

Key message lines – CLOSING REMARKS

Dear Deputy-Ministers,

Distinguishable guests, Counsellors,

Dear Heads of the managing authorities,

Dear Ladies and Gentlemen, Colleagues,

- It is a pleasure to have the opportunity to close down the second European EAFRD fi-compass conference on financial instruments (FIs) under the EAFRD in 2014-2020.
- It is a difficult task, because I have not only to summarize the political messages, but I have to ensure that you all go back home already with the decision to set up or start developing your FIs.
- Whilst we had a day rich of thoughts and commitment, I will stop at only a few elements which I consider to be particularly important:
 - Firstly, throughout the last 15 months during which we had in total 7 conferences, from which this one was the biggest and the highest attended, we saw such an amazing and comprehensive support for the possible use of FIs in agriculture and rural development – The Commission, many Managing Authorities, Farm Unions and COPA-COGECA, major stakeholders, the EIB Group, Financial

Institutions, all you as participants, that we can easily say that we are on the right way to build the farmers' future.

- We can achieve something very valuable for our policy and for EU agriculture and the rural economy, namely to open up all possible funding possibilities for farmers, food-processors, forestry holders, and rural entrepreneurs across Europe. To ensure the access to funding they need, at the right time and with the right conditions.
- We need a strong CAB that can boost the entrance of young farmers.
- We need a strong CAP that can deliver funding for those in highest need.
- We need a strong CAB to respond to all challenges ahead of us and our farmers – and for this we need both, grants and FIs.
- We must create the necessary conditions turning farmers' and rural business ideas into a success story, such as those of the farmers, which we saw in the video today.
- Young farmers will be the backbone of the technological and innovative evolution in agriculture. They should be provided with enabling conditions to give room to their creativity and to encourage entrepreneurial dynamism.

- Generation renewal, about which we have talked so much in the last decade, is not a process that can happen immediately and at once – but we are those responsible for laying down the grounds, and offering support through FIs, next to the grants, can play a key role in this respect.
- Performance though is a key to success.
 - Whatever instrument is designed it must reflect the business needs,
 - It must respond to farmers' cash flows or to price volatility, and
 - It must appreciate the specificities of one or another production process.
- We heard today from the farm unions that agriculture in Europe is not a one-day business or a business where success is gained in few months or even couple of years
 - It is a business that runs through generations of families, also building on tradition. And this is why we should act now if we want our next generations to be successful!
- I also believe that we have all the necessary grounds that can make financial instruments a key policy driver of economic development in agriculture and rural development:
 - we build on the EIB Group's experience,

- on Member States' approaches and knowledge,
 - on the support by the Council and the European Parliament,
 - on the commitment of stakeholders,
 - on new instruments opening up for agriculture, such as the launched today by Commissioner Hogan EAFRD – EFSI Initiative,
 - on the Omnibus proposals, which are important to bridge the gap between EAFRD and EU-level FIs
 - on your creativity and desire to make and keep EU agriculture the leader in the world, and to sustain our traditions
- And we all have one aim, already said by my Commissioner - we want to use our policy as a bridge to the future –in terms of scope, impact, and implementation.
 - Let me also share with you my personal experience with FIs.
 - In the last 11 months I had a significant number of discussions on FIs with the Italian managing authorities, with governments and stakeholders, with the EIB Group and private investors;

- We were all gathered by one objective – the desire to do something new and more for the Italian farmers, in particular the young ones entering the business;
- It was not easy, believe me. But we made a big step forward.
- Like already mentioned today, we laid the ground for a unique, macro-regional approach under the EAFRD with participation from all sides – EAFRD, Italian regions, EIF and EIB, Cassa depositi e prestiti.
- We target the set-up of a FI that may potentially bring more than 1 billion euro into the IT agriculture.
- And there were few success factors for that:
 - The participation of the EIB Group in the FIs, This allows for an higher leverage within a strong risk-sharing between public (RDPs and EIB group) and private (financial intermediaries) investors;
 - The Omnibus proposal for simplification of the rules applicable to FI, which stimulated the Regions to join and the EIF to work with EAFRD resources;
 - The offer of an actual product to be implemented together with the mentorship and the assistance of the targeted coaching under fi-compass;

- The idea of a single product with the same feature on a significant market; this initiative has steered the Regions towards financial instruments avoiding at the same time the risk of a fragmented scenario with each region choosing different instruments with much smaller budgets;
 - The simplified and accelerated approach for programs' modification adopted by us.
- And with this, I wish you a good evening. Join us for the networking outside the conference hall where we can exchange our views and I hope to see you all tomorrow morning here.

Thank you for your attention and I wish you a good trip home and a very nice weekend.