



Portuguese EAFRD Guarantee Instrument - BPI's Track

Claudia Almeida, Head of Corporate and Institutional Marketing, Banco BPI



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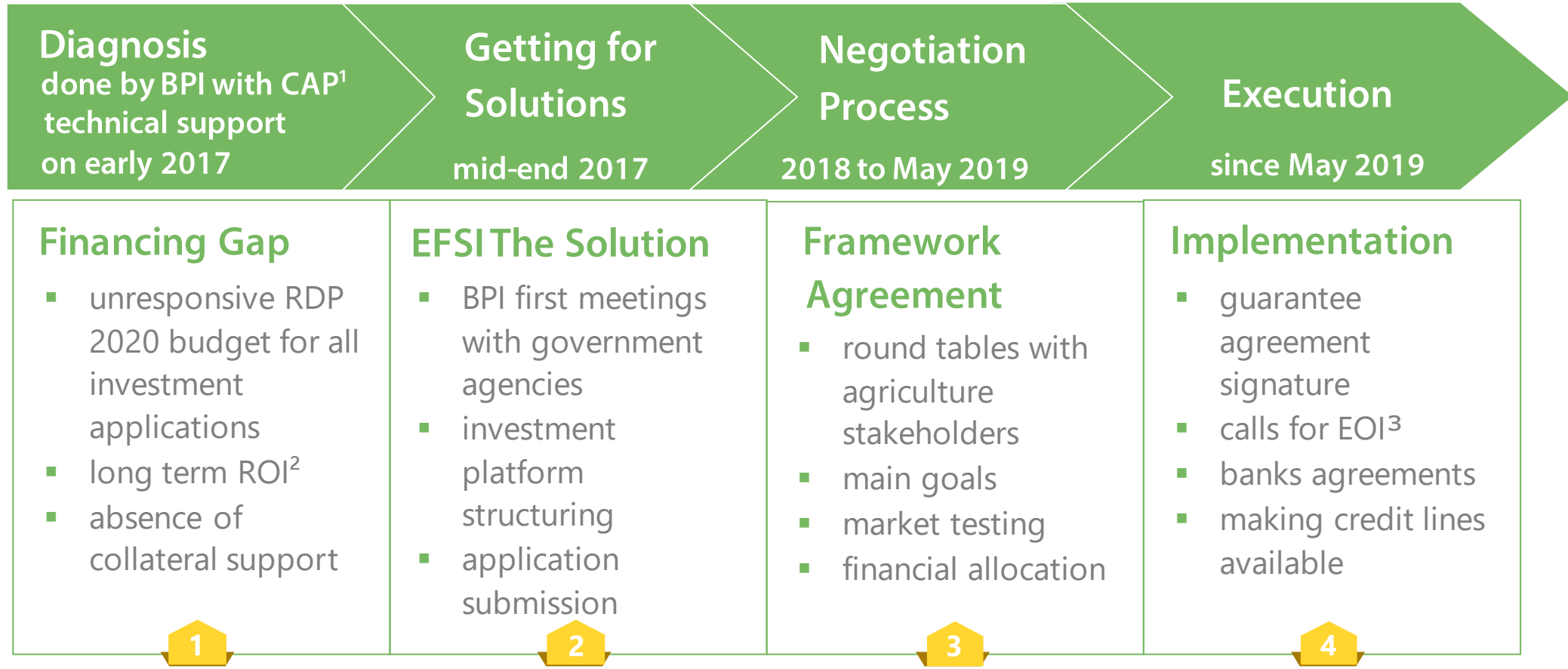


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Historical Context and Main Steps



Amongst other relevant agriculture stakeholders, BPI played an important role in launching the first EIF's Portuguese Agri Facility



¹ CAP - Confederação dos Agricultores de Portugal

² Return on investment

³ Expression of interest



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BPI Offer, Main Features and Advantages (1 of 3)



Term

- Minimum: 3 years
- Maximum: up to 14 years¹
 - SME's maturities up to 14 years
 - Non-SME's maturities up to 10 years

¹ Last reimbursement cannot exceed December 31, 2035

Wide Maturity Range

Extended Reimbursement Plans

Profiled According to Final Beneficiaries Dimension

Grace Period

- Up to 4 years - enabling the adjustment to debt service depending on the project and investment purpose

Engaged With ROI

Suitable to Investment Purposes

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BPI Offer, Main Features and Advantages (2 of 3)



Amount

Purpose: Investment and Working Capital Projects

- Minimum: 50 m€²
- Maximum: up to 3 M€ (per enterprise)²

Purpose: Working Capital (under Covid-19 measures)²

- Minimum: 50 m€²
- Maximum: 200 m€²

² excludes grants received under RDP 2020

Multiple Purpose Financing

Adjusted to Projects Dimension

COVID-19 Working Capital Specific Support

Disbursement

- Up to 8 disbursements, with a maximum of 4 per year in a total of 3 years as long it not exceeds 12/31/2023
- Documentary check is a condition precedent to the disbursement of funds, except under COVID-19 measure

Performing Real Projects Needs

Disbursement Based on Investment Made

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BPI Offer, Main Features and Advantages (3 of 3)



Repayment

- Constant, equal and deferred capital repayments, monthly, quarterly, semiannual or annual
- Possibility of differentiated reimbursements adjusted to the project's cash-flow profile

Multiple Repayment Options

Reimbursement Adjusted to Project Needs

Guarantees

- Portfolio guarantee provided by EIF (70% coverage)
- Reduction of real guarantees (real estate, equipment, other assets, etc.), compared with agricultural loans without EIF's guarantee

Improving Access to Finance

Reduction of Collateral Requirements

Pricing

- Internal decision grid, based on the effect of EIF's guarantee over BPI's ROE
- 100% financial benefit transferred to Final Beneficiaries

Better Pricing Conditions

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Most Representative Sectors



Primary production dominates over agricultural transformation

Growing of other tree and bush fruits and nuts

- Total Amount: 6 M€

Manufacture of wine from grape

- Total Amount: 2 M€

Mixed Farming

- Total Amount: 3 M€

Growing of pome and stone fruits

- Total Amount: 1 M€

Projects Main Locations: Alentejo and Center North Region



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Supported Projects Examples (1 of 2)



- Final Beneficiary: Moreira, Olazabal & Borges, Lda.
- Activity Sector: Manufacture of wine
- Investment Type: new winery
 - Amount: 280.000 EUR
 - Term: 8 years
 - RDP 2020 Support: None
 - Location: Guarda District, Northern Region



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Supported Projects Examples (2 of 2)



- Final Beneficiary: Vale Florido, Lda.
- Activity Sector: Olive production
- Investment Type: new olive plantation (200 acres)
 - Amount: 1.200.000 EUR
 - Term: 8 years
 - RDP 2020 Support: None
 - Location: Beja District, Alentejo



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BPI Portfolio Goals and Achievements



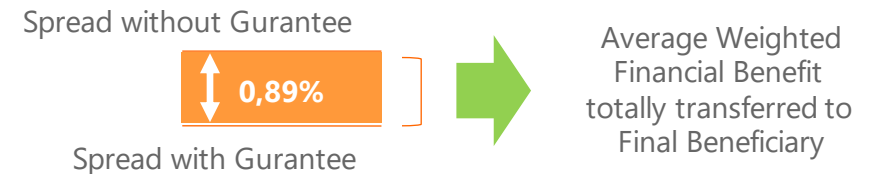
BPI's commitments on the EAFRD Guarantee

- Financial Benefit
 - interest rate reduction - 100% of weighted average all-in spread
- Collateral Requirements
 - a minimum 25% proportion of unsecured transactions
- Long Term Loans
 - 70% of the transactions must have maturities under 8 years

- + **Financing**
- + **Longer maturities**
- **Interest Rate**
- **Collateral requirements**

BPI's portfolio achievements¹ on the EAFRD Guarantee

- Financial Benefit
 - interest rate reduction - 100% of weighted average all-in spread



- Collateral Requirements
 - 76% of transactions without real guarantees
- Long Term Loans
 - 76% of the transactions with maturities under 8 years

¹ Source: portfolio information reported on 27.08.2021



Thank you!

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