

## EFSI Operation Scoreboard<sup>1</sup>

<b>PROJECT PRESENTATION</b>	
<b><u>Project name</u></b>	FRENCH SEEDS R&D
<b><u>Promoter and financial intermediary</u></b>	VILMORIN & CIE SA
<b><u>Country of implementation</u></b>	France
<b><u>Summary project description</u></b>	The proposed operation is to fund the promoter's RDI (Research, Development and Innovation) activities related to the creation, development, registration and commercialisation of new field crop and vegetable seed varieties for their use in agriculture in Europe.

<sup>1</sup> This Scoreboard of indicators reflects the information presented to the EFSI Investment Committee (IC) for its decision on the use of the EU guarantee for this operation. Therefore, the document does not take into account possible developments that could have occurred after this decision.

Parts of this document that fall under the exceptions for disclosure defined by the EIB Group Transparency Policy, notably under articles 5.5 (protection of commercial interests) and 5.6 (protection of the Bank's internal decision-making process), have been replaced by the symbol [...].

## PROJECT PILLAR ASSESSMENT

### Pillar 1

Contribution to EU policy		High
<b>Cross-cutting objectives</b>		
EIB Cohesion Priority Regions / Economic and Social Cohesion		80.00%
Climate Action		20.00%
<b>EFSI</b>		
Contribution to EFSI		100.00%
EFSI: Sustainable agriculture, forestry, fishery, aquaculture and other elements of the wider bioeconomy		100.00%
Sustainable agriculture, forestry, fishery, aquaculture and other elements of the wider bioeconomy		100.00%

### Pillar 2

Quality and soundness of the project		Excellent
1. Growth		[...]
2. Promoter capabilities		[...]
3. Sustainability		[...]
4. Employment		[...]

This pillar evaluates the quality and soundness of the operation. This pillar is composed of up to four indicators, as relevant, among which:

- (i) "Growth" i.e. for example and where relevant the economic rate of return ('ERR'), which considers the project's socioeconomic costs and benefits, including its spillover effects;
- (ii) "Promoter capabilities" i.e. the capacity of the promoter/intermediary to implement the project and create the expected impact at the [final] beneficiary level;
- (iii) "Sustainability" i.e. environmental and social sustainability<sup>2</sup>;
- (iv) "Employment" i.e. the project's direct employment effect;
- (v) "Increasing access to finance and improving financing conditions including for final beneficiaries".

### Pillar 3

EIB Technical and financial contribution to the project		Moderate
1. Financial contribution		[...]
2. Financial facilitation		[...]
3. Advice		[...]

This pillar measures the EIB's particular contribution to the project and its financing scheme in the form of financial and non-financial benefits which go beyond what commercial players would normally be able to offer. This dimension of value added is assessed through up to three indicators:

- (i) "Financial Contribution" i.e. improving the counterpart's funding terms compared to market sources of finance (interest rate reduction and/or longer lending tenor);
- (ii) "Financial Facilitation" i.e. helping to attract private financiers (for example through positive signaling effects), promoting synergies in co-financing with other public sources of funds including National Promotional Banks or EU financial instruments;
- (iii) "Technical Contribution and Advice" i.e. providing advice with a view to optimizing the financing package (financial structuring), or technical advisory services in the form of expert input / knowledge transfer - provided in-house by the EIB or in the form of assignments to external consultants - to facilitate the preparation or implementation of a project.

<sup>2</sup> For additional information on the EIB's assessment of the project's environmental and social aspects, please refer to the project's Environmental and Social Data Sheet (ESDS) published on the EIB website.

## **Pillar 4 - Complementary indicators**

### ***Additionality***

In line with the EFSI objective of supporting research, development and innovation (RDI) under the scope of the Horizon 2020 programme, the operation will support the promoter in the completion of a high quality Research and Development (R&D) activities in the agricultural input supply segment. The project will enable the promoter to retain its leading knowledge and long-term competitiveness in its business sector and thereby contributing to Europe's agriculture R&D competitiveness and economic growth, as well as to help to maintain highly skilled staff engaged in R&D activities in Europe.

The financing of this project supports RDI activities which generate positive knowledge and technology externalities in the field of agro-innovation related to the creation, development, registration and commercialisation of new field crop and vegetable seed varieties for their use in agriculture. The operation will also contribute to the Climate Action objectives of the EIB.

The promoter is a privately owned company developing vegetable and field crop seeds with high added value contributing to meeting the global challenge of guaranteeing current and future supply of food. Financings similar to the one the Bank is offering remain necessary to cover the agri-innovation actors' full investment needs generated by (i) the significant size of the investments, (ii) the very long cycle of the investments and (iii) the inherent risk borne by the agro-innovation RDI. The EIB financing allows the promoter to properly tackle such sub-optimal investment situation and gives the promoter more flexibility when making strategic choices regarding the priorities within its pipeline and the development programmes to pursue.

The project is expected to be classified under the EIB Special Activities category, in particular due to the nature of the loan and the uncertainty arising from investments in R&D and their long term outcomes within a fierce competitive environment. As such, the EIB would not be able to provide such type of unsecured long-term financing support during the period in which the EU guarantee can be used, or not to the same extent, without EFSI.

The operation will be the first for the EIB with the promoter as well as the first in this sector. It will allow the EIB to support a key European player in its field.

## Set of indicators related to the macroeconomic environment

### France - Economic environment

#### Economic Performance

	FR 2018	EU 2018	US 2018	FR 2001-2007
GDP per capita (EUR, PPS)	31,988.40	30,935.11	43,569.11	31,052.70
GDP growth (%)	1.58	1.96	2.85	1.90
Potential GDP growth (%)	1.21	1.60	2.23	1.77
Output gap (% of potential GDP)	0.35	0.61	0.74	1.68
Unemployment Rate (%)	8.90	6.60	3.90	8.50
Unemployment Rate (%) - Y/Y change (% points)	-0.19	-0.60	-0.20	-0.18
Bank-interest rates to non-financial corporations (%)	1.37	1.26	--	3.53
Bank-interest rates to non-financial corporations (%) - Y/Y change (% points)	-0.02	-0.06	--	0.00
Investment rate (GFCF as % of GDP) - Total	22.92	20.54	20.84	21.75
Investment rate (GFCF as % of GDP) - Public	3.38	2.85	3.30	3.91
Investment rate (GFCF as % of GDP) - Private	19.53	17.68	17.53	17.84

#### Agriculture/Forestry/Fisheries

	2014	2015	2016	2017	EU (latest available)
Agricultural employment as % of total employment	2.80	--	--	--	5.00
Agricultural enterprises (No. of Farms)	--	--	--	--	--
Forest area (% of land area)	30.82	31.02	--	--	38.00
Agricultural production per capita (index 2005)	--	--	--	--	--
Catches in all fishing regions (Tonnes live weight)	543,525.28	497,435.04	--	--	5,143,651.12
Aquaculture production (Tonnes live weight)	180,344.00	--	--	--	1,250,207.20
Gross nutrient balance on agricultural land - Phosphorus (Kilogram/ha)	1.00	--	--	--	2.00
Gross nutrient balance on agricultural land - Nitrogen (Kilogram/ha)	50.00	--	--	--	51.00
Gross value added of the agricultural industry (% of total VA)	1.70	1.70	1.50	--	1.50

#### Environment and Climate

	2014	2015	2016	2017	EU (latest available)
GHG emissions level (emissions in 1990=100)	85.37	--	--	--	77.06
Employment in the environmental goods and services sector	--	--	--	--	4,164,000.00
Resource productivity (Euro per kilogram, chain linked volumes (2010))	2.67	2.79	--	--	2.00
GHG emissions in non-ETS sectors (base year=100)	84.62	87.39	--	--	86.50
GHG emissions in non-ETS sectors, distance to EU 2020 target	-1.37	1.39	--	--	-4.20
Value added in the environmental goods and services sector (% of total VA)	--	--	--	--	2.30
Employment in the environmental goods and services sector (% of total employment)	--	--	--	--	21.82

## General Sector Indicators

	2014	2015	2016	2017	EU (latest available)
Value added in Crop and animal production, hunting and related service activities (% of total VA)	--	--	--	--	1.50
Employment in Crop and animal production, hunting and related service activities (% of total employment)	--	--	--	--	4.90

## Research, development and innovation

	2014	2015	2016	2017	EU (latest available)
Gross domestic expenditure on R&D (GERD) (% of GDP)	2.24	2.23	--	--	2.03
Gross domestic expenditure on R&D (GERD) distance to EU 2020 target (% of GDP)	0.76	0.77	--	--	0.97
Research and development expenditure - Government (% of GDP)	0.29	0.29	--	--	0.24
Research and development expenditure - Higher education (% of GDP)	0.46	0.45	--	--	0.47
Research and development expenditure - Business (% of GDP)	1.45	1.45	--	--	1.30
Research and development expenditure - Private non-profit sector (% of GDP)	0.03	0.03	--	--	0.02
Eco-innovation index (EU =100)	112.00	115.00	--	--	100.00

## SME/midcap

	2014	2015	2016	2017	EU (latest available)
Share of SMEs with Access to Finance Difficulties (%)	22.62	21.18	13.43	--	20.90
Availability of Private equity (Thousand euro)	10,753,229.97	11,899,567.37	12,456,798.99	--	50,091,573.98
Availability of Venture Capital (Thousand euro)	570,906.75	796,019.65	816,630.33	--	4,035,807.28

- Country average for "GDP per capita (EUR, PPS)" is calculated in real terms

- EU value for "Bank-interest rates to non-financial cooperations" corresponds to Euro Area average; Country average is the simple average between 2003 and 2007

- The EU value is displayed as the value in the year that corresponds to the latest value of the indicator in a particular country

### Other indicators<sup>3</sup>

Key project characteristics	Expected value at PCR
Start of works	01.01.2019
End of works	30.12.2021
Project investment cost [MEUR]	427.70 MEUR
EIB/EFSI eligible investment mobilised [MEUR]	427.70 MEUR
External EFSI multiplier	2.52
External EIB (non-EFSI) multiplier	
Amount of private financing [MEUR]	257.70 MEUR
Quick start (% of expenditure during 2015-2018) [%]	
Co-financing with national promotional banks [MEUR]	0.00 MEUR
Co-financing with structural funds (ESIF) [MEUR]	0.00 MEUR
Co-financing with other EU instruments (i.e. Horizon 2020, Connecting Europe Facility, etc) [MEUR]	0.00 MEUR
Energy efficiencies realised [MWh/a]	0.00 MWh/a
Climate Action indicator	20.00% Contribution to climate change adaptation (transversal)
Employment during construction - temporary jobs [person years]	2,063 person years
Employment during operation - new permanent jobs [FTE]	0 FTE

<sup>3</sup> For additional information on the EIB's assessment of the project's environmental and social aspects, please refer to the project's Environmental and Social Data Sheet (ESDS) published on the EIB website. The abbreviation PCR stands for Project Completion Report. If applicable, a difference between the amount of Project investment costs and EIB/EFSI eligible investment mobilized might derive from the fluctuation of the underlying exchange rate.