



„Road to loan“ Path of loan application

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 #ficompass



EFF 2007-2013

Financial instruments (2012)



- ***Aquaculture investments***
- ***Investments to Producer Organisations***
 - Long-term investment loans
 - 27 projects
 - 6,0MEUR
- Funds returned (1,5MEUR) are partly used to finance „***working capital loan fund***“ for aquaculture producers



FI for the fish processors supported through the EMFF 2014-2020



Long – term investment loan

- Fund: 4 000 000 EUR
- Per applicant: 100 000 – 500 000 EUR
- Micro/small/medium enterprises
- 30/70 co – financing with banks
- At least 80% collateral
- Market based rate
- Available from March 2017

- ***6 project decisions***
- ***3 240 000 EUR decided***
- ***Size: 278 000 – 1 500 000 EUR***
- ***Interest rates: 4 – 4,5%***



FI for the fish processors supported through the EMFF 2014-2020



Growth loan

- Fund: 3 200 000 EUR
- Per applicant: 10 000 – 100 000 EUR
- Micro/small enterprises
- At least 50% collateral
- Subsidised rates from 2%
- Available from March 2017

- ***8 project decisions***
- ***565 000 EUR decided***
- ***Size: 25 000 – 100 000 EUR***
- ***Interest rates: 2 - 4%***



FI for the aquaculture sector supported through the EMFF 2014-2020



Investment loan for aquaculture development

- Fund: 4 000 000 EUR
- Per applicant: 10 000 – 400 000 EUR
- Micro/small/medium enterprises
- At least 50% collateral
- Subsidised rates from 2%
- Available from June 2017

- *3 project decisions*
- *535 000 EUR decided*
- *Size: 92 000 – 261 000 EUR*
- *Interest rates: 2 - 4%*



Who is final recipient (FR)?

Inside target group? Trustworthy background?



What is the investment?

Eligibility of investment (EMFF, loan product req.) Is investment logical step?



Viable business plan?

Do we believe in business plan? Do we have enough background information (markets, know-how etc.). Will FR be competitive? Will FR be able to pay back?



What is the financial model?

No pre-financing, no re-financing. Co-financing scheme with banks.
In what order and timeframe a loan will be paid to FR?



What is collateral value and how will be the pricing of a loan?

Procedure for collateral assessment. Pricing of a loan considering background of FR, business plan and collateral. Aid intensity!

Loan offer to FR!

Offer to FR, followed by loan agreement.



Payment to FR

Schedule of paying out a loan. Re-evaluating collateral.



Monitoring of investment

Was investment done (on-site monitoring and report)?
Did business started on time? Any problems and new risks?



FR will pay back!

Long loans – many changes in macro-economy.



Dealing with „bad cases“

Sell collateral! Go to court! Make FR disappear from the market!
Recover as much as you can!

Path of loan application



- It is faster;
- It is more flexible;
- It is a business negotiation;
- It needs a REAL business plan;
- It needs RISK taking from both side;
- It must have financial BENEFIT for both sides;



