High Level Forum
on Digital Agriculture
“2gether 4 Strong Digital Agriculture”

EU Funds and UniCredit Bulbank

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Head of EU Funds team

19° April, 2018
Sofia, Bulgaria

Banking that matters. | UniCredit Bulbank



UniCredit Bulbank	Bank #1 in Bulgaria
UniCredit Leasing	Leading Leasing Company
UniCredit Factoring	Market Leader in Factoring
UniCredit Consumer Financing	Leader in Consumer Finance

UniCredit Bulbank AD is bank leader in Bulgaria | UniCredit

EU Funds Organisation and service model



Close cooperation with the Institute for Agrostrategy and Innovations

EU Funds Team

Specialized team dedicated to the products and services for EU funds

WHAT WE DO

- Sole point of contact about all EU products and programmes for **all bank clients**
- **Consultation and support to clients on EU funds topics and the related bank products**, on external credit lines and guarantee schemes
- **Advise clients** on EU programmes and support the structuring of financing packages for **EU subsidised projects**
- **Admissibility check, assistance during the application process**, information for approved projects
- Intensive cooperation with national and European financial institutions
- **Up to date information for upcoming and open procedures – EU funds newsletters**, presentations, handbooks
- **Trainings and roadshows** related to specialized products in front of colleagues
- Part of international network of ECC units within UniCredit Group.

WHAT WE DELIVER

- Free-of-charge consultation to all UCB existing and potential customers on EU opportunities for business enhancement
- Effective and fast implementation of products in the area of the European funds
- Flexible management and monitoring of new and existing baking products in the EU funds area
- Active cooperation with the sales force for finding the best solution for the financial needs, including the documentary part of the deal.

Rural Development Programme

Rural Development Programme 2014-2020

- Subsidiary support for tangible and intangible investments in agricultural farms for the purchase and construction of related investments: Construction, acquisition and improvement of buildings and real estate, incl. leasing;
- Modernizing of enterprises which are processing agricultural products, incl. marketing of such products

UniCredit Bulbank products:

- Dedicated portfolio to clients with Agricultural projects, loans on preferential conditions
- Free of charge consultation, meeting with consultants and eligibility check
- Specialised events and marketing materials, incl. brochures, Handbook & Newsletters for active measures under Rural Development Programme 2014-2020

Rural Development Programme
ww.dfz.bg

Upcoming measures for 135 MEUR:

- Measure 4.2 Investments in processing / marketing of agricultural products (active)
- Measure 6.4 Investment support for non-agricultural activities
- Measure 16.1 Innovations measure supporting the the European Innovation Partnership

UniCredit Bulbank's support to clients:

- Easier and quicker access to finance without unnecessary bureaucracy
- Lower collateral requirements and lower interest rates compared to standard levels

Active initiatives

PRODUCTS	PARAMETERS
InnovFin Guarantee scheme for innovations **Suitable for**: implementation of investment projects or working capital for SMEs for R&D and innovations.	✓ Investment loans/ Standard W/C Loans ✓ Min. loan amount – 25 000 EUR ✓ Max. loan amount – 3 750 000 EUR ✓ 50% guarantee ✓ Guarantee fee - 0.50% - 0.80% p.a.
Guarantee from National Guarantee Fund (NGF) – 4 **Suitable for**: implementation of investment projects or working capital revolving loans for SMEs.	✓ Investment loans/ W/C Loans ✓ 50% guarantee ✓ Up to 1 MBGN per beneficiary ✓ Max. term of the loan – 120 months ✓ Guarantee fee – depending on the type of loan and category of the company
Guarantee scheme for agricultural producers under National Guarantee Fund **Suitable for**: implementation of investment projects or working capital for agricultural producers	➢ Investment loans/ W/C Loans/ Bank Guarantees issued by UniCredit Bulbank ➢ 50% guarantee ➢ Guarantee fee - 0.8% p.a. of the guarantee amount ➢ Max. term of the guarantee– 5 years

- **Specialized products for Agriculture sector:**
  - Loans to farmers - secured by pledging a claim on the subsidies.
  - Special type of account for farmers and companies from the Agri sector

InnovFin

EU Funds
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- Ease access to finance
- Financial discount in terms of interest rate
- Reduced collateral requirement
- Flexible approval procedure

Is your company eligible?

InnovFin is an instrument for lending to innovative and R&D driven companies which invest in development and implementation of new products, processes and/or services, that are innovative, possess significant potential for innovation, have registered a patent, etc. The instrument targets fast growing enterprises, with serious potential for innovation and a business plan for entering new geographical markets or launching new products.

How does the guarantee instrument InnovFin works?

The beneficiary receives funding from UniCredit through InnovFin within the range 25 000 EUR to 3 750 000 EUR, they will receive lower interest rate than the standard on investment and working loans, and eased collateral requirements, as the European Investment Fund guarantees 50% of the loan.

InnovFin details:

Investment and working capital loans up to 3 750 000 EUR for R&D and innovation activities.

The loan guarantee does not constitute De minimis aid.

Refinancing of existing loans and / or leases is not eligible.

How InnovFin supports your innovative Agro business?

InnovFin creates an environment for investments in development and implementation of product and manufacturing innovations, supporting the realization of new research and development projects in the company's development activities. By applying InnovFin, eventual restrictions for meeting the collateral requirements are overcomed

InnovFin

Eligible borrowers for InnovFin are micro, small, medium and intermediate enterprises (up to 499 employees). To fulfill InnovFin eligible criteria, the company applicant should meet at least one of the innovation criteria of the guarantee scheme.

Examples:

- Company that intends to use the InnovFin Transaction to invest in producing, developing or implementing new or substantially improved products, processes or services that are innovative and where there is a risk of technological, industrial or business failure as evidenced by Business plan or from an evaluation carried out by an expert;
- **The Beneficiary:**

- is a “fast-growing enterprise”, which is operating in a market for less than 12 years
- shall have a significant innovation potential or be an “R&I-intensive enterprise
- has registered at least one technology right (such as patent, utility model, design right, other certificate for copyright) in the last twenty-four (24) months
- has been designated in the past 36 months as an innovative company by an EU or national or regional institution or body,
- has been formally awarded grants, loans or guarantees from European R&I support schemes or through their funding instruments or regional, national research or innovation support schemes over the last thirty-six (36) months*, under the condition that the Beneficiary Transaction is not covering the same expense with this InnovFin loan.

Lessons learnt

Interest in loans with favorable conditions thanks to the financial instruments are highly sought after by businesses. Such programs motivate banks to focus more on the benefits of customer's projects than the risks.

- **Lower collateral requirements** and **lower interest rates** compared to standard levels;
- **Easier and quicker access to finance** without unnecessary bureaucracy and cumbersome application procedures;
- Bank has the guarantee "in-house" – **speed**
- The **demand** for this type of financial instruments **exceeds the supply;**
- Effective **alternative** of the grant schemes which substantially **reduces the risk of loss** of EU funds;
- Stimulates the banks to look for innovative solutions that offer **better conditions** to company clients;
- **Accelerator for the investment plans** of the companies.

Communication campaigns

- **Active participation of EU Funds Team as speakers** on local events and forums, dedicated to financial instruments and operational programmes, including Agro events.

- **UniCredit in Partnership with Institute of agro strategies and innovations in conference "BULGARIAN CHOICE FOR AGRICULTURAL PERSPECTIVES "** who have share international experience and discussed risk management, financial instruments and social aspects of the Common Agricultural Policy.

- **Informative seminars for companies in the Agricultural sector, dedicated to the forthcoming measures under the Rural Development Programme**

- **Informative seminars and advisory for companies interested in submitting projects under EU programs eligible for the Agri sector**.

Strategy

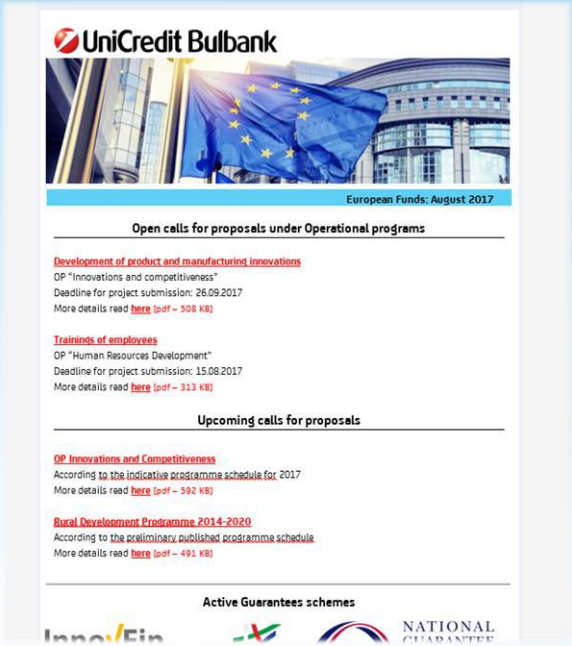
- **Implementation** of all ongoing and new **financial engineering instruments.**
- **Maintain** strong position and focus on the **Agricultural sector.**
- **Enhance** consultation on forthcoming **local and EU-level** Structural funds and programmes.
- **Emphasis** on international **EU Funds grant programs, relevant for the Agri sector and topics.**
- **Digital tools** following clients demands and needs.





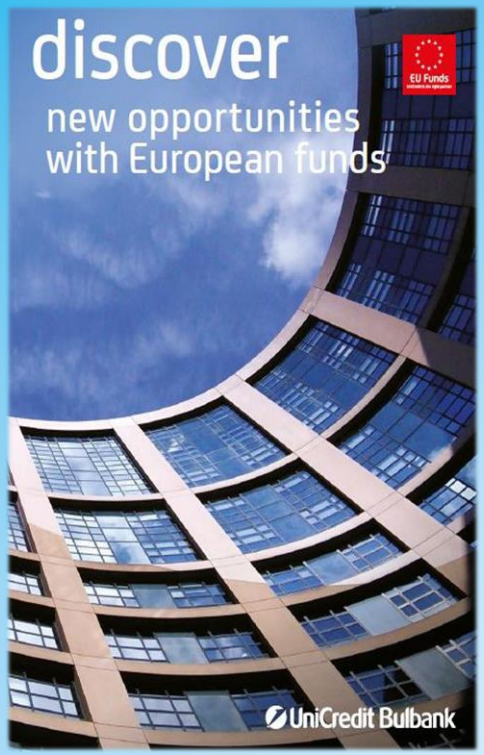


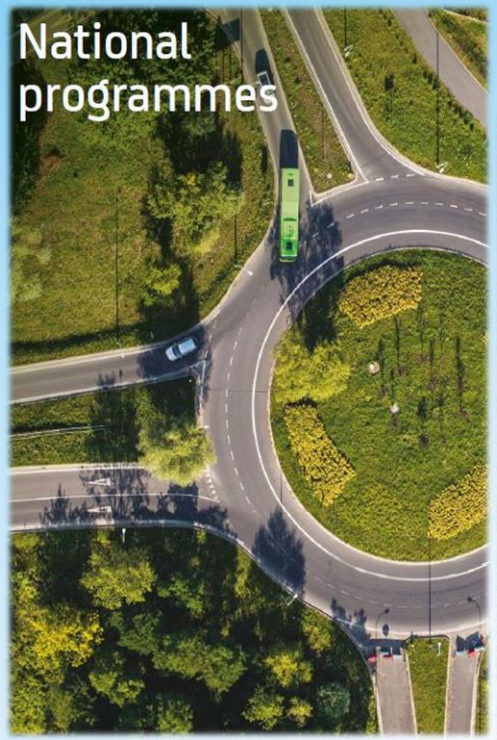


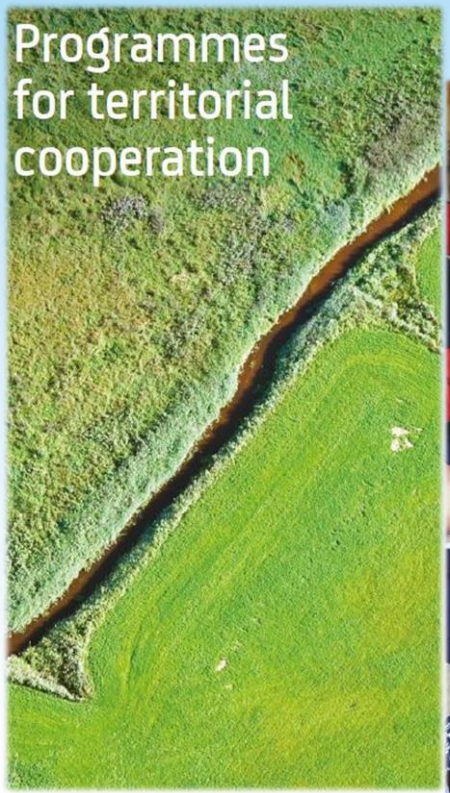


Discover
New Opportunities with European Funds

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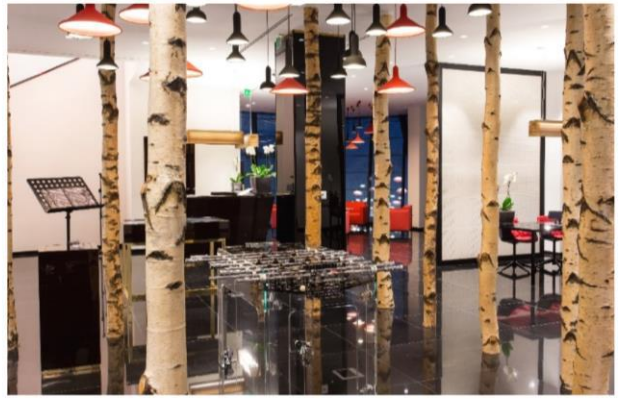














We welcome you at UniCredit International Center

Thank you for the attention!

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