

# Agribusiness in the Western Balkans

*Webinar: DEİK Balkan Talks: Investment Opportunities in the Western Balkans*

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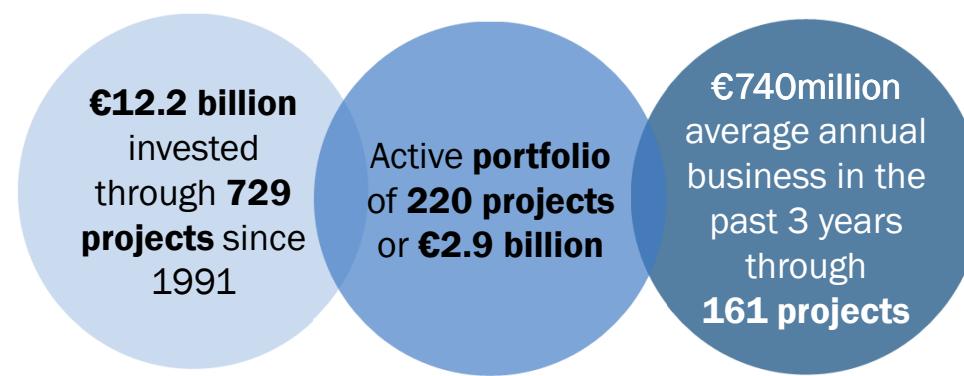
# EBRD Agribusiness – who we are



European Bank  
for Reconstruction and Development

We are the **single largest private investor** in the agribusiness sector in most of our countries of operation

## Snapshot



## Investing across agribusiness value chains



## Financing global multinationals.....



...as well as leading local companies and SMEs



## Focus on:

- Extensive client network
- Innovation - sustainable land use, new technologies, organic, “green”
- Global food security as an underlying theme
- Sustainable food systems
- Partnerships with FAO, IFAD, EU



## Snapshot

- **€671m invested** in the agribusiness sector in Western Balkan countries through **74 projects**
- Most of the investments (80%) have been in Serbia as the largest agribusiness player; focus in other countries on local champions and SMEs
- Local expertise, with **3 dedicated sector bankers** (including regional head) based in Belgrade

## Focus on:

- Promote new **foreign direct investment**
- Promote **competitiveness** of local companies and SMEs
- Financing of **M&A transactions** - foreign direct investment (FDI) and **cross-regional support**
- Agribusiness **advisory hub** and technical assistance
- Facilitate **public-private platforms** to improve policy transparency and increase investor confidence

## Selected transactions



Debt financing for expansion of the global retailer in **Serbia**, Greece and Moldova



The EBRD provided both equity and debt financing to the largest grocery retailer in **Montenegro**



Financed the acquisition of **Serbian** beverage producer Knjaz Milos by a joint venture between KMV and PepsiCo Inc.



Debt financing to the leading Turkish dairy producer for regional expansion in **North Macedonia** and Romania

# Investment opportunities in the sector

## Key advantages of the region

- Rich history of food production, people with skills in the sector
- Favourable climate for many agricultural inputs, **access to raw materials** (non-GMO)
- **Sizeable consumer market** (18 million people) and increasing purchasing power
- **Regional re-integration** supported by cross-border investments, reinvigorating common brands
- **Free trade agreements** with EU, further EU integration, free trade with Russia and Turkey (Serbia), CEFTA (within WB)

## Trends and opportunities

- **Primary agribusiness** – modernisation/efficiency improvements, higher value added crops (e.g. fruit and veg.)
- **Production/ export hub** for region/EU market access (cost advantages, raw materials – e.g. confectionary, etc.)
- **Sub-sector consolidation** (meat processing, bakery, food retail)
- **New trends for the future** - healthy foods, organic and functional, online, COVID-19 “resilient” business models

# How EBRD Agribusiness can support investors



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## Acquisition/JV Financing

- Debt or equity financing to support acquisitions, post acquisition investments
- EBRD's minority stake and financial investor status – potential good fit in JVs or investments with multiple investors
- Risk mitigation for political, social and environmental factors and providing reputational comfort

## Tailored loan structures

- EBRD has flexibility to provide financing solutions across the capital structure
- Tailored approach to structuring (matching long investment horizons, PIK loans, parallel & syndicated loans, etc.)
- Regional cross-country financing facilities

## Greenfield projects

- Deep sector expertise and local knowledge to engage in greenfield financing projects with experienced sponsors
- Can be structured as limited/full recourse, performance linked pricing, and flexible repayment options

## EBRD “add -ons”

- Ability to mobilise donor financing for a number of different technical assistance and support areas
- Wide range of support - supplier/farmer training programmes, sustainability audits, innovation, etc.

# Contact



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