

Greening Agrifood in Social Economy (GRAINS)

Financial tools for greening agri-food sector in Slovenia

Štefan Bojnec 25 January 2024



Social economy

Ministry of the Economy, Tourism and Sport on the social economy: https://www.gov.si/en/topics/social-entrepreneurship/

Social enterprises

Social economy

Benefits of the status of social enterprises

- Free rent to carry out social enterprise activities
- Reserved public procurement
- Access to donation
- Access to financial resources

Acquiring the status of a non-governmental organisation in the public interest in the field of social entrepreneurship development

Measuring the social impact of social enterprises

Reporting by social enterprises on the start of social enterprise activities

Annual Reporting of Social Enterprises

Withdrawal of the status of social enterprise

Economic and Social Council

Register of social enterprises



Different sources of financing are available for the agri-food enterprises in Slovenia:

Commercial providers are:

- banks,
- savings banks, and
- leasing companies.

The non-commercial providers:

- the Slovenian Regional Development Fund 'Ribnica' (SRDF) and
- the Slovene Enterprise Fund.

Common Agriculture Policy (CAP, European Agriculture Fund for Rural Development)

- Pillar I (direct payments)
- Pillar II (LFAs, AECS, rural development)

Investment subsidies



European/Slovenian funds:

- EAFRD European Agriculture Fund for Rural Development
- EIF European Investment Fund
- ERDF European Regional Development Fund
- Slovene Enterprise Fund
- Slovenian Regional Development Fund "Ribnica"
- Funding availability
- Social Fund
- ...



Pillar I

direct payments ٠

Pillar II

- LFAs
- AFCS •
- **Rural Development** ۲

Investment supports

- investment support by the Rural Development Programme (RDP) of Slovenia: • investments in agriculture and start-up aid for young farmers
- Producers associations (agriculture producers, agriculture cooperatives)

The Slovenian Regional Development Fund supports regional and rural development, including the provision of loans with a favourable interest rate and longer maturities to the agriculture and agri-food sectors

Agency for Agriculture Markets and Rural Development, <u>https://www.gov.si/drzavni-</u> organi/organi-v-sestavi/agencija-za-kmetijske-trge-in-razvoj-podezelja/



EAFRD investment support through the RDP

Measure 4 investments in physical assets

Sub-measure 4.1 'Support for investments in agriculture holdings' (co-financing of investments in buildings, machinery and equipment for agriculture producers)

Sub-measure 4.2 'Support for investments in processing, marketing and/or development of agriculture products' (agri-food companies and supplementary activity of farmers to improve competitiveness, increase added value of agriculture products, and the introduction of new products; innovative projects with technological novelty in the market, increasing the horizontal and vertical integration of the chain, investments for greater environmental efficiency of food processing plants)

Sub-measure 6.1 'Start-up support for young farmers' (business start-up aid for young farmers and generational renewal on farms)



Support for investments in processing/marketing and/or development of agricultural products

- Slovenian Regional Development Fund 'Ribnica'
- Slovene Enterprise Fund (SEF)
- preferential loans, micro-credit and guarantees micro, small and medium-sized enterprises, start-ups and fast-growing enterprises
- SID Banka (SID Slovenian export and development bank, d.d., Ljubljana) is a promotional development and export bank (banking and insurance services)

Slovenian Enterprise Fund; <u>https://podjetniskisklad.si/en</u>

Slovenian Regional Development Fund, <u>http://www.regionalnisklad.si/o-nas</u>



Thank you!