

The Dutch Risk Capital Policy Study (pilot)

Background

The International Consortium for Entrepreneurship (ICE) decided in October 2006 to investigate the risk capital markets, data and policies throughout the 8 ICE countries. It was decided that the first pilot risk capital policy study should be conducted in the Netherlands.

Purpose

The aims with the Dutch policy study are the following:

- Investigating the policy priorities related to risk capital activities in the Netherlands (information from ministry/questionnaire)
- Grouping the policies into demand and supply side oriented policies (questionnaire)
- Mapping policies according to period of implementation (past, present or future policies)
- Mapping the country's position according to the Investment Policy Model based on public cost pr. policy areas/initiatives (questionnaire)
- Investigating relationship between country's risk capital performance and their policy priorities.
- Exploring perceived key challenges and country specific issues on the Dutch market for risk capital (interview with ministry and stakeholders)
- Carrying out an in-depth analysis/case studies of selected policies (interviews)
- Investigating the perceived effects of some policies (interviews with stakeholders)
- Providing policy recommendations (national policy study)
- Final result is a Policy Handbook mapping the policies implemented across ICE countries and comparing countries' policy priorities with their respective public cost pr. policy area/initiative

Duration

It is suggested that the pilot study is undertaken in March 2007 over a period of approximately 4 weeks. In practice, Glenda Napier (GN) from FORA will make 2 trips to the Netherlands, each of around 3 days. During GN's stay in the Netherlands, she will work from the Ministry of Economic Affairs offices in the Haag.

The rest of the period GN will work from Copenhagen. If necessary, the second trip to the Netherlands could be adapted to be either longer or shorter than first planned. During or after the pilot study, it could be fruitful to organise an expert group meeting in order to collect feedback and suggestions to the pilot study.

Activities

The following activities should be carried out in relation to the Dutch policy study.

- Policy questionnaire (filled in by ministry)
- Policy mapping and public costs (ministry)
- Interviews with Dutch risk capital stakeholders¹
- Case studies (policies, firms, investors)
- Definitions and statistical review (as input for the Data project conducted by the OECD)
- Market overview (EVCA data and national sources)

Timeline

A suggested timeline for the pilot study is shown below.

1 March	6-9 March	15 March	20-23 March	30 March
Preparing study from FORA	3 days stay in the Netherlands interviewing both demand and supply side organisations	Elaborating study from FORA	3 days stay in the Netherlands interviewing both demand and supply side organisations	Finalising policy study from FORA

The Dutch Assignments

The Ministry of Economic Affairs should assist FORA with contacts to the relevant organisations. Moreover, it would be useful if the Ministry could make a sort list with the current key challenges occurring on the Dutch market for risk capital. The ministry will provide GN with a desk while working in the Netherlands.

Costs

As the Dutch policy study will function as test case for the rest of the 7 policy studies, the costs of the study could be covered collectively through the consortium's 2007 budget.

¹ See Appendix for some suggested organisations

Appendix

List of suggested organisations to interview

Supply side organisations	Contacts	Issues
Private national VC associations	The Dutch Private Equity and Venture Capital Association: http://www.nvp.nl/	Provision of social and human capital opportunities, key challenges in market, view on effect of implemented policies, financial gaps and average investment sizes, view on national demand opportunities, internationalisation of Dutch market, exit opportunities in the Netherlands and abroad, co-investment opportunities, investment values/culture, administrative burdens, taxation, view on the Dutch investor's human and social capital (high/low). Why? Effect of policies on this.
Public national investment funds		Strategy for kick-starting the national market, vies on demand opportunities, co-investment opportunities, guarantee schemes, various policy instruments (design of), capital under management, invested capital in sectors, firms and stages, internationalisation, exit strategies,
National and regional business angel networks (public/private)	NEBIB, Peter HGM Marechal, AD Breukelen, www.nebib.nl , NEBIB Contact person Ben LACOR [Glenda: I know this person] Contact details Post bus 154, 3620 AD Breukelen, The Netherlands T: +31 346 55 57 74 F: +31 346 56 11 54 E: ben@nebib.nl W: www.nebib.nl , www.beursplein3 Development Agency East Netherlands	Business angel potential, view on demand opportunities, collaboration with VC investors, financial gaps and average investment sizes, personal wealth, taxation and fiscal incentives, administrative burdens, networking with entrepreneurs, views on dealflow, exit opportunities,

	<p>– OOST NV Contact person Dr. René Reytenbagh Contact details Postbox 5215 6802 EE Arnhem T: +31 26 38 44 222 F: +31 26 38 44 244 E: rene.reijtenbagh@oostnv.nl W: www.meestersvandetoekomst.nl</p>	
National statistics office		Access to risk capital data, personal wealth, FFF segment, business angel data, demand side data,
Ministry of Economic Affairs		(based on policy questionnaire), innovative policy approaches, design of single policy instruments, political priorities, view on role of public risk capital, specific policy philosophy,
Demand side organisations		
National and regional entrepreneurial associations		View on effect of implemented policies, entrepreneurial culture in the Netherlands, entrepreneurship activities, key challenges for entrepreneurs, access to finance, contacts with risk capital investors, view on investment readiness,
Universities (research institutions)		View on effect of implemented policies, collaboration with risk capital investors, contacts between universities, researchers and investors, commercialisation of R&D through risk capital, entrepreneurial education,
Public and private incubators		View on effect of implemented policies, how to they achieve public financing (define incentive structure), how do they select firms, facilitate contacts with investors, view on investment readiness, financing gaps,
Connect Holland		View on effect of implemented policies, investment readiness, screening

		activities, contacts with investors, financing gaps,
Matchmaking places??		Types of matchmaking activities, view on investment readiness, view on investors' interest and risk aversion,

Private and public organisations

