



European
Commission



Financial instruments in the CAP Strategic Plans 2021-2027

Ex-ante evaluations

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Experience from the current period:

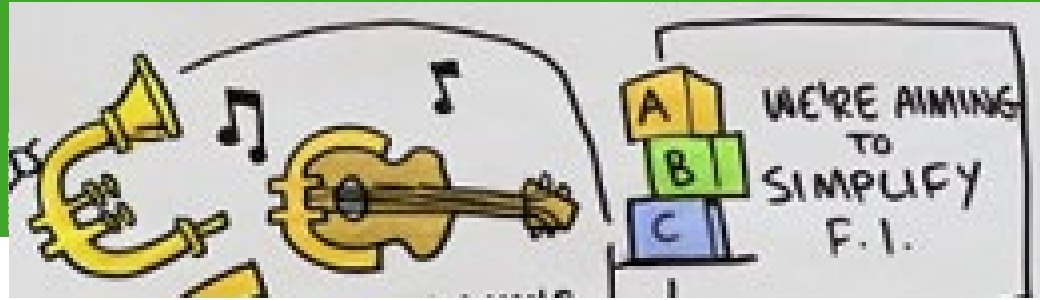
State of play in the middle of the period

(Tallinn conference June 2017)



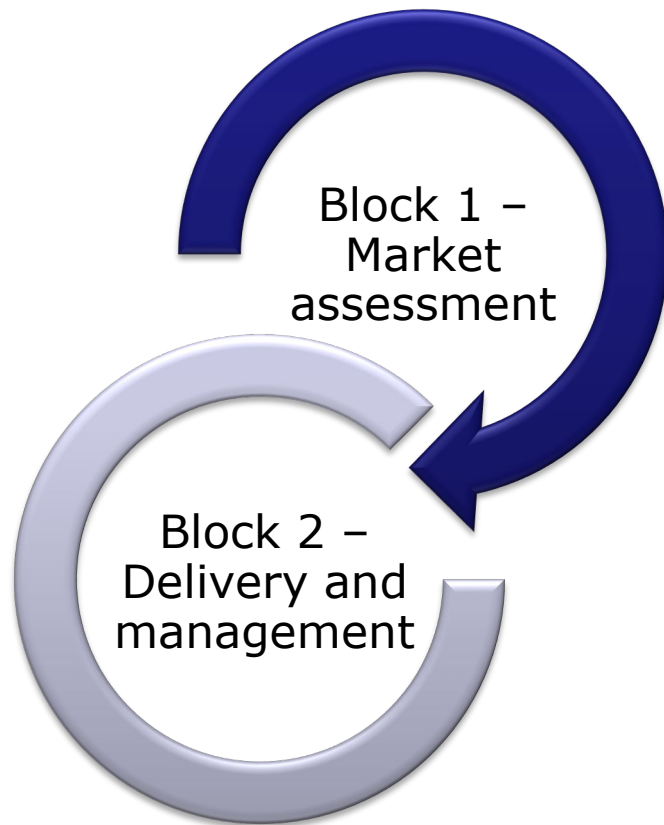
2014-2020 CPR rules focused on individual financial instruments (FI):

⇒ the need/rationale for the use of FIs to be justified within the ex-ante FI assessment



2014-2020 requirements for FIs:

CPR Art.37(2) ex ante assessment (no obvious link to the RDP strategy)



- 37(2)(a) Market failure, suboptimal investment situations and investment needs
- 37(2)(b) Value added, complementarity with other forms of support, State aid
- 37(2)(c) Additional resources to be potentially raised (leverage)
- 37(2)(d) Lessons learnt from similar instruments in the past
- 37(2)(e) Proposed investment strategy, products to be offered, target group
- 37(2)(f) Expected results, contribution to policy objective
- 37(2)(g) Revision clause on update and review of ex-ante ass.



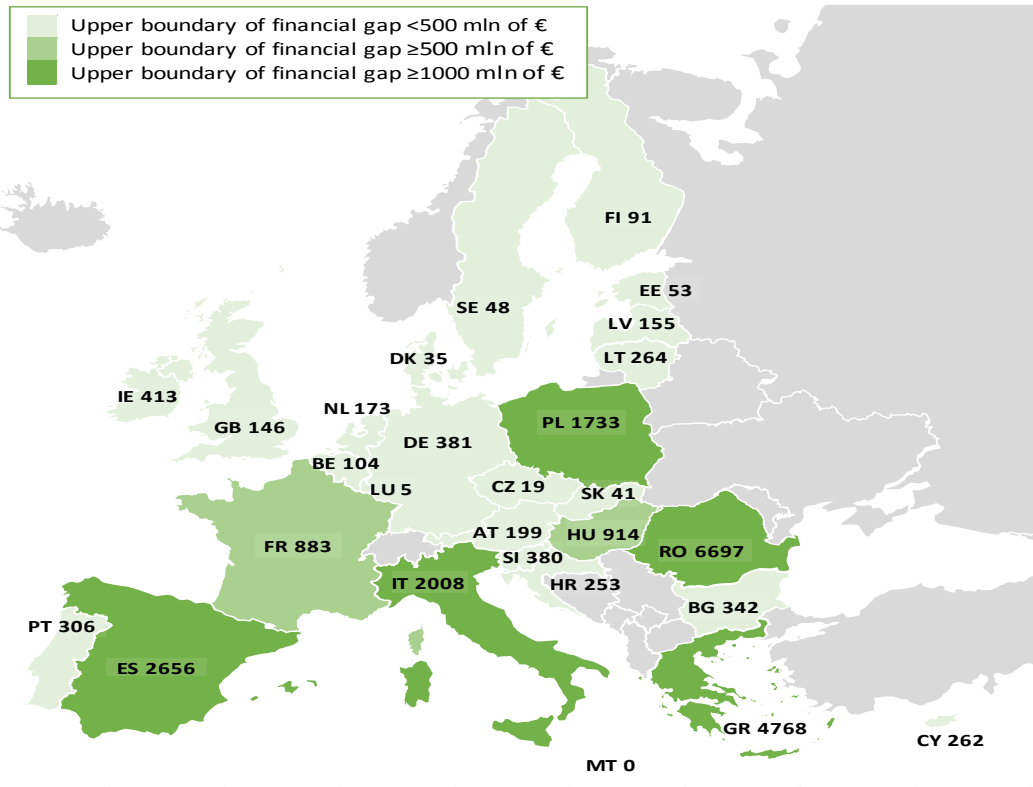
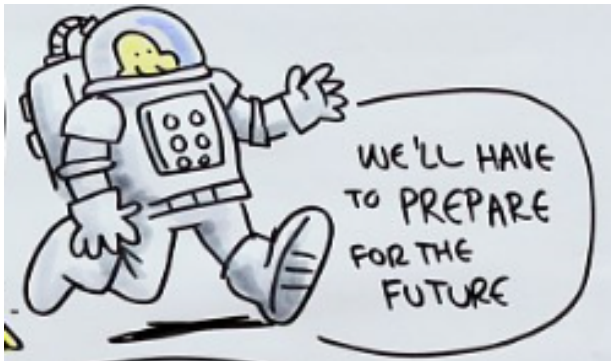
Where we are now:

- **7 FI operational – around EUR 83 million**
- **11 FI with signed funding agreement – additional EUR 200 million**
- **In total 30 programmed FI – expected EUR 465 million**
- **6 pilots under EAFRD-EFSI initiative (under preparation) can add up to EUR 100 million**
- **Mostly guarantee funds (with EIF), expected leverage of 5**

Let's start from the beginning



EU policy context – financial gap in the EU AGRI sector





Strategic approach:

The ex-ante evaluation shall appraise:

the rationale for the use of financial instruments financed by the EAFRD.

(CAP SP Regulation proposal Article 125(j))

SWOT shall include analysis on access to finance and credits specifically in the case of young farmers

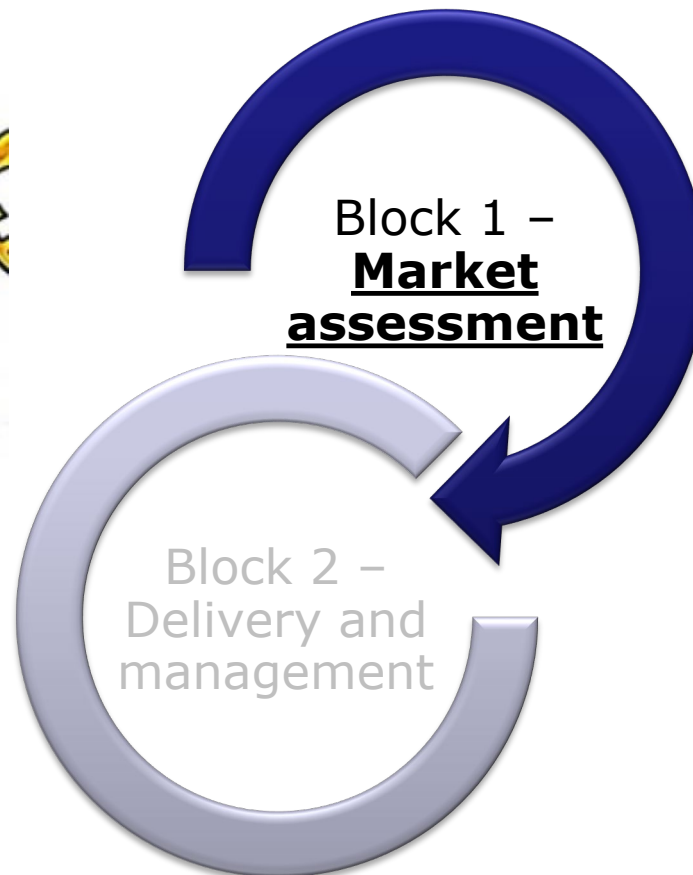
(CAP SP Regulation proposal Article 103(1))

Objective to reduce investment gap

(CAP SP Regulation proposal Recital 42)

2021-2027 rationale for the use of FIs

⇒ *already in ex-ante evaluation*



- Market failure, suboptimal investment situations and investment needs
- Value added, complementarity with other forms of support, State aid
- Additional resources to be potentially raised (leverage)
- Lessons learnt from similar instruments in the past
- Proposed investment strategy, products to be offered, target group
- **Expected results, contribution to policy objectives**
- Revision clause on update and review of ex-ante ass.



Thank you for your attention

Good practices on market assessment:

<https://www.fi-compass.eu/resources/ex-ante-assessment-summary>

... and soon much more for the post-2020 period on the fi-compass website:

<https://www.fi-compass.eu/esif/eafrd>