



**FI for agriculture under the
EAFRD in the 2014-2020
programming period – Current
status and political guidelines**

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European
Commission



EAFRD Financial instruments 2014-2020

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Agriculture
and Rural
Development

Challenges and Opportunities



**Habitats
Biodiversity**



Food



**Energy
Biomass**



Climate Change

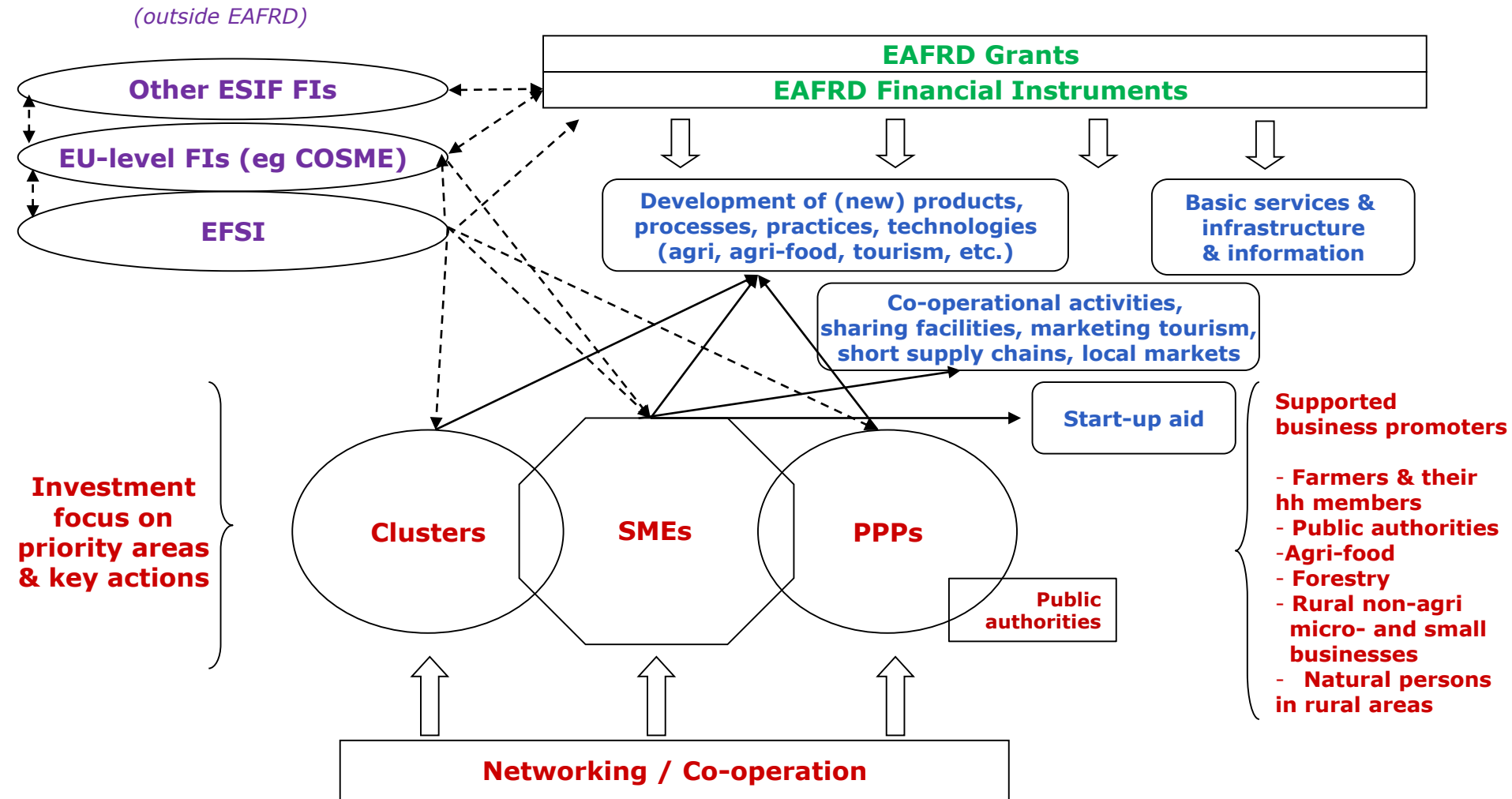


**Resource-
management**



**Economic
Viability**

EAFRD business support in 2014-20



Why Financial Instruments?

Quick & permanent access to funds

Standard application & fast evaluation

All funds given before investing & VAT

Independent decision-making

Favourable loan conditions

Back-up of a loan (eg up to 80%)

No direct control of final recipients

No reporting back to the MA

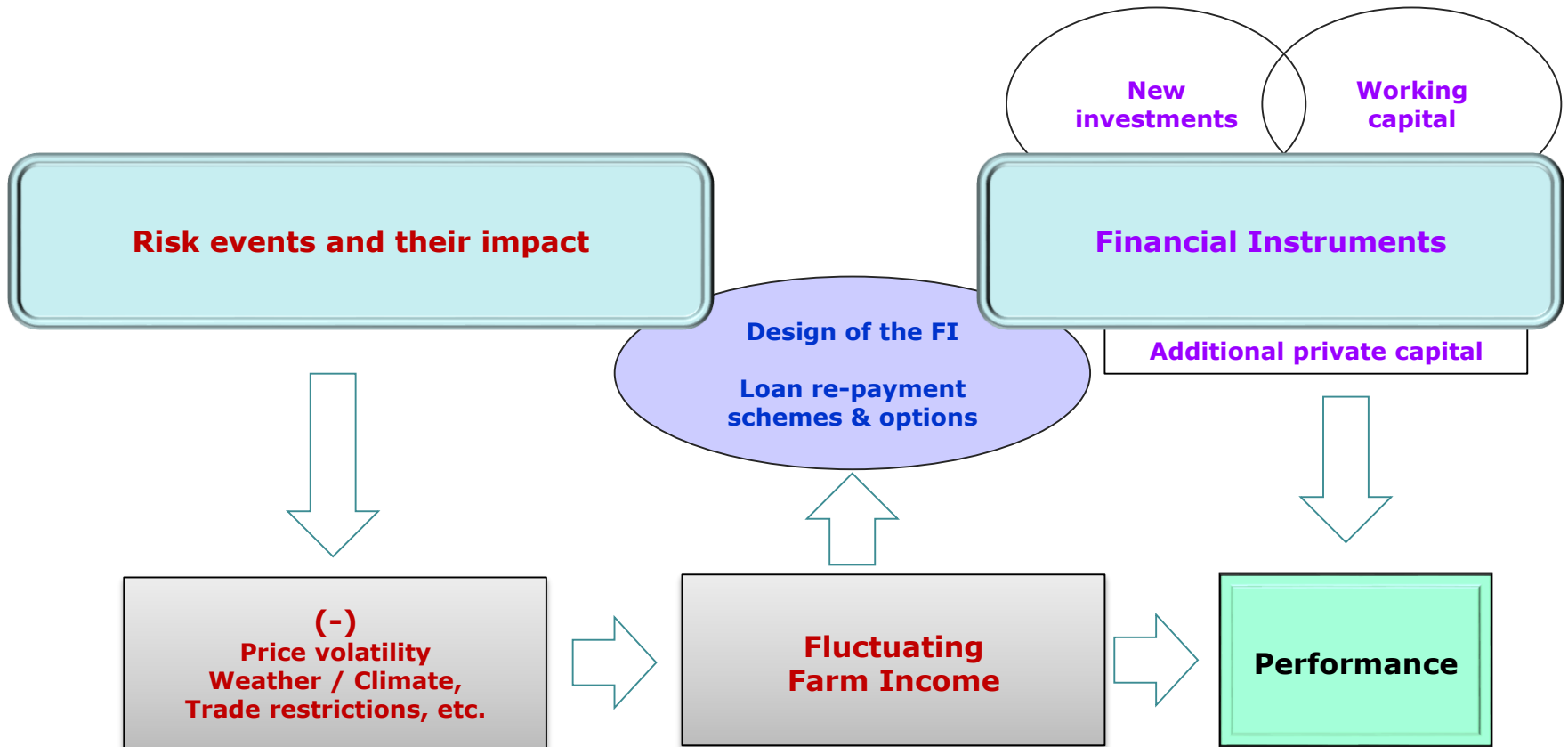
Less or no administrative burden

Access to working capital

Fewer (No) investment restrictions

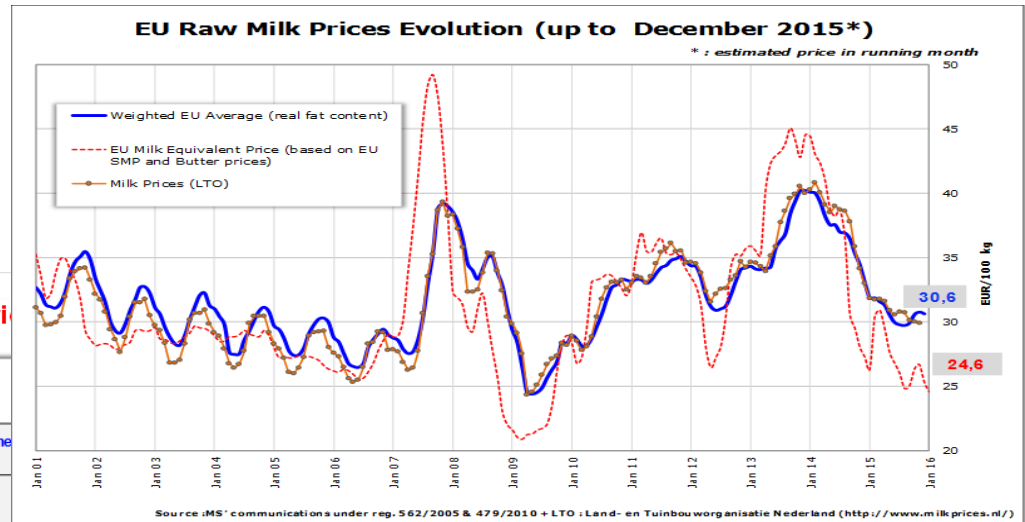
Combination with grants

Risk management aspects & FIs



Study on EAFRD FI and price volatility in agriculture (under fi-compass)

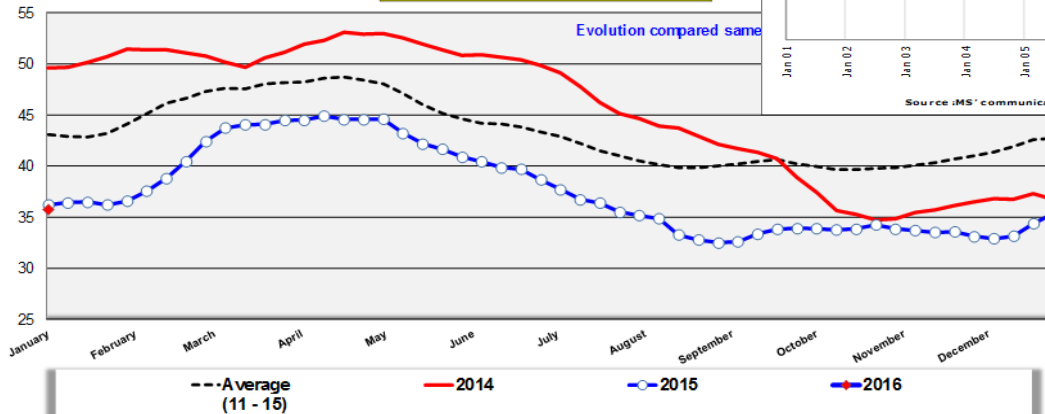
Limited sectors (start from dairy)
Real-cases (in some MS)



Evolution of the EU average piglet price €/head

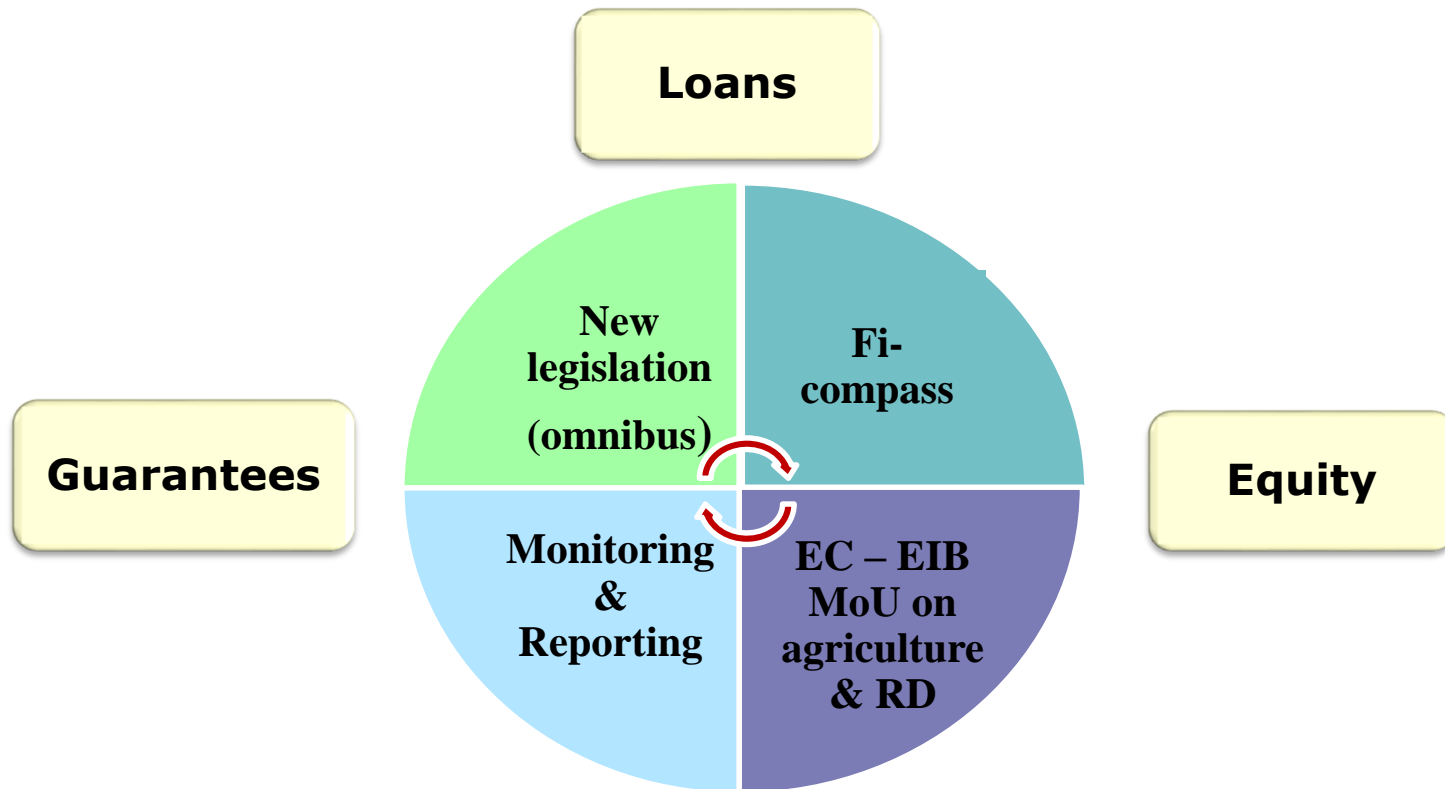
Latest price (Week 1): 35.76 EUR/Head

Evolution compared same

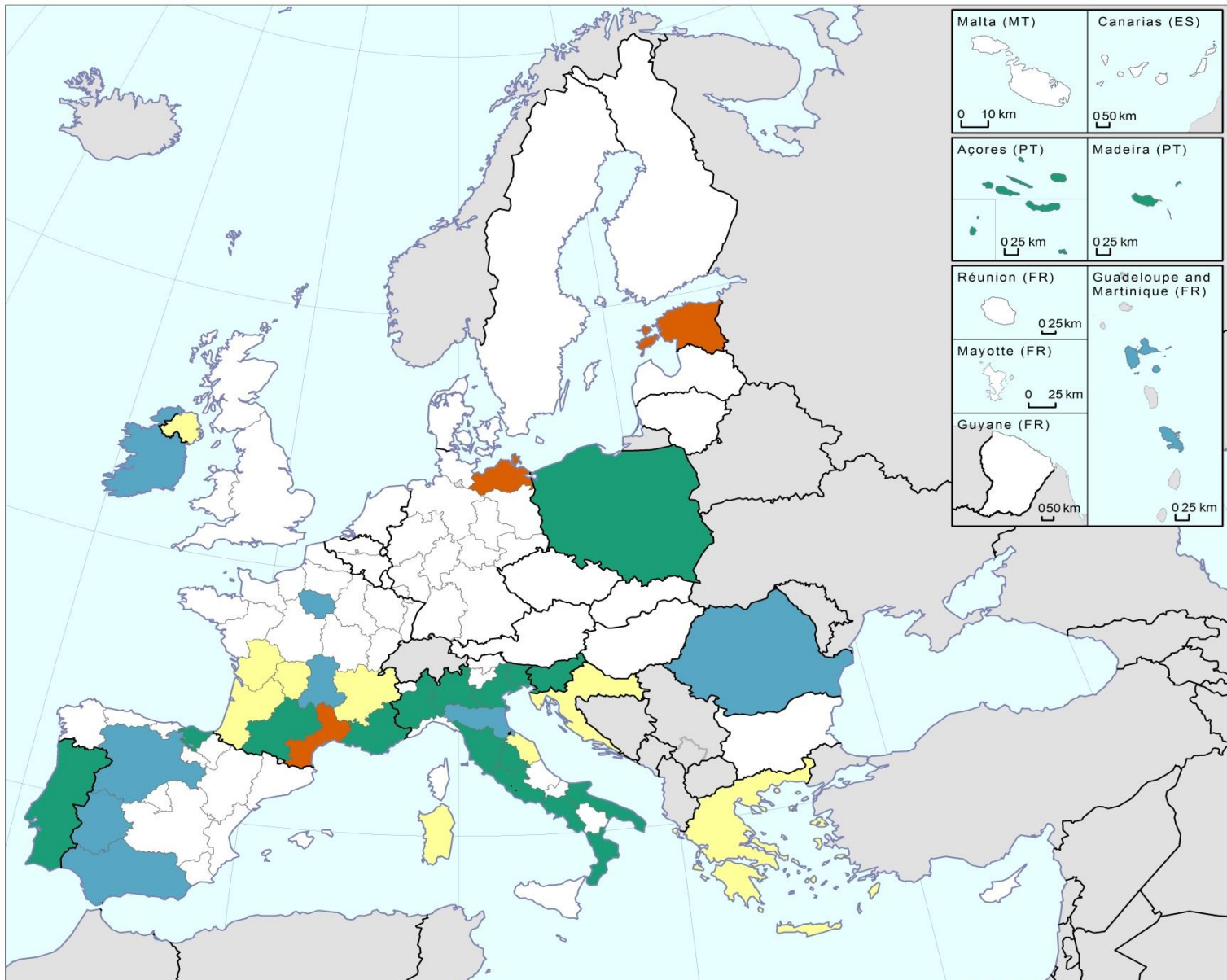


Two-stage approach
- Dairy market analyses & impacts of price volatility
- Banks' practices

Types of EAFRD Financial Instruments 2014-2020



Financial instruments in July 2017



Status of EAFRD Financial Instruments 2014-2020 (by July 2017)

- Operational FIs
- FIs in a process of setting up (after ex-ante)
- FIs after ex-ante (no decision yet)
- FIs in preparation (ex-ante)
- Not considered

Source:
DG AGRI based on information by Member States

Year:
2017

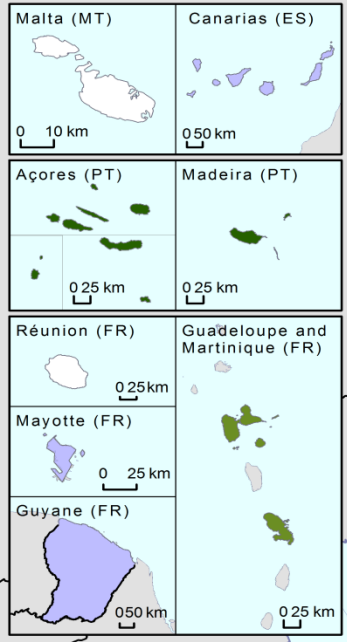
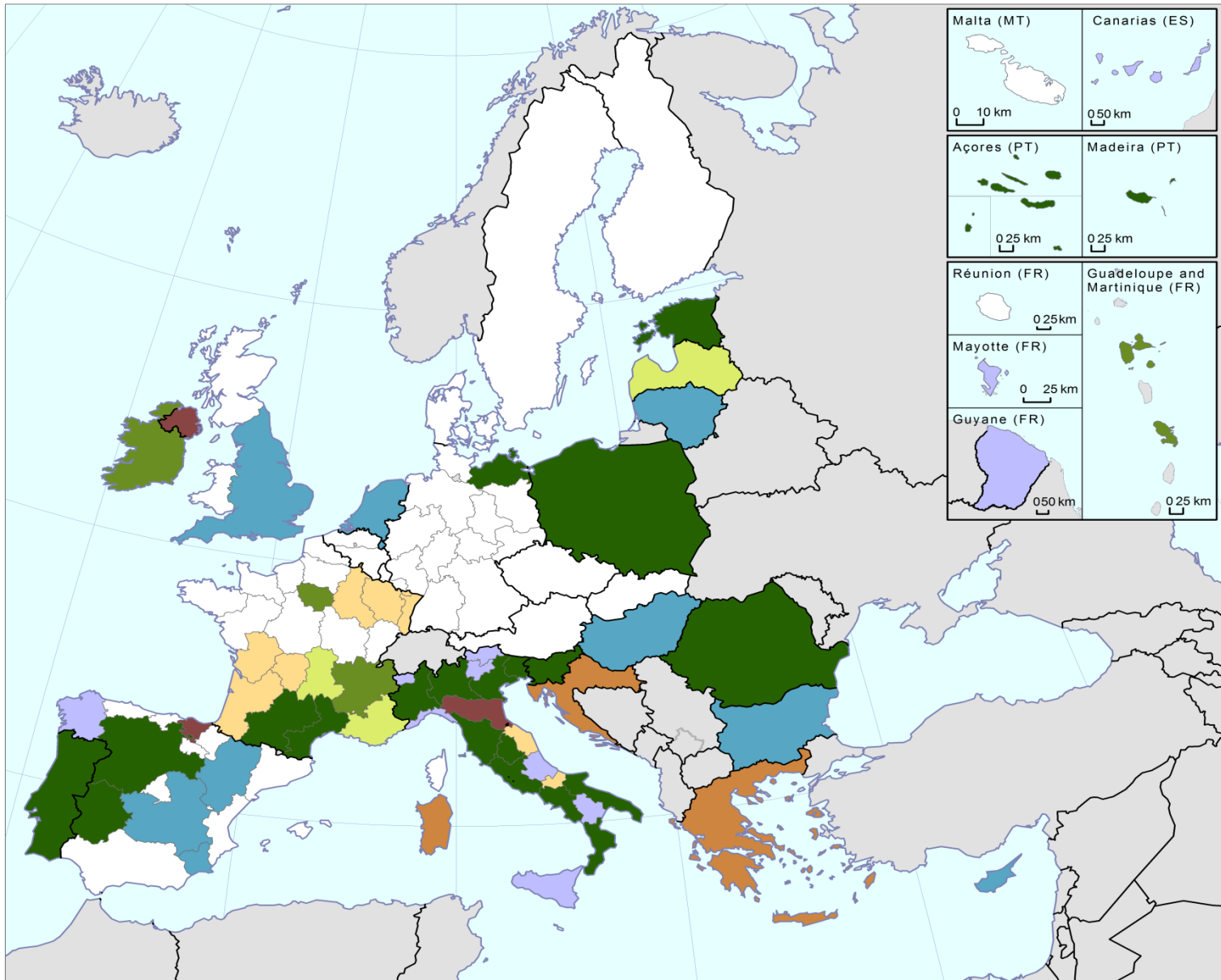
Cartography:
DG AGRI GIS TEAM 07/2017

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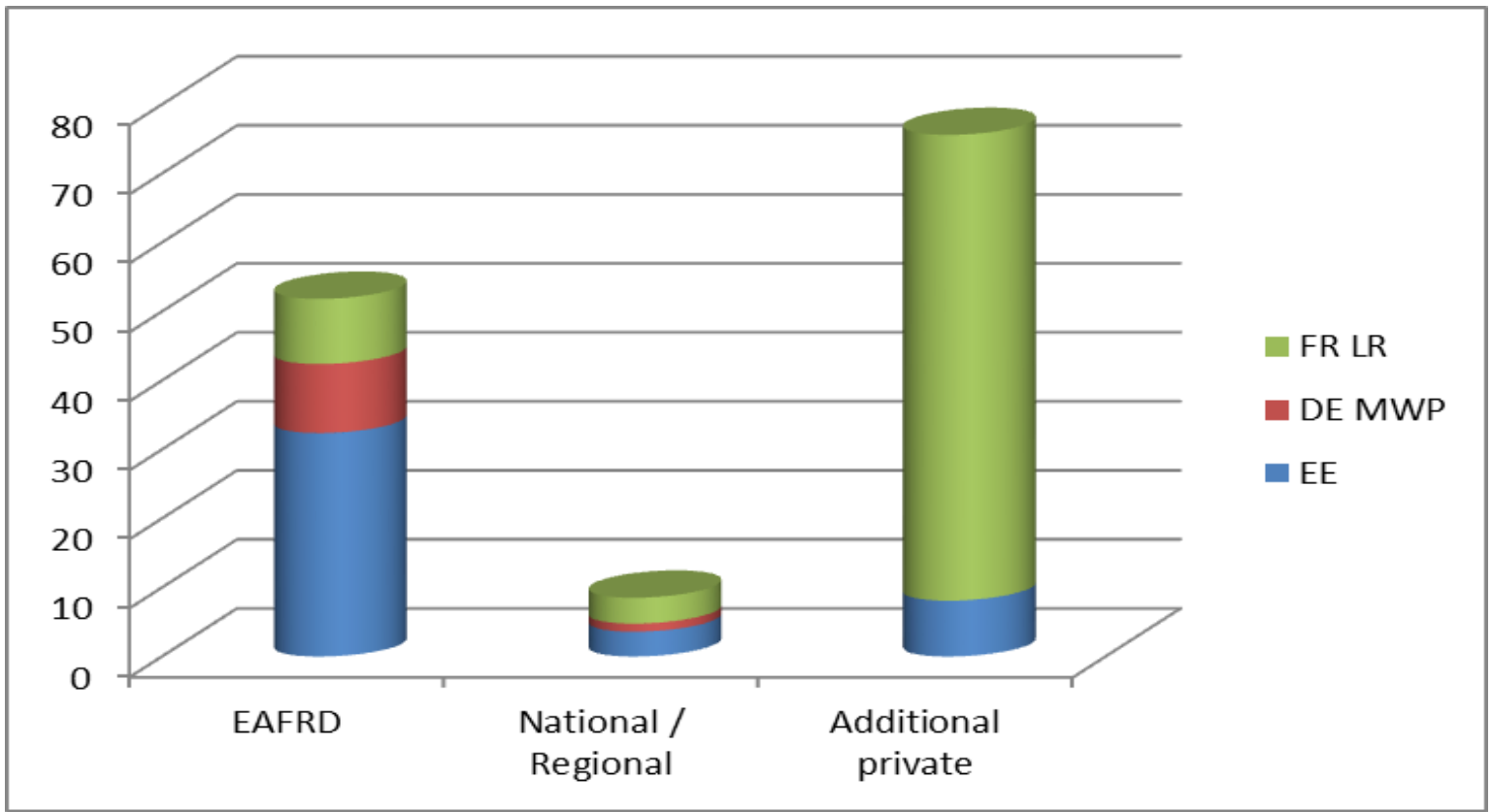
Ex-ante assessments for FIs, June 2017



- Status of ex-ante assessments for financial instruments under the EAFRD (by June 2017)**
- Completed - with no follow-up
 - Completed - with follow-up
 - Completed - no decision yet
 - Interrupted or Reassessment
 - Final stages
 - Ongoing
 - Preparatory work
 - Expressed interest
 - Not considered

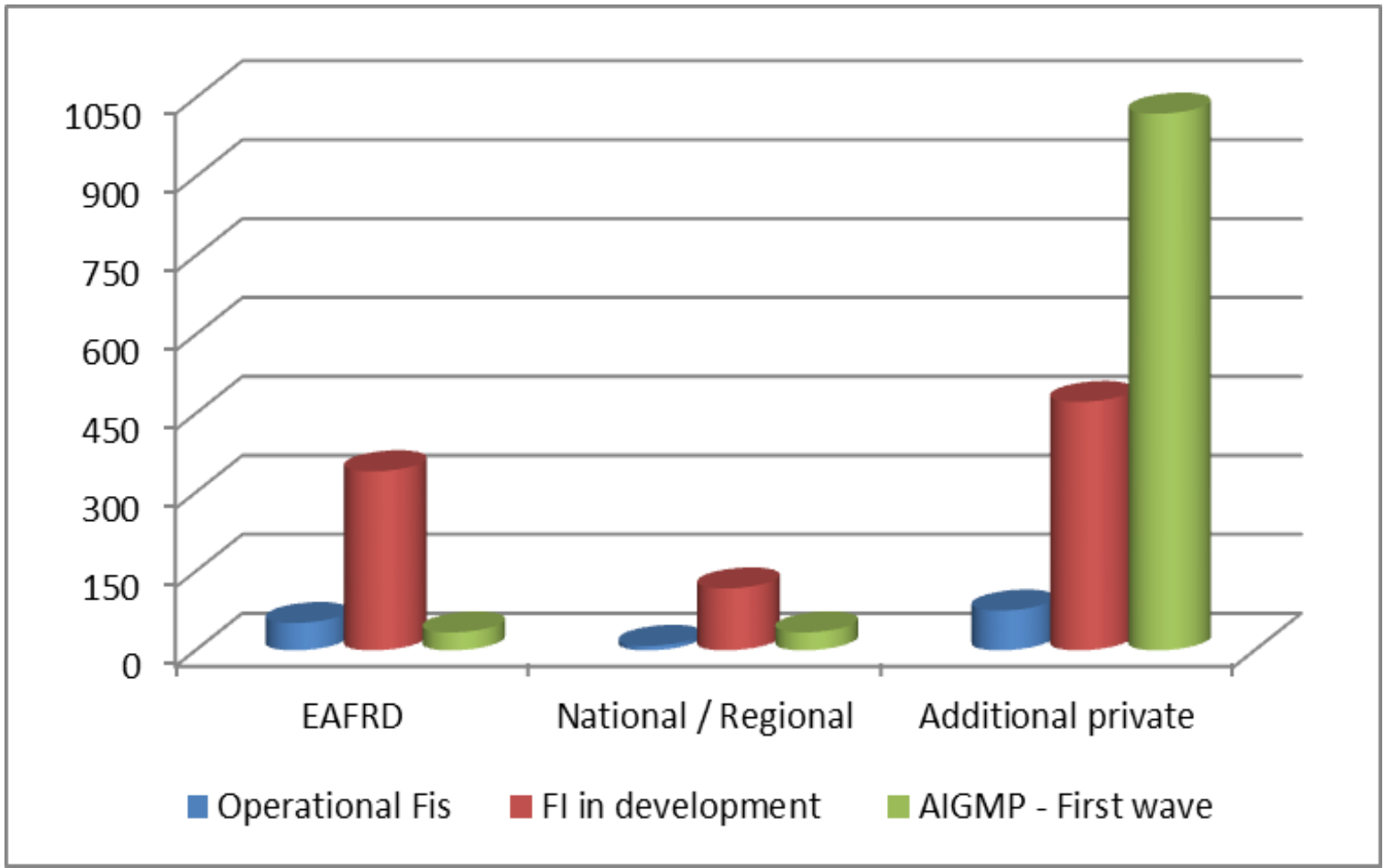
Source: DG AGRI based on information by Member States
 Year: 2017
 Cartography: DG AGRI GIS TEAM 06/2017
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Operational EAFRD FIs



EAFRD FIs

Future expectations





EAFRD – EFSI Initiative

- ❑ Based on EIF and DG AGRI strategic orientation
 - **Supported by EIB (fi-compass)**

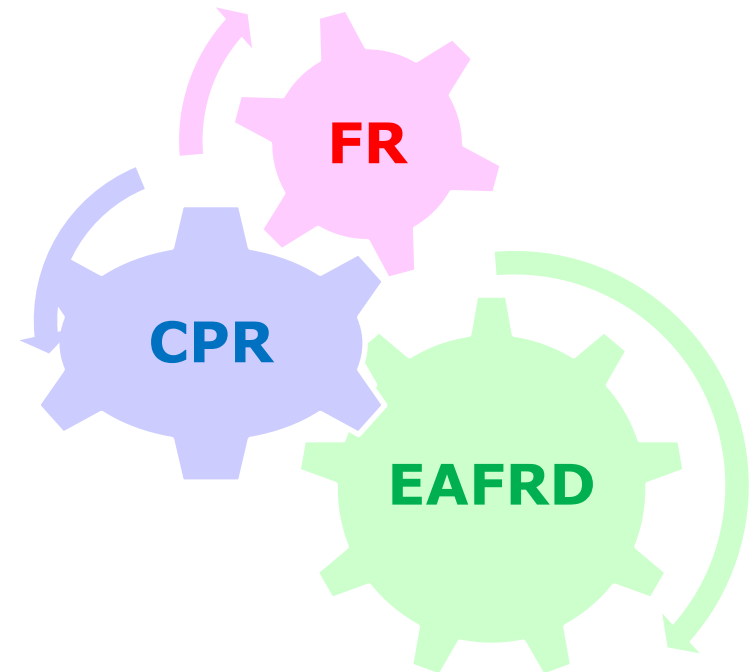
- ❑ Two-stage approach
 - **Investment strategy development by EIB (fi-compass)**
 - **Product development and implementation (by EIF)**
 - DG AGRI support throughout all stages

- ❑ 5 pilot cases in demand – **2 already in discussion**
 - **EIF and EIB resources also to be added**
 - **Further boost under EFSI 2.0**

General improvement
Transfer of ESIF to EFSI

ESIF – EFSI combination
SME Initiative extension

Eligibility rules
Investment rules
Selection rules

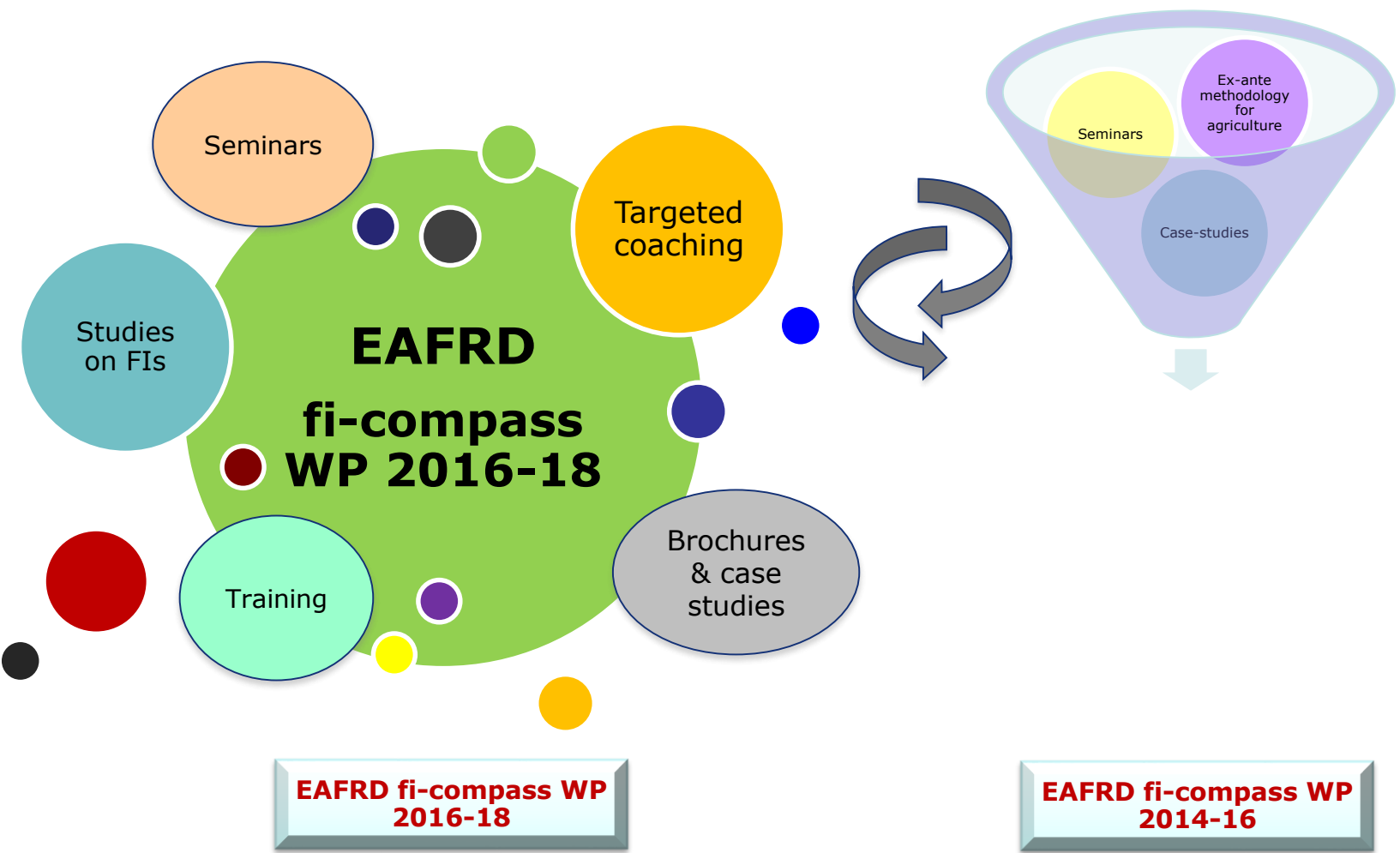




'Omnibus' and EAFRD FIs [*COM proposals*]

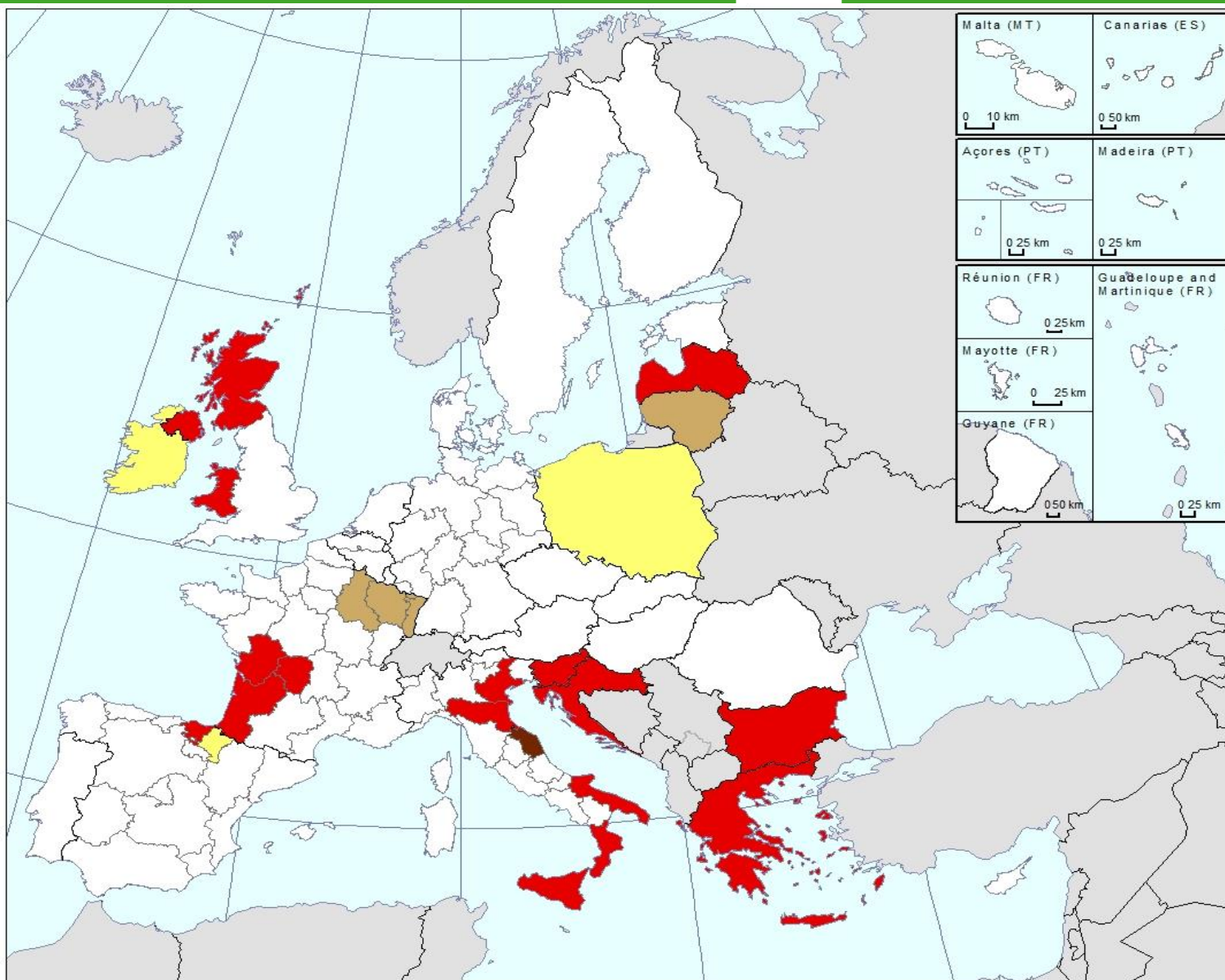
- Flexibility for investments with input being non-Annex I products [*Article 17(1)b*]
- Allowing the use of FIs for supporting start-ups by young farmers, also in combination with grants [*Article 19(4)*]
- Possibility of funding large-scale investments in rural infrastructure and services [*Article 20(4)*]
- Flexibility to allow the purchase of animals, annual plants, etc. and giving up the need for listing eligible items [*Article 45(7)*]
- Allowing working capital support also for FI investments into non-agricultural businesses and infrastructure [*Article 45(5)*]
- No application of grant-specific selection criteria [*Article 49(4)*]

Technical Assistance under EAFRD for FIs



Targeted coaching for EAFRD managing authorities

Jan 2016 – Sept 2017



Targeted coaching of EAFRD managing authorities - status as of September 2017

- Completed
- Ongoing - ending
- Ongoing - started
- Signaled interest
- None

Source:
DG AGRI - F3
Year:
2017
Cartography:
DG AGRI GIS TEAM 09/2017
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0 125 250 500 750 km



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Thank you for your attention!