

Press Release

Germany strengthens financing opportunities for startups

Strong demand for micro-mezzanine investments - Federal Ministry for Economic Affairs doubles funds

Aug 13, 2014

Berlin (gtai) - Having too little capital is often an obstacle for very small businesses and new company founders trying to access credit. To increase the range of financing opportunities for such companies, the Federal Ministry for Economic Affairs and Energy launched the 35 million euro German Micro-mezzanine Fund (Mikromezzaninfonds Deutschland) in fall 2013.

It is funded from the ERP and the European Social Fund and provides small and young enterprises and company founders with economic equity (silent participations) of up to 50,000 euro (USD 67,000). This improves the companies' ratings and raises their chances of securing new loans.

The fund has been in high demand since its launch in September 2013. By the end of July 2014, more than 700 investments had been confirmed across Germany totaling approximately 30 million euro.

The German Minister for Economic Affairs and Energy, Sigmar Gabriel said: "The high level of demand and the breadth of the projects funded shows that this targeted program has closed a funding gap. [...] To support these young entrepreneurs further and to ensure continued funding, the Federal Ministry for Economic Affairs has doubled the fund from 35 million to 70 million euro." (USD 93 million)

The fund offers silent participations anywhere in Germany via the medium-sized investment company network for up to 10 years at a fixed rate of 8% p.a. and with a profit-related component of 1.5% p.a. The fund is managed by NBank, Lower Saxony's investment and development bank.

More Information:

- [German Micro-mezzanine Fund \(Mikromezzaninfonds Deutschland\)](#) 
- [Incentive programs](#)

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