



EUROPEAN UNION



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EAFRD FoF Greece: Information note on COVID-19 measures and additional changes in transaction terms (the “Information Note”)

With reference to the Call for Expression of Interest of the EAFRD Greece Fund-of-Funds (the “EAFRD FoF”) launched on 6 December 2019 and closed on 14 February 2020 (the “Call”) and in accordance with the resolutions of the EAFRD FoF Investment Board dated 18 May 2021, the following information is brought to the attention of the financial intermediaries:

- (i) In the context of the COVID-19 crisis, specific measures have been adopted with a view to mitigating the impact of the COVID-19 crisis on the Greek farmers and rural entrepreneurs with respect to the following areas of intervention (a) stand-alone working capital, and (b) refinancing, under the Rural Development Programme of the MS (“*Πρόγραμμα Αγροτικής Ανάπτυξης*”) for the programming period 2014-2020 (“RDP”).
- (ii) The amendments under point (i) shall be available for implementation by financial intermediaries in line with the Call, as amended by this Information Note, as set out below.
- (iii) The amendments foreseen in this Information Note shall become effective subject to successful signature by the EIF and the respective existing Financial Intermediary of an amendment and restatement agreement of the existing Operational Agreement or, in case of new Financial Intermediaries, an Operational Agreement.
- (iv) Capitalised terms used in this Information Note and not otherwise defined herein shall have the meaning assigned to them in the Call.

ESIF EAFRD Greece FoF

Date: 31 May 2021

Information note to the Financial Intermediaries regarding the Call for Expression of Interest Portugal ("Call") to implement the ESIF EAFRD Greece Fund-of-Funds, launched on 6 December 2019, closed on 14 February 2020.

Changes in transaction terms

In the context of the current COVID-19 crisis, certain terms of Annex IIIa (Appendices I, III and IV) set out in the original Call are now amended as set out below and a new Appendix V shall be added to Annex IIIa.

ANNEX III - ESIF EAFRD GREECE FUND OF FUNDS – INDICATIVE TERMS AND CONDITIONS OF THE GUARANTEE

	Initial text	Amended text
2. INDICATIVE TERMS AND CONDITIONS OF THE GUARANTEE		
<u>C. Miscellaneous</u>		
Compliance with Laws	<p>The Financial Intermediary shall comply in all respects with all applicable laws and regulations (whether national laws and regulations or laws and regulations of the European Union) to which it may be subject.</p> <p>The Financial Intermediary shall include in the documentation evidencing the Final Recipient Transaction:</p> <p>(x) undertakings from the Final Recipients equivalent to that described above; and</p> <p>(y) any representations, warranties and undertakings from the Final Recipients necessary for the purpose of ensuring that each Final Recipient Transaction included in the Portfolio shall comply at any relevant time with the Eligibility Criteria.</p>	<p>The Financial Intermediary shall comply in all respects with all laws and regulations (whether national laws and regulations or laws and regulations of the European Union), including, but not limited, to State Aid, procurement and RDP rules (as this shall be amended to reflect that the support through the financial instrument managed by the EIF could cover Final Recipients for the emergency measure in the context of the COVID-19 outbreak), to which it may be subject and, the breach of which may (i) adversely impact the performance of this Agreement or (ii) adversely prejudice the interests of the EIF, the Commission, the MS Authority under the Operational Agreement.</p> <p>The Financial Intermediary shall include in the documentation evidencing the Final Recipient Transaction:</p> <p>(x) undertakings from the Final Recipients equivalent to that described above; and</p> <p>(y) any representations, warranties and undertakings from the Final Recipients necessary for the purpose of ensuring that each Final Recipient Transaction included in the Portfolio shall comply at any relevant time with the Eligibility Criteria.</p>

Appendix I Eligibility Criteria

Section B - Eligibility Criteria for Final Recipient Transactions

	<u>Eligibility Criteria for Final Recipient Transactions</u>	<u>Eligibility Criteria for Final Recipient Transactions</u>
1	N/A	<p>The Final Recipient Transaction shall be newly originated.</p> <p><u>For the purpose of COVID-19 Final Recipient Transactions whose purpose is refinancing, this criterion shall be interpreted to mean that the relevant COVID-19 Final Recipient Transaction shall be new and entered into during the COVID-19 Eligibility Period but it may be refinancing a pre-existing transaction.</u></p>
2	<p>Final Recipient Transactions must finance expenditures made by the Final Recipients that occurred after the date of submission of the request for financing to the Financial Intermediary, provided that, by way of exception, for Final Recipient Transactions financing general costs as defined in article 45.2.c of the EAFRD Regulation, such expenditure shall be eligible even if incurred before the date of submission of the request.</p>	<p>Other than for the purposes of COVID-19 Final Recipient Transactions, Final Recipient Transactions must finance expenditures made by the Final Recipients that occurred after the date of submission of the request for financing to the Financial Intermediary, provided that, by way of exception, for Final Recipient Transactions financing general costs as defined in article 45.2.c of the EAFRD Regulation, such expenditure shall be eligible even if incurred before the date of submission of the request.</p>
3	<p>The investments to be supported by the Final Recipient Transaction shall not be physically completed or fully implemented at the date of approval by the Financial Intermediary of the Final Recipient Transaction.</p>	<p>Other than for the purposes of COVID-19 Final Recipient Transactions, the investments to be supported by the Final Recipient Transaction shall not be physically completed or fully implemented at the date of approval by the Financial Intermediary of the Final Recipient Transaction.</p>
5	<p>Final Recipient Transactions shall finance investments/costs eligible in accordance with the EAFRD Regulation and its implementing acts (in each case as amended, restated and/or replaced from time to time) as set out below:</p> <ul style="list-style-type: none"> a) Costs for the purchase or lease of tangible and intangible assets; and/or b) Working capital being part of the business plan of the investment project, for an amount not exceeding EUR 200,000 (two hundred thousand euros) or 30% of the total amount of the eligible costs for the investment, whichever is the higher; and/or c) General costs linked to the eligible investment such as architect, engineer and consultation fees, fees relating to advice on environmental and economic sustainability, including feasibility studies, 	<p>Final Recipient Transactions shall finance investments/costs eligible in accordance with the CPR and the EAFRD Regulation and its implementing acts (in each case as amended, restated and/or replaced from time to time) as set out below:</p> <ul style="list-style-type: none"> a) Costs for the purchase or lease of tangible and intangible assets; and/or b) Working capital being part of the business plan of the investment project, for an amount not exceeding EUR 200,000 (two hundred thousand euros) or 30% of the total amount of the eligible costs for the investment, whichever is the higher; and/or c) COVID-19 Working Capital Loans; d) General costs linked to the eligible investment such as architect, engineer and consultation fees, fees relating to

	<p>according to art. 45.2(c) of the EAFRD Regulation.</p> <p>Eligible costs include, but are not limited to:</p> <ul style="list-style-type: none"> a) Acquisition of second-hand equipment, machinery and appliances, provided that such purchase is substantiated in the relevant business plan in terms of value, age and purpose of use; b) VAT paid by the Final Recipient on eligible costs c) Live animals, annual and multi-annual plants and their planting; d) Purchase of land up to 10% of the total eligible expenditure of the investment; e) Transfer of property rights related to businesses/operations, provided that such transfer takes place between independent investors; f) New establishments of meat (other than poultry) slaughterhouses, provided that (i) they are located in island regions (as defined by relevant national legislation) and (ii) have a processing capacity of up to 400 tonnes of meat, or g) New establishments of poultry slaughterhouses provided they are located in mountainous or island regions¹ (in each case as defined by relevant national legislation/regulation); h) Investments in energy production, as long as their capacity does not exceed the needs of the holding or the Final Recipient, as reflected in the energy needs study included in the investment plan. 	<p>advice on environmental and economic sustainability, including feasibility studies, according to art. 45.2(c) of the EAFRD Regulation.</p> <p>Eligible costs include, but are not limited to:</p> <ul style="list-style-type: none"> a) Acquisition of second-hand equipment, machinery and appliances, provided that such purchase is substantiated in the relevant business plan in terms of value, age and purpose of use; b) VAT paid by the Final Recipient on eligible costs c) Live animals, annual and multi-annual plants and their planting; d) Purchase of land up to 10% of the total eligible expenditure of the investment; e) Transfer of property rights related to businesses/operations, provided that such transfer takes place between independent investors; f) New establishments of meat (other than poultry) slaughterhouses, provided that (i) they are located in island regions (as defined by relevant national legislation) and (ii) have a processing capacity of up to 400 tonnes of meat, or g) New establishments of poultry slaughterhouses provided they are located in mountainous or island regions² (in each case as defined by relevant national legislation/regulation); h) Investments in energy production, as long as their capacity does not exceed the needs of the holding or the Final Recipient, as reflected in the energy needs study included in the investment plan.
6	<p>Only for Final Recipient Transactions falling under Action 4.2.4., the investment in processing, marketing and/or development of Agricultural Products financed by the relevant Final Recipient Transaction should be carried out in one of the following sectors (for the avoid of doubts, in this context the 'sector' will apply to the investment and not to the Final Recipient):</p> <ul style="list-style-type: none"> • Meat (including, but not limited to, cattle, poultry, pigs, sheep and goats slaughterhouses, meat and production of meat 	<p>Only for Final Recipient Transactions falling under Action 4.2.4., the investment in processing, marketing and/or development of Agricultural Products financed by the relevant Final Recipient Transaction shall be carried out in one of the following sectors (for the avoidance of doubt, in this context the 'sector' will apply to the investment and not to the Final Recipient) or for the purpose of a COVID19 Final Recipient Transaction, the COVID-19 Final Recipient shall be active in the processing, marketing and/or development of</p>

¹ Each region in Greece is marked with the relevant characterisation (mountainous or island region or as otherwise provided by the relevant national legislation) on the platform where applications for support will be submitted.

² Each region in Greece is marked with the relevant characterisation (mountainous or island region or as otherwise provided by the relevant national legislation) on the platform where applications for support will be submitted.

	<p>products, sausage units, animal by-products processing plants);</p> <ul style="list-style-type: none"> • Milk (including, but not limited to, milk processing and the production of dairy products like cheese, yoghurt); • Eggs (including, but not limited to, egg packing); • Sericulture, apiculture, heliculture; • Feed (including, but not limited to, the production of animal feed mixtures for the rearing of domestic animals, as well as animals used for the production of fur); • Cereals (including, but not limited to, flour production, cereal drying); • Oil products (excluding the establishment of new olive oil mills); • Wine; • Fruits and vegetables; • Flowers (including, but not limited to, flower packing and marketing); • Pharmaceutical and aromatic plants; • Seeds and propagating material; or • vinegar (including, but not limited to, production of vinegar from wine, fruit and other agricultural raw materials). 	<p>Agricultural Products in one of the following sectors:</p> <ul style="list-style-type: none"> • Meat (including, but not limited to, cattle, poultry, pigs, sheep and goats slaughterhouses, meat and production of meat products, sausage units, animal by-products processing plants); • Milk (including, but not limited to, milk processing and the production of dairy products like cheese, yoghurt); • Eggs (including, but not limited to, egg packing); • Sericulture, apiculture, heliculture; • Feed (including, but not limited to, the production of animal feed mixtures for the rearing of domestic animals, as well as animals used for the production of fur); • Cereals (including, but not limited to, flour production, cereal drying); • Oil products (excluding the establishment of new olive oil mills); • Wine; • Fruits and vegetables; • Flowers (including, but not limited to, flower packing and marketing); • Pharmaceutical and aromatic plants; • Seeds and propagating material; or • vinegar (including, but not limited to, production of vinegar from wine, fruit and other agricultural raw materials).
10	<p>Final Recipient Transaction shall not restructure or refinance an existing loan.</p>	<p>Final Recipient Transaction shall not refinance (other than for the purposes of COVID-19 Final Recipient Transactions) or restructure an existing loan and/or leases.</p>

APPENDIX IV INDICATIVE REPORTING TEMPLATE

See below only the section with modified field (A.2.3).

table A2 - New transactions

A.1.1.	A.2.1.	A.2.1.1.	A.2.1.2.	A.2.1.3.	A.2.2.	A.2.3.	A.2.4.	A.2.5.	A.2.5.1.	A.2.6.	A.2.7.	A.2.8.	A.2.9.	A.2.10.	A.2.11.	A.2.12.	A.2.13.	A.2.14.	A.2.15.	A.2.16.	A.2.17.	A.2.18.	A.2.19.	A.2.19.1.	A.2.20.	A.2.21.	A.2.22.									
Fiscal number	Transaction reference	Transaction PSKE code	Grant PSKE code	Transaction type	Transaction currency	Permitted Purpose Activities	Transaction principal amount	Transaction Maturity (months)	Grace period (months)	Transaction signature date	First disbursement date	Amortisation Profile	Repayment frequency	Reference Rate	Interest rate / margin over Reference Rate	Publication of SME (Y/N)	Activity sector of investment (NACE code)	Gross Grant Equivalent amount	Type of Operation	Product category (CN code)	Agricultural branch	Investment location (NUTS)	Total Eligible Project Cost	of which working capital	linked to investment (Transaction reference)	Value of Collateral	Main type of collateral	Comments								
Mandatory	Mandatory	Mandatory	Mandatory, if applicable	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory	Mandatory (if applicable)	Mandatory (if applicable)	Mandatory	Mandatory	Optional								
							EFTIMIE Daniela Alexandra: Dictionary extended with new code - 24 - Working capital – COVID-19 Support																													

APPENDIX V –COVID-19 MEASURES

COVID-19 CONDITIONS	
COVID-19 Final Recipient	means, based on art. 37(4) of the CPR a Final Recipient which is an SME ³ and has been impacted by the public health crisis due to the COVID-19 pandemic.
Assessment of status of the Final Recipient as a COVID-19 Final Recipient	Such status shall be established as at the signing date of the COVID-19 Final Recipient Transaction and shall be based on: <ul style="list-style-type: none"> i. the Final Recipient being an SME; and ii. a self-declaration stating a reduction of the expected/incurred revenues of the Final Recipient for 2020 and 2021 compared to 2019. iii. only for Final Recipient Transactions which fall under Action 4.2.4, the Final Recipient undertaking activities supported under Action 4.2.4 shall be eligible provided that: <ul style="list-style-type: none"> (a) such activities account for more than 50% of its total revenues for the year 2019, <u>or</u> (b) such Final Recipient demonstrates that the purpose of the COVID-19 Working Capital Loan is to finance liquidity needs related to an activity eligible under Action 4.2.4.
COVID-19 Working Capital Loan	means a stand-alone working capital loan (i.e. not linked to an investment) provided that the maximum loan amount shall not exceed EUR 200,000.
COVID-19 Eligibility Period	means the period during which COVID-19 Final Recipient Transactions are approved, entered into and disbursed, starting on [<i>the date of publication of this Information Note on EIF's website</i>] and ending on 31 December 2021 (or a later date if so notified by the EIF in writing).
COVID-19 Final Recipient Transaction	means an Eligible Final Recipient Transaction which complies with the COVID-19 Final Recipient Transaction Eligibility Criteria.
COVID-19 Final Recipient Transaction Eligibility Criteria	means, cumulatively, that the COVID-19 Final Recipient Transaction: <ul style="list-style-type: none"> (i) is entered into with a COVID-19 Final Recipient; (ii) is approved, entered into and disbursed during the COVID-19 Eligibility Period; (iii) shall have a disbursement period which shall not extend beyond the end of the COVID-19 Eligibility Period; (iv) is in the form of a COVID-19 Working Capital Loan; (v) has been requested as support relating to the impact of the COVID-19 health-care crisis on the COVID-19 Final Recipient's business/activity; (vi) has been requested in order to finance liquidity needs related to an activity eligible under Action 4.2.4, in case of COVID-19 Final Recipients undertaking activities supported under Action 4.2.4, if such activities account for up to 50% of their total revenues for the year 2019; and

³ For the avoidance of any doubt, the COVID-19 Final Recipient will need to comply with the applicable Final Recipient Eligibility Criteria.

	<p>(vii) covers expenditure items which shall not have received assistance from another instrument supported by the budget of the EU.</p> <p>The COVID-19 Final Recipient Transaction Eligibility Criteria shall be complied with on a continuous basis.</p> <p>Each COVID-19 Final Recipient Transaction to be included in the Portfolio shall fall under one of the following actions (and the relevant COVID-19 Final Recipient shall comply with the relevant Final Recipients Eligibility Criteria corresponding to such action):</p> <ul style="list-style-type: none">• Investment in agricultural business supported by a financial instrument included in the sub-measure 4.1.4;• Investment in transformation and marketing of agriculture products supported by a financial instrument included in sub-measure 4.2.4. <p>For the purpose of the COVID-19 Final Recipient Transaction Eligibility Criterion (v) above, the Financial Intermediary shall make an evidenced assessment on the basis of available financial information to confirm that a reduction of the expected/incurred revenues of the Final Recipient for 2020 and 2021, has taken place compared to 2019.</p> <p>For the purpose of the COVID-19 Final Recipient Transaction Eligibility Criterion (vi) above, the Financial Intermediary shall make an evidenced assessment on the basis of available financial information to confirm that there is a liquidity need related to an activity eligible under Action 4.2.4.</p> <p>For the purpose of a COVID-19 Final Recipient Transaction, the Financial Intermediary shall <u>not</u> be required to</p> <ul style="list-style-type: none">(i) retain a business plan or equivalent documents, or(ii) prove that the financing granted under the Final Recipient Transaction is used (including for the purpose of the costs and expenditures incurred) for its intended purpose.
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