



Spanish Centralised Management Financial Instrument (IFGC)

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 #ficompass



Spanish Centralised Management Financial Instrument (IFGC)

Defining features

- Guarantee instrument
- Voluntary adherence for those regions willing to participate
- Homogeneous and shared management and governance structure
- Common intermediation with financial institutions
- Financial resources are provided by regions and managed in a compartmentalised way, being used exclusively within the territorial scope of that region
- The IFGC is structured as a set of specific funds with no mediation of a fund of funds or holding fund



Spanish Centralised Management Financial Instrument (IFGC)

Present and future



Period 2014-2020

IFGC-
GUARANTEE

IFGC Guarantee 2014-2020

- Capped portfolio guarantee instrument
- Implementing agency: Consortium Ministry of Agriculture - SAECA
- Set of specific funds without the intermediation of a fund of funds
- Implementation of acceding regions RDP

CAP Strategic Plan

IFGC_Guarantee 2021-2027

- Capped portfolio guarantee instrument
- Implementing agency: SAECA
- Set of specific funds without the intermediation of a holding fund
- PEPAC action (regional elements of acceding regions)

IFGC COUNTER-
GUARANTEE

IFGC_Counter-guarantee 2021-2027

- Counter-guarantee instrument
- Implementing agency: *to be selected*
- Intended for operations of high value and long duration that do not fit into the IFGC_Guarantee
- Set of specific funds without the intermediation of a holding fund
- PEPAC action (regional elements of acceding regions)

Spanish Centralised Management Financial Instrument (IFGC)

Governance in the CAP SP



National Management Authority

- **Monitoring and control**
 - Contributions
 - Portfolios
 - Fiduciary accounts
 - FI execution
 - Reporting
 - ...
- **Coordination and support** to the remaining participants

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Implementing Agency

- Guarantees/counter-guarantees formalisation
- Fiduciary accounts management
- Financial institutions selection
- Provides with subsidies combined in a single FI transaction (interest rate subsidies)
- In case of defaults, enforcement of guarantees
- Monitoring and control of the IFGC action

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Regional Management Authority

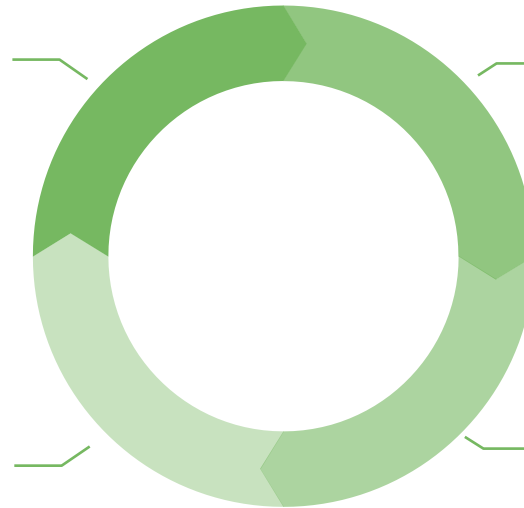
- **How much?**
 - IFGC financial resources
- **What for?**
 - What interventions?
 - What actions?
 - What conditions?
- **For whom?**
 - Who are the final recipients?

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Financial Institutions

- Provide with guaranteed loans by the IFGC

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Portfolio Guarantee Financial Instrument



- Capped Portfolio Guarantee Instrument
 - ✓ **80%** loan to loan
 - ✓ Guarantee cap rate: **20%**
- **6,25** multiplier
- A portfolio per region and financial institution
- Possibility of combination with grants in one or two operations:
 - ✓ In **one operation**: with **interest rate subsidies**
 - ✓ In **two operations**: with **capital grants**
- Guarantees are not transferred to financial institutions. As long as each loan is formalised, the corresponding guarantee contract together with the amount, is retained in the fiduciary account



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Counter-Guarantee Financial Instrument



- **Counter-guarantee** instrument
 - ✓ **Loans** are **100% guaranteed** by a guarantee institution (SAECA)
 - ✓ The IFGC provides a **counter-guarantee for 80%** of the loan
- Due to the low default rate of this type of operations, SAECA has offered a **6,25** multiplier
- Instrument for determined operations:
 - ✓ **High value** (over EUR 600.000)
 - ✓ **Long amortisation period** (up to 35 years)
 - ✓ Examples:
 - Irrigation infrastructures for irrigation communities
 - Photovoltaic systems for irrigation (**SOLAQUA**)
 - Agri-food industries (high value operations)
- Possibility of combination with subsidies in one or two operations



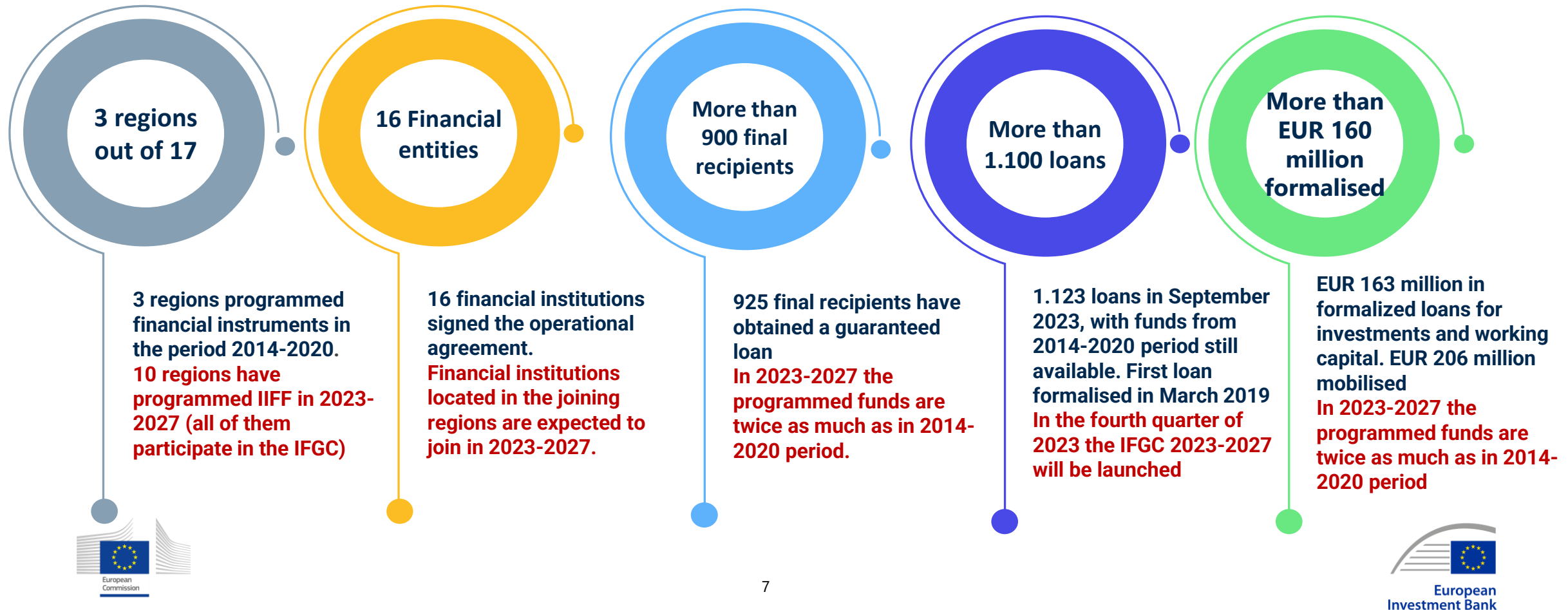
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IFGC results 2014-2020 (until September 2023)



IFGC 2014-2020: Castilla y León, Extremadura and Galicia

IIFGC 2021-2027: The previously mentioned + Aragón, Baleares, Canarias, Cantabria, Castilla-La Mancha and Comunidad Valenciana





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