

The European Union's support to Agriculture in Congo & new generation financing instruments



Forum GrowCongo! 25 February 2020 Amsterdam

EU sectors of intervention in Congo (2014-2020)

- Economic and trade governance: in order to contribute to inclusive and sustainable development and the country's economic diversification by improving economic and trade governance (PRCCE). Includes Sustainable Forestry management
- Local development: in order to help bring about a more balanced regional development and encourage sustainable and participatory local development (project Villes résilientes)





Union européenne - République du Congo

Engagés pour la compétitivité des entreprises congolaises!

Programme de Renforcement des Capacités Commerciales et Entrepreneuriales II

- Includes structuring and integrating value chains for SMEs/companies in the agricultural sector in the Pool and Bouenza regions
- Value Chain Analysis, mapping of actors
- Clusters definition and services (Helpdesk, trainings, hardware, dispute settlement etc.)
- **Value chains identified:** maiz; poultry farming; fruits and vegetables, non-wood forest products, and wood-carpentry.





The Africa-Europe Alliance for Sustainable Investment and Jobs launched in 2018









With EU External Investment Plan (EIP) as accompanying financial tool



How we act: EIP's integrated approach



European Fund for Sustainable Development (EFSD)

- New guarantee to reduce risk
- Blending loans and grants
- Africa Investment Platform
- EU Neighbourhood Investment Platform



Technical Assistance

- Support local authorities and companies preparing bankable projects
- Improving the investment climate in close engagement with the Private Sector



Investment Climate

- Structured dialogue with business
- Market Intelligence & Analytics
- Policy and political dialogue
 - EU Cooperation

A one-stop-shop for public and private investors



The EFSD Guarantee

A guarantee capacity for credit enhancement

Leverage additional financing, in particular from the **private sector**

A risk mitigation
mechanism
to stimulate investments
in Africa and in the
Neighbourhood





Blending: The combination of grants with financial instruments (loans, equity) in order to make operations with high development impact bankable

How to benefit from EIP?

In partnership with financial institutions

























Possible financing instruments for agriculture

- AgreenFi: intermediated lending for MSMEs and agricultural businesses
- In collaboration with **AFD** (Agence française de développement)
- Potential interest for Congo but still under negotiation









AgriFI

- EDFIMC-AgriFI is an impact investment facility funded by the EU
- Managed by EDFI MC, a Management Company set up by the European Development Finance Institutions (EDFIs)
- Leveraging EDFIs best practices and EU flexible funding to build partnerships and unlock, accelerate & catalyse investments in agriculture in developing countries, demonstrating they can be both sustainable and profitable
- With a key focus on improving livelihood of smallholders



How to take part in EIP investments

- Contact the guarantees' lead financial institutions directly – check eligibility criteria
- Submit proposals using a web form provided on the EIP webpage:
- <u>https://ec.europa.eu/external-investment-plan</u>



Participation in PRCCE II Agricultural clusters



- Vous souhaitez intégrer un cluster ? Ou proposer vos services en tant qu'expert ? Vous voulez en savoir plus ?
- → Contactez l'équipe du PRCCE à Brazzaville

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Thank you for your attention



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