



The investment needs in Europe's agriculture and agri-food industry

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I. Challenges lying ahead of European farmers

What European farmers already do

1. Producing healthy and quality food.
2. Protecting the environment and natural resources.
3. Preserving and shaping landscapes.
4. Fighting against climate change.
5. Creating jobs and growth.

Challenges

Feeding 10 billion people worldwide by 2050...

We already produce enough food but 1/3 get wasted



**The real challenge is
to PRODUCE BETTER and WASTE LESS!**

The role of Innovation

Such challenges need approaches based on strong innovation to be successful

Innovation demands investments to be put in place

Investments mean credit!

Market pressures

1. Farms are making huge efforts to comply with the high environmental, quality and safety demand coming from Eu consumers.
2. But they struggle to get economic recognition for their efforts: price are often below production costs.
3. Innovative farms are usually the most affected by the crisis, due to their investments.

A photograph of a combine harvester in a field, unloading grain into a red tractor trailer. The harvester is on the left, and the tractor is on the right. A person in a green shirt is visible in the background on the right. The sky is overcast. A large orange text box is overlaid on the bottom right of the image.

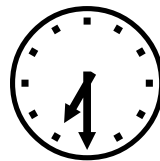
**III. Two fundamental issues:
ACCESS TO CREDIT
&
RISK MANAGEMENT**

1. ACCESS TO CREDIT

Time

Costs

... Up to 20 months in Italy ...



EU financial instruments

- EAFRD – Rural development

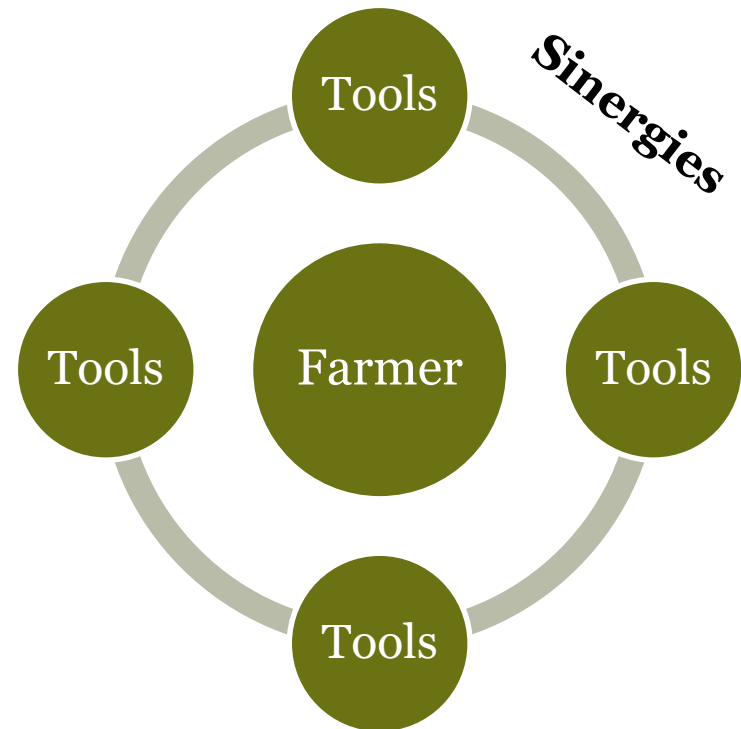
But also:

- ESIF – Regional development programmes
- EFSI – Juncker plan
- Horizon 2020 – Innov Fin
- COSME
- LIFE – Natural Capital Financing facility
- ...

Complexity

Changing perspectives

Putting the farmer at the heart of the process, with his/her project and building a simple, clear path to have access to those instruments that can help him/her turn the project into reality.



2. RISK MANAGEMENT

- Once the investment done, farmers need to be able to plan and go through daily activities
- Markets volatility
- Importance of Risk Management: going beyond traditional tools to implement new instruments to mitigate the economic risk.

A photograph of a man in a blue jacket standing in a barn, looking towards the camera. The barn has a wooden structure with a corrugated metal roof. In the foreground, several cows are eating hay from a trough. A large orange rectangle is overlaid on the bottom right of the image, containing the text 'IV. Conclusions'.

IV. Conclusions

Conclusions

- **Competitiveness** and **Sustainability** are only attainable if we are able to give **concrete answers** to the several **challenges** farmers are facing.
- The objective must be to **value the distinctive features of the different European agricultural systems** that make us unique worldwide.
- Going **beyond traditional tools** and programmes to include **also innovative financial instruments**.
- Adopting a **comprehensive strategy** by putting **farmers with their projects at the center of the action** and developing a **coherent, synergic set of tools** to help them turn projects into economic reality.



Thank you!

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