace period or with an interest-only period of 2 years.
- 10 years without grace period or with an interest-only period of 3 years.
- 12 years without grace period or with an interest-only period of 3 years.

3.2.6.2 Renewable Energies

3.2.6.2.1 Financing of Strategic Investment Projects in energy saving and efficiency

Objective: Provide incentives for projects and actions of a strategic, sectoral and uniquely innovative nature that favor savings and improved energy efficiency whose scope of action covers, in general, at least 3 autonomous regions, all within the framework of the Action Plan for Energy Saving and Efficiency Strategy in Spain 2008-2012.

Institutions: Ministry of Industry, Tourism and Trade. Institute of Diversification and Energy Saving (IDEA).

Amount of aid: The financing of this Program for 2010 shall be covered by the specific budget of 120,000,000€ made available by the IDEA.

Beneficiaries:

- Enterprises in the industrial sector, industrial manufacturing except refining and generation, transport and electricity distribution.
- Enterprises in the tertiary sector (trade, distribution, catering, health, banking, transport, etc.) with facilities or centers of activity in at least three autonomous regions in which investments are made.
- Energy service enterprises (ESEs), which term is defined in the widest possible terms to include the whole energy sector or organizations that provide such services, directly or indirectly. These enterprises must act for third parties in the above-mentioned sectors, and make investments in the projects coming within those defined in the aid program, in at least three autonomous regions. In any event, the projects approved for this type of beneficiaries in an indirect manner must reflect the fact that the subsidized energy savings are passed on to the final users and the subsidized investments must be reflected in the balance sheet of the ESE in question for at least 5 years.

• Companies for the financing of the purchase of intermediate goods or vehicles, subject to the same conditions as imposed on the ESEs, the subsidized investment being stated in the balance sheet for at least three years.

Eligible investments: The types of projects for which financing is available are as follows:

• *Strategic Project:* series of actions whose objective is a significant reduction in the consumption of the energy used by the requesting company in its processes and/or in its facilities, in order to improve its energy competitiveness and reduce the gap between it and the leading enterprises in the field of energy technology in its sector, thus helping to reduce the impact on the environment. Investments must be made in at least three autonomous regions.

• *Singular Innovative Project:* energy optimization projects involving a change of process in large-scale industry, complying with certain specific features, such as: volume of funds, singular nature of the project in the sector, energy savings generated, degree of eco-innovation, etc. Investments may be located in a single autonomous region and must relate to the industrial sector.

• *Joint Sectoral Project:* series of projects in companies in the same sector with the same technological and energy objectives whose group application guarantees a greater degree of implementation of these new technologies. The investments must take place in at least 3 autonomous regions.

Further information:

www.idae.es

The lower and superior limits of the eligible investment, which mean the direct investment related to the energy saving additional to the reference investment:

Minimum and maximum values of eligible investment

Investment in millions of euros:

Type of project	Investment in €m	
	Minimum	Maximum
Strategic Project	1.0	40.0
Micro cogeneration project	0.3	40.0
Singular Innovative Project	0.5	20.0
Sectoral Joint Project	0.5	20.0
Micro cogeneration Project	0.3	40.0

3.2.6.3 Cultural and audiovisual industry

For all enterprises in the Cultural and Audiovisual Sector, the Ministry of Culture offers a wide range of aid and subsidies in order to encourage:

Participation and promotion of films in international festivals

The production of short films

The development of scripts for feature films

The distribution of Community films

The making of feature films where new directors are involved

The making of experimental works, of a clear artistic and cultural content, of documentaries, and pilot animation series.

The organization and development in Spain of film and audiovisual arts festivals and competitions

Further information:

<http://www.mcu.es/ayudasSubvenciones/index.html>

- The **Cinematographic and Audiovisual Arts Institute** (ICAA) is an independent body attached to the Ministry of Culture which prepares policies support the cinematographic sector and audiovisual production.
- Media Desk Spain is one of the representative offices in Spain of the **MEDIA Programme** of the European Commission, an initiative providing support to the European audiovisual sector. It works on behalf of Spanish companies in the production, distribution and exhibition, cinematographic, audiovisual and new technologies sectors, offering said enterprises a service providing information, consultancy and updating in relation to the main pillars of the MEDIA Programme.
- The Foreign Trade Institute (**ICEX**) offers the Legal Advice Program for Cultural Industries and Training Days for those firms operating in the cultural industries that are interested in the internationalization of their activities. This Program focuses on legal, contractual and fiscal issues concerning the international negotiation and management of intellectual property rights and the support plan for audiovisual products, whose purpose is to support the actions of foreign promotional activities and the internationalization of Spanish audiovisual products.
- The **ICO** offers the following lines of financing aimed at boosting the Spanish cinematographic industry:

Cinematographic production

Cinematographic exhibition

- At the regional level, **Canarias Cultura en Red**, a public enterprise dependent on the Vice-Department of Culture and Sports of the Government of the Canary Islands whose purpose is the management, promotion and dissemination of cultural activities, training and encouragement of the production of cultural material, offers lines of support to this sector.

3.2.7 Aid to internationalization

The institutions listed below have available a series of instruments to support the internationalization of enterprises:

- The Spanish Foreign Trade Institute (ICEX)
- The Canary Islands Foreign Trade Promotion Agency (PROEXCA)
- Chamber of Commerce, Industry and Navigation of Las Palmas
- Official Credit Institute (ICO)
- Spanish Development Finance Company (COFIDES, S.A.)

3.2.7.1 The Spanish Foreign Trade Institute (ICEX)

ICEX is a public entity with its own legal personality attached to the State Trade Secretariat of the Ministry of Industry, Tourism and Trade. ICEX provides its services to Spanish enterprises with a view to encouraging and facilitating their international projection. To this end, it offers its own financial, material and human resources.

The **Foreign Trade Development Initiation Plan**, better known by its initials in Spanish, PIPE, is the first state-wide program specifically aimed at Spanish SMEs which aim to expand through exports.

In order for an enterprise to qualify for the PIPE, it must meet the following requirements:

- Be defined as an SME in accordance with the criteria of the European Union;

- Have its own product or service;
- Have a clear pro-internationalization approach, amongst other objectives, to be aware of the real possibilities in other markets.

ICEX runs the [Center of Unified Assessment in Foreign Trade \(CAUCE\)](#). This service unifies all of the supply and experience of all institutions on the question of internationalization, responding to exporting companies' requests for information and need for advice from a centralized point of view.

Further information:

www.icex.es

3.2.7.2 The Organisation for the Overseas Promotion of the Canaries (PROEXCA)

The Organisation for the Overseas Promotion of the Canaries (PROEXCA) is a state entity attached to the Department of Economic and Fiscal Affairs of the Canary Islands Government, whose main goals to internationalize Canary Island companies and to attract strategic investment towards the islands.

It offers the following tools aimed at fostering internationalization:

- Organization of business meetings to foster closer business and institutional ties between the Canary Islands and other regions.
- Carrying out of promotional campaigns at sales outlets in order to introduce Canary Island products into the lines of the main retail chains in the target markets and also facilitate these products' access to the chain's permanent supply.
- Direct and inverse trade missions: collective trips organized to a target market by various enterprises in the same sector or different sectors.
- Organization of the participation of groups of companies in the main international trade fairs.
- Design and preparation of publicity campaigns and made-to-measure public relations activities in order to foster awareness of the product according to the needs laid down in the activities plan for the development of each sector.

Further information:

www.proexca.es

3.2.7.3 The Las Palmas Chamber of Commerce, Industry and Shipping

The Las Palmas Chamber of Commerce, Industry and Shipping includes amongst its main objectives the promotion of exports and the increase in the number of firms exporting from the province. In line with this objective, it offers and carries on services adapted to the degree of internationalization of each enterprise, from starting out in foreign trade to more specific advice.

Further information:

<http://www.camaralaspalmas.com/>

3.2.7.4 Institute of Official Credit (ICO)

The Institute of Official Credit, through its **PROINVEX Program**, offers Spanish companies financial help, comprising of loans, guarantees or sureties, for large-scale projects abroad in which there is a Spanish interest.

Amount of the loans: The minimum amount is approximately 10m€. The maximum finance will depend on the Spanish interest in the project to be financed.

Beneficiaries:

- Large-scale private companies (not SMEs) and their dependent companies (national or international), including special-purpose vehicles in projects with respect to project finance.
- In the financing of exports, the enterprise or institution to whom the experts are destined.

Eligible investments: Projects that are economically, financially, technologically and commercially solid and where there is a Spanish interest. For example, “Spanish interest” means the direct stake held by a Spanish client in the capital of the borrower, together with the generation of business to Spanish companies through supply contracts, management and/or maintenance contracts.

Sectors of interest: Energy, Gas and Electricity, Transport infrastructures, Telecommunications, Environment, Industry, Agrofood, Agriculture, Trade, Tourism and Others.

Further information:

<http://www.ico.es>

3.2.7.5 Spanish Company for Development Funding (COFIDES, S.A.)

COFIDES is a public limited company with mixed (private and state) capital that offers financing for viable private projects abroad in which there is some type of Spanish interest. COFIDES has the following state funds:

- Foreign investment fund (FIEX); this fund allows temporary and minority investments in funds owned by companies located outside of Spain.
- Fund for SME investment operations abroad (FONPYME); this fund allows temporary and minority investments in funds owned by SMEs located outside of Spain.

Further information:

www.cofides.es

3.2.8 Other Funding Instruments. Relevant institutions

A summary is given below of the main entities and enterprises offering different financing instruments:

3.2.8.1 Institute of Official Credit (ICO)

The Institute of Official Credit is a state enterprise company attached to the Ministry of Economic and Fiscal Affairs through the Department of State for Economic Affairs, which is considered a Financial Agency of the State.

The ICO's goal is to promote the growth of and improvement in the distribution of national wealth and encourages all those economic activities which, due to their social, cultural, innovative or ecological importance, deserve preferential attention.

The financing of the ICO is aimed at encouraging sectors such as the film industry and transport, while also prioritizing technological innovation and renewable energy projects and boosting the presence of Spanish companies abroad.

The ICO credit lines are aimed at a wide variety of clients and activities:

- Entrepreneurs
- Self-employed and enterprises
- Internationalization of Spanish enterprises
- Liquidity needs

- Encouraging investment in key sectors such as tourism
- Support for specific activities: cinema, textiles and manufacturing, housing, etc
- Boosting new information technologies among citizens and enterprises in the Avanza Plan
- Postponing the payment of mortgage installments for individuals with the mortgage moratorium line.

Further information:

www.ico.es

3.2.8.2 Centre for Industrial Technological Development (CDTI)

The Centre for Industrial Technological Development (CDTI) is the entity at the Ministry of Science and Innovation that channels requests for financing and supports the R+D+i projects of Spanish enterprises at a state and international level. The CDTI's objective is to contribute to the improvement of the technological level of Spanish companies through the development of the following activities:

- Technical-economic and financial assessment of R+D projects carried on by enterprises
- Management and promotion of Spanish participation in international technology cooperation programs
- Promotion of the international transfer of business technology and of the support services for technological innovation
- Support for the creation and consolidation of technology-based companies

In addition, the CDTI has a Foreign Trade Network, which offers support to Spanish firms and promotes international technological cooperation.

Further information:

www.cdti.es

The **Gran Canaria Economic Development Agency** forms part of the Network of Information Points on Research, Development and Innovation (PR+D+i), whose purpose is to advise enterprises and entrepreneurs on the most appropriate lines providing public support to R+D+i in view of the characteristics of their technological-business projects. The PR+D+i network is managed by the Center for Technological and Industrial Development (CDTI).

3.2.8.3 Foreign Trade Institute (ICEX)

The Foreign Trade Institute (ICEX) provides its services to Spanish enterprises in order to encourage and facilitate their international projection. For this purpose, it has its own financial and material resources and:

- Designs and executes commercial promotion programs in foreign markets.
- Prepares and disseminates information on the supply of Spanish products and with respect to international markets
- Promotes the technical capacity of an enterprise's workforce and the training of professionals in foreign trade matters
- Encourages investment projects, the establishment of industry or business cooperation in foreign markets

In order to achieve its goals effectively, the ICEX carries on its activities overseas through the Economic and Commercial Offices of the Spanish Embassies and, in Spain, through the Regional and Territorial Trade Directorates.

Further information:

www.icex.es

3.2.8.4 National Innovation Enterprise (ENISA)

The National Innovation Enterprise, S.A. (ENISA), is a state-owned corporation attached to the Ministry of Industry Tourism and Trade, through the Directorate General of Small and Medium-Sized Enterprise Policy.

Within the policy of support and encouragement to SMEs of the Directorate General of Small and Medium-Sized Enterprise Policy, ENISA offers finance to SMEs through profit-sharing loans, an innovative financial instrument which provides long-term resources without interfering in the management of the enterprise.

In Gran Canaria, the Organisation for the Economic Promotion of Gran Canaria has signed a cooperation agreement with ENISA under which it has set aside the appropriate resources to publicize the advantages of profit-participating loans, thus increasing the availability of financing and improving the conditions thereof for SMEs.

The financing lines offered by ENISA can be classified as follows:

- Financing lines for the creation of enterprises
 - Line for young entrepreneurs
- Financing lines for innovative enterprises
 - SME line
 - Technology-based Enterprise Line
 - Co-financing line with Business Angels
 - Co-financing line with Venture Capital Companies
 - Co-financing line with Regional Development Agencies
- Financing lines for business growth
 - Line for the purchase and merger of small enterprises
 -
 - Line providing financial support to the flotation of the SME on the Alternative Stock Market

Further information:

www.enisa.es

3.2.8.5 Canary Islands Guarantee Company (SOGAPYME)

SOGAPYME is a Reciprocal Guarantee Corporation covering the whole Canary Islands Autonomous Region. This type of corporation, supervised by the Bank of Spain, allows access to finance on privileged terms, including low interest rates and long repayment periods.

SOGAPYME's mission is to finance Canary Island SMEs on the most preferential conditions offered by the bank, and also to give sureties, bonds and guarantees to the SME vis-à-vis the public authorities (and, in general, vis-à-vis third parties) on much more advantageous terms than those that may be offered by banks.

The main advantages available to SMEs and the self-employed in the Canary Islands thanks to the intervention of SOGAPYME are as follows:

- Access to the Privileged Circuits of Financing in the Canary Islands
- Improved financing conditions
- Increased negotiating capacity with their own bank or with any other
- Help with the presentation of the operation to the bank
- Independent, transparent and responsible advice from a non-profit credit entity
- Free pre-study of operations

- Obtaining financing from the bank
- An immediate response in the provision of provisional and definitive bonds for public works, supplies or services tenders
- Lower financial costs arising from the presentation of bonds
- Not use up risk with its bank, by requesting bonds or other sureties vis-à-vis the Administration (or in general vis-à-vis third parties).
- Not incur in expenditure as a result of having to agree to other ties to the credit entity in return for the preferential finance conditions.

Further information:

www.sogapyme.com

3.2.8.6 Company for the Economic Development of the Canary Islands (SODECAN)

SODECAN is a public corporation of the Canary Islands Government entrusted with promoting economic development in the Canary Islands.

The corporation's purpose is to promote economic and, particularly, industrial development in the Canary Islands by exercising the following functions:

- Carry out studies to promote and encourage economic development in the Canary Islands, and provide all types of advice, whether technical, management, financial or economic.
- Encourage common actions between companies in the autonomous regions that tend to improve business structures with a view to achieving greater competitiveness.
- Promote investments of interest for the autonomous regions, holding stakes in the capital of companies to be formed or that already exist.
- Grant loans and sureties to companies in which stakes are held.
- Obtain outside resources to channel them to companies in which stakes are held, as well as agree credits of all types and negotiate debt securities (empréstitos).
- Process requests for financing from official credit entities in favor of companies in which it holds stakes.
- Prepare and promote the creation of fixed capital and, in particular industrial land, in conjunction with the public bodies.
- Promote and start up industrial and technological projects of strategic value for the Canary Islands.

Further information:

<http://www.sodecan.es>