

EAFRD financial instruments in the Region Provence-Alpes-Côte d'Azur

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Ex-ante evaluation: a shared understanding of the difficult access of finding funding in agriculture



A limited attractive sector for private investment

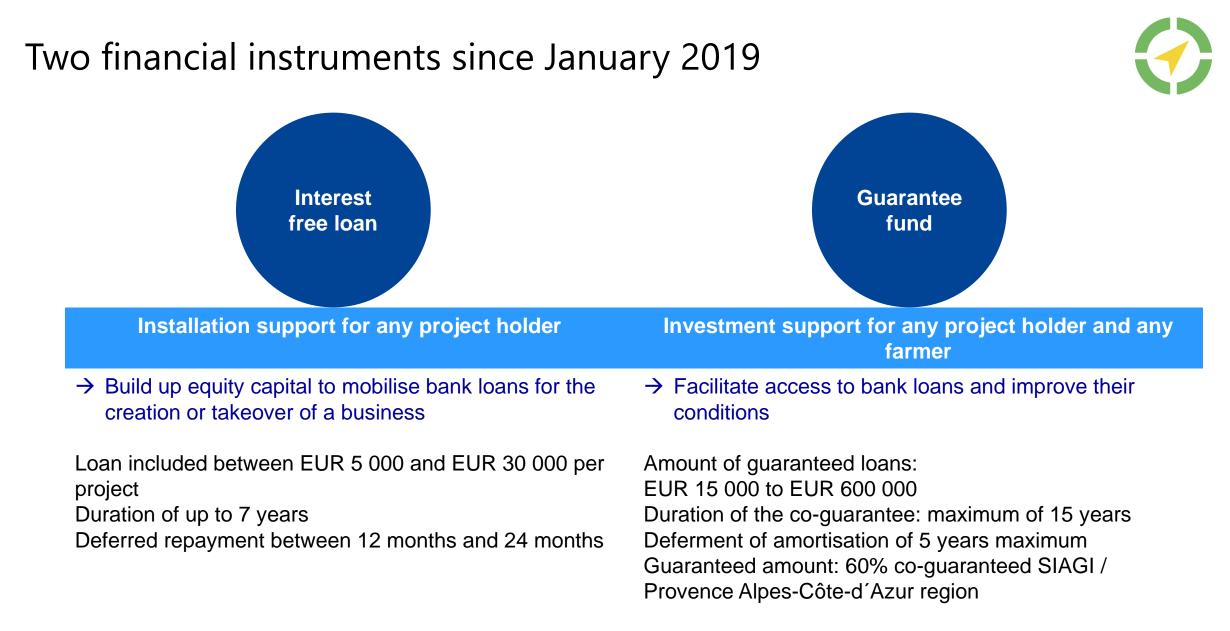
A low culture of financing by financial instruments

- ✓ Heaviness of capitals to enter and develop in the agricultural sector
- ✓ Low profitability of investments (average of 1%)
- ✓ Increased working capital needs
- ✓ Price instability
- ✓ **Lack of financial stakeholders** (mutual guarantee companies, community network financing, etc.)
- ✓ Lack of mobilisation of bank financing by project holders and farmers (grants culture)

A decrease of public funding

- ✓ Lack of visibility on the future CAP (ex-ante done in 2016 and 2017)
- ✓ Shortage of public budget
- ✓ Shortage of availability of grants for some exploitations
- ✓ Lack of funds, in particular targeting grants for setting up by Young Farmers





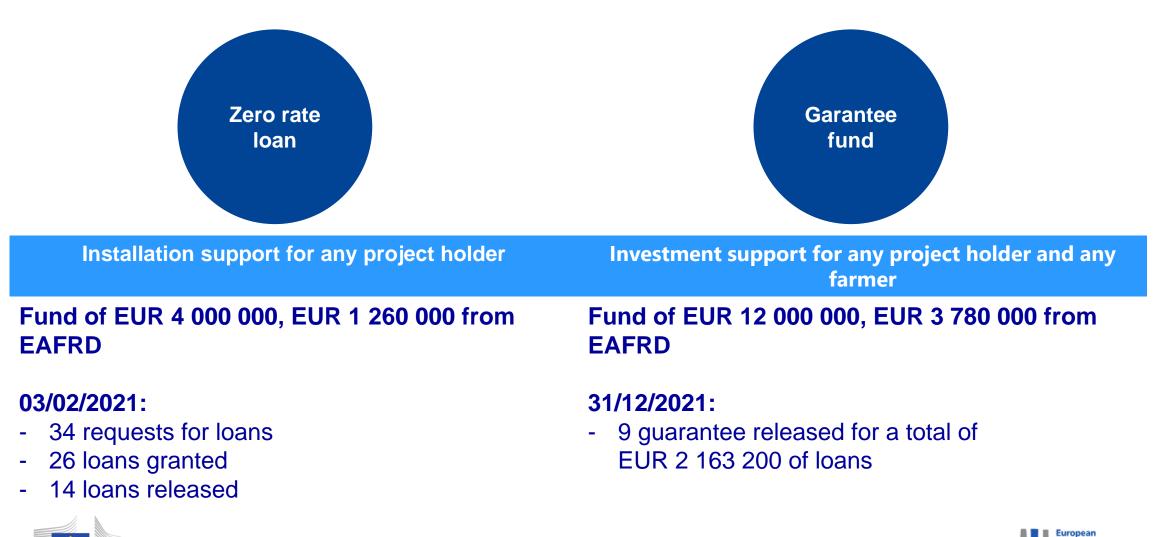


Increase the leverage of the same available envelope



A difficult start in spite of simplified criteria









Low acceptance by the agricultural world

- →Communication
- \rightarrow Complementarity with grants

Single financial intermediary

 \rightarrow Lack of involvement from banks

Regulation: no more than 10% land, no more than 30% working capital \rightarrow limited interest and comprehension complexity for stakeholders









