



## Loans with AGF guarantees

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**BNP PARIBAS**



Bank zmieniającego się świata

 #ficompass



# AGENDA

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# AGENDA

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# Bnp food&agro

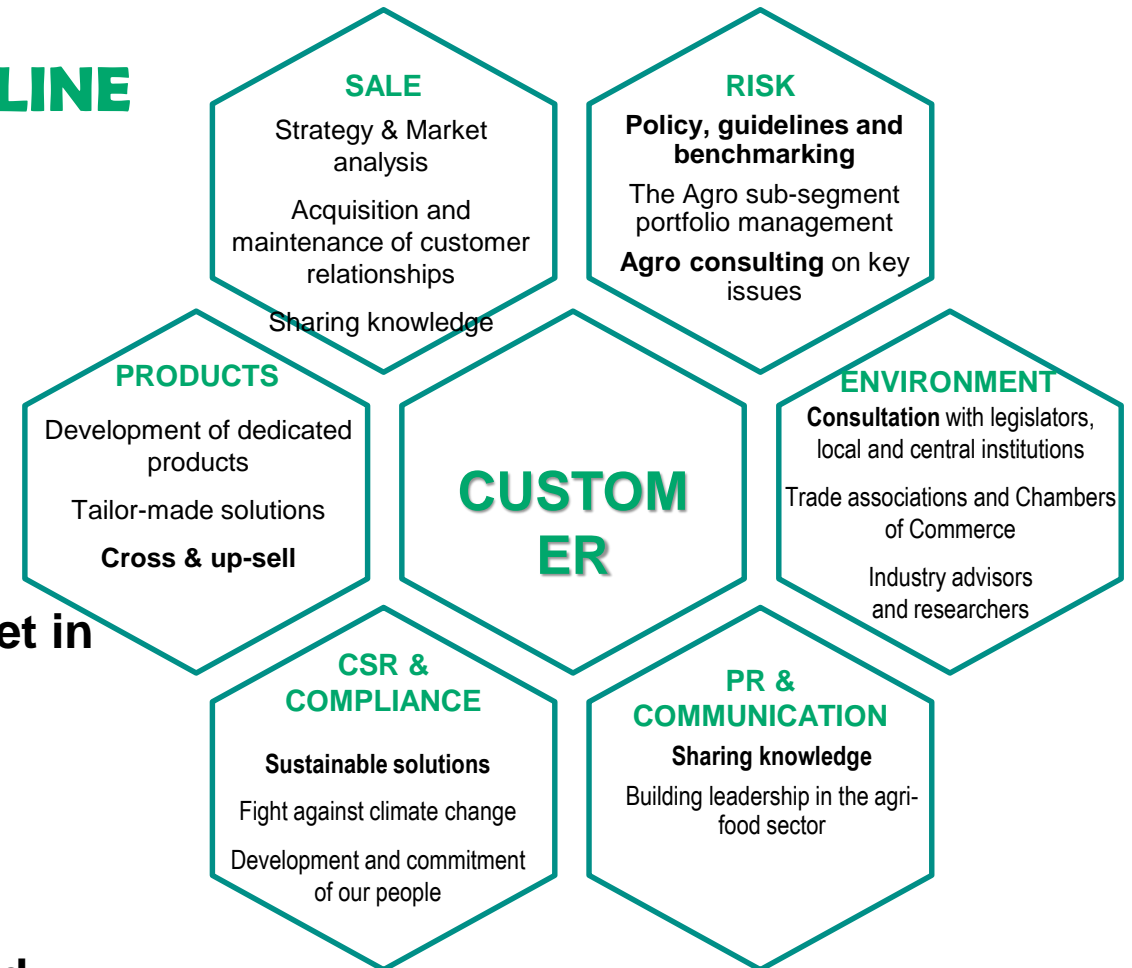
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**SUB-BRAND DEDICATED TO THE BUSINESS LINE**  
**FOOD&AGRO IN POLAND**



**BNP PARIBAS**  
**FOOD & AGRO**

- ▶ Nearly 30% share in the agriculture financing market in Poland
- ▶ Centrum Kompetencji Agro (the Agro Competence Centre) for BNP Paribas Group (Agro HUB)
- ▶ Over 100 years of tradition in financing the agri-food sector in Poland



# MORE THAN 100 YEARS OF SUPPORTING AGRICULTURE

## Product offering including breakthrough products for agriculture:

### 1994 preferential loans

Loans with interest-rate subsidies from the State Treasury via ARMA

### 2002 SAPARD loans

Loans with EU support for modernisation of Polish agriculture

### 2004 purchase credits

working capital loan to finance, i.e., the purchase and storage of agricultural produce, products and waste from agricultural production.

### 2006 Agro Ekspres

Running account loan secured by mortgage

### 2012 Agro Progres

Investment loan tailored to the specific nature of agriculture with a very long financing period

### 2020 AGF guarantee with interest-rate subsidy

Guarantee for working capital and investment loans, in cooperation with BGK. Element of support for the times of COVID-19

### 1919 POLSKI PAŃSTWOWY BANK ROLNY (THE NATIONAL BANK OF AGRICULTURE, PPBR)

It was established by a decree of Marshal Piłsudski on February 5, 1919.

### 1975 BANK GOSPODARKI ŻYWNOŚCIOWEJ

It was established as a result of a merger between Centralny Związek Spółdzielni Oszczędnościowo-Pożyczkowych (the Central Association of Savings and Loan Co-operatives) and Bank Rolny (Polish Agricultural Bank)

### 2015 BGŻ BNP Paribas S.A.

On April 30, a legal merger of BGŻ and BNP Paribas BP took place.

### 1950 BANK ROLNY (POLISH AGRICULTURAL BANK)

created as a successor to the PPBR

### 1994 BGŻ S.A.

Bank Gospodarki Żywnościowej was transformed into a joint stock company

### 2019 BNP Paribas BANK POLSKA S.A.

On April 1, following the merger with Raiffeisen BP S.A., the Bank's name took its current form

## Why do we understand our customers best in the market?

### 2006 Agro Expert Teams / Agricultural Market Analysts

Unique teams of bankers with agricultural expertise,  
-spread all over Poland and supporting sales  
- analysing agricultural markets on an ongoing basis

### 2006 First Agroconference

- a meeting platform for the most active players of the F&A market. Start of annual meetings with the presentation of reports on development opportunities for this sector

### 2018 AgroHUB

Food & Agro sector competence centre for customers and banks of the BNP Paribas Group in Central & Eastern Europe and Africa

### 2019 Agronomist.pl

Multifunctional industry portal for the agri-food sector - information and innovative tools to improve agro-business in one place



# INFORMATION AND PROMOTIONAL ACTIVITIES

## DZIAŁANIA INFORMACYJNO - PROMOCYJNE, ZAANGAŻOWANIE SIECI SPRZEDAŻY

- ✓ Information page for Customers - [bnpparibas.pl/rolnicy/kredyty/gwarancja-fgr](https://bnpparibas.pl/rolnicy/kredyty/gwarancja-fgr)
- ✓ Advertising materials - one pagers, leaflets and letters with our offer for Customers
- ✓ Networking and webinars for Customers
- ✓ Implementation of sales campaigns, including Agro Ofensywa (Agro Offensive) and pre-approved
- ✓ Dedicated trainings for sales network
- ✓ Bonuses for employees for realizing campaigns and sales targets
- ✓ Automation of loan and guarantee granting process





# CUSTOMER BENEFITS

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# ADVANTAGES FOR THE CUSTOMER RESULTING FROM SECURING A LOAN WITH AN AGF GUARANTEE

**Better price conditions  
(reduced margin,  
interest-rate  
subsidy)**

**Longer period of  
crediting**

**Application for the  
guarantee is  
processed by the  
bank together with  
the loan  
application**

**Initiation of a loan  
secured with the  
guarantee only is  
possible on the  
day of concluding  
the loan  
agreement**

**No cost of  
providing  
collateral in the  
form of a  
guarantee**

**No physical  
collateral required**

**Reduced own share**



# ADVANTAGES FOR THE CUSTOMER RESULTING FROM SECURING A LOAN WITH AN AGF GUARANTEE - COMPARISON

	LOAN WITH AGF GUARANTEE	LOAN WITHOUT AGF GUARANTEE
<b>PRICING TERMS (MARGIN)</b>	reduced	standard
<b>CREDITING PERIOD</b>	max. 15 years	max. 10 years
<b>OWN SHARE</b>	up to 10% of the investment value	20% of the investment value
<b>PHYSICAL COLLATERAL</b>	not required	in accordance with the loan decision and internal regulations
<b>ESTABLISHING OF COLLATERAL</b>	simplified - establishment of the guarantee processed together with the bank's loan documents	confirmation of the establishment of other collaterals (e.g. confirmation of assignment, filing a mortgage/pledge application, etc.)
<b>COST OF COLLATERAL ESTABLISHING</b>	no	depending on collateral type
<b>LOAN INITIATION</b>	possible on the date of agreement conclusion	after validation and verification of the established collaterals



# FUNDING EXAMPLES



# EXAMPLES OF COVID-19-RELATED LIQUIDITY FINANCING AND AGF-GUARANTEED INVESTMENT FINANCING

	EXAMPLE OF A WORKING CAPITAL LOAN	EXAMPLE OF AN INVESTMENT LOAN
AMOUNT OF LOAN AND GUARANTEE	PLN 880,000 - guarantee in the amount of PLN 704,000	PLN 5,931,674 - guarantee in the amount of PLN 4,745,339
CREDITING/GUARANTEE PERIOD	36 months/39 months	120 months/123 months
PURPOSE OF FUNDING	liquidity support during COVID-19 pandemic	modernisation of a champignon farm along with the necessary infrastructure
TYPE OF AID GRANTED	State aid	State aid



# BENEFITS FOR THE BANK

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# BENEFITS FOR THE BANK ARISING FROM PARTICIPATION IN THE BGK GUARANTEE PROGRAMME

Offer advantage  
- BNPP as one of few  
banks financing  
FOOD&AGRO sector

Making the bank's  
offer more  
attractive

Bank's risk reduction -  
reduction of provisions

Efficient initiation of the  
loan - no need to  
validate and verify  
other collaterals

Sector support  
during the COVID-  
19 pandemic

Credit growth

Low workload due to  
smoothly functioning  
process



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Guarantees from the Agricultural Guarantee Fund (AGF)

| 11/05/2021 |

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Thank you!

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