

EC – EIB Memorandum of Understanding (MoU) on their co-operation in agriculture and rural development within the EU

Work programme 2014-2016

Nivelin Noev
DG AGRI / H1

EAFRD fi-compass seminar on Financial instruments Vienna, 1 Oct 2015

Agriculture and Rural Development



Status of the MoU

- MoU statement setting out principles of cooperation & coordination between EC - EIB
 - ✓ Non-binding political document [signed on 14/07/2014]
 - ✓ No budgetary commitments
 - ✓ Independent decision-making
 - ✓ In force by 2020 [could be extended to 2021-2027]
 - ✓ EU coverage
- First EC EIB MoU in this field
 - ✓ Served as a basis for launching co-operation on activities outside the EU



Principles of joint cooperation

- Exchange experience [on FIs]
- Assess the feasibility of FIs as well as synergies with EAFRD budgetary resources
- Achieve maximum coherence between financing activities
- Optimize the use of grant and loan resources for agriculture, agri-food and rural development



Major areas for co-operation under the MoU

EAFRD Financial instruments

• DG AGRI research agenda

TA for investment strategies & EAFRD projects

EIB's lending activities

Awareness raising



MoU work programme 2014-2016

EAFRD Financial instruments

EAFRD FIS

Agriculture, incl. young farmers

(+extension to non-agricultural SMEs)

Forestry

MS – EIB Group 2015/2016

Not yet covered:

- Green infrastructure
- Short supply chains
- Agri-food industry (e.g. VC)
- RDI

Service provision

Ex ante assessments

Management of FIs

Advise to managing authorities on setting up and implementation of FIs

MS – EIB Group 2014/2016

Fi-compass

Under a different MoU

Supportive role to ESIF FIs – uniform service provider

Specific EAFRD products linked to FI schemes under the MoU (ex ante assessments, forestry FI)

Multi-regional assistance

Major DG AGRI objectives

- Increased use of FIs
- Wider investment coverage
- At least doubling of 2007-13 volumes
- Performance of FIs

Awareness raising



MoU work programme 2014-2016

Areas outside EAFRD FIs

EIB's lending activities

Co-financing of RDPs

Lending to:

- Agriculture,
- Agri-food
- Forestry
- Rural economy

MS-EIB

2014/2016

DG AGRI research agenda

Within Horizon 2020

In view of placement under "InnovFin" operation of H2020

Agriculture and agrifood research

EC – EIB 2016

TA outside FIs

Investment strategies in agriculture and rural issues (irrigation, waste/water management, etc.)

Cost-efficiency analysis of EAFRD projects (to be discussed with MS)

EC – MS – EIB 2015

Major DG AGRI objectives

- Support to RDPs' implementation
- Fully-fledged access to finance for farmers and rural SMEs
- Improvement in the strategic approach towards inter-linked and complex investment areas

Awareness raising



New aspects of interest for DG AGRI

- Credit Facility [Loan Fund] for agriculture
 - Complementary to EIF guarantee scheme for agriculture
 - Based on EAFRD rules for agriculture
 - Favorable conditions for farmers, incl young farmers
 - Price volatility to be possibly addressed (eg dairy)
- Targeted coaching on FI for EAFRD managing authorities
 - Under fi-compass as of 2016
 - Available to all MAs
 - "First steps coaching kit" and "Advanced coaching kit"



Thank you for your attention

Nivelin.Noev@ec.europa.eu