



# PATRIA CREDIT

## Green as a process

Oana Zglobiu, Operational Director Patria Credit

# PATRIA CREDIT – The story

- We are specialized in Rural Financing
- We started in 1996, initially as a World Vision Program, then as an ONG, ultimately MFI.
- Our aim is to offer specialized financial services to small agri farmers and small rural businesses with limited access to traditional banking products due to geographical and social profile limitations.
- Our vision is to sustain entrepreneurial efforts of rural clients and to increase their positive impacts in local community, with easy and accessible financial products.

WE BELIEVE IN PEOPLE



WE BELIEVE IN RESPONSIBILITY

WE BELIEVE IN FLEXIBILITY



WE BELIEVE IN EFFICIENCY



WE BELIEVE IN PARTNERSHIPS

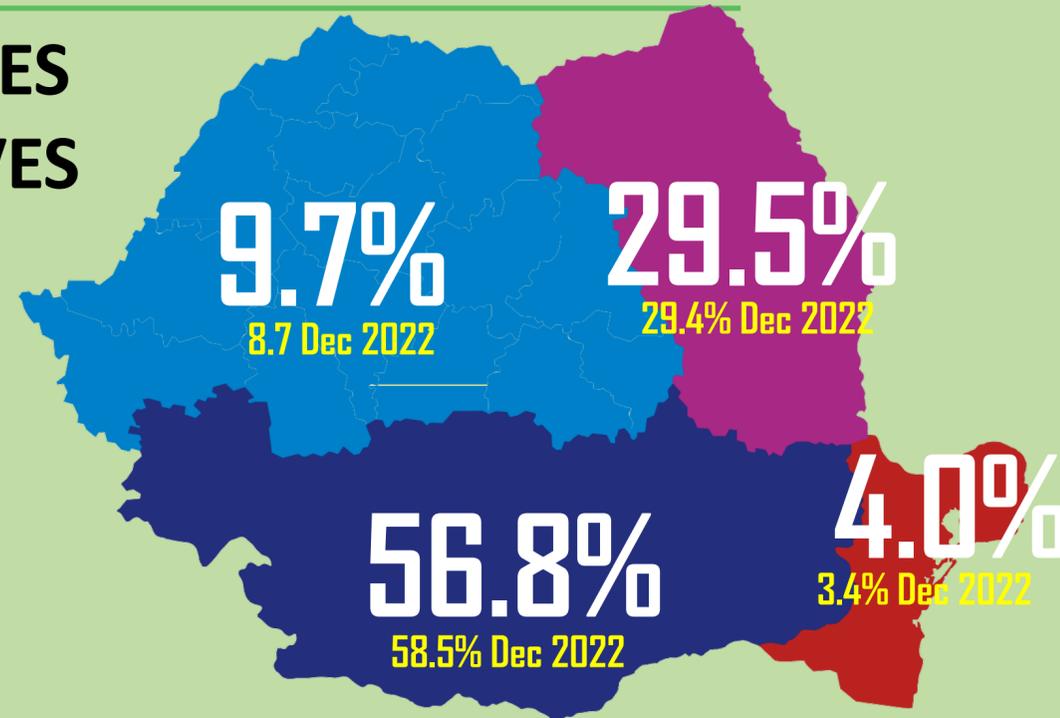
# CUSTOMER PROFILE

December 2023

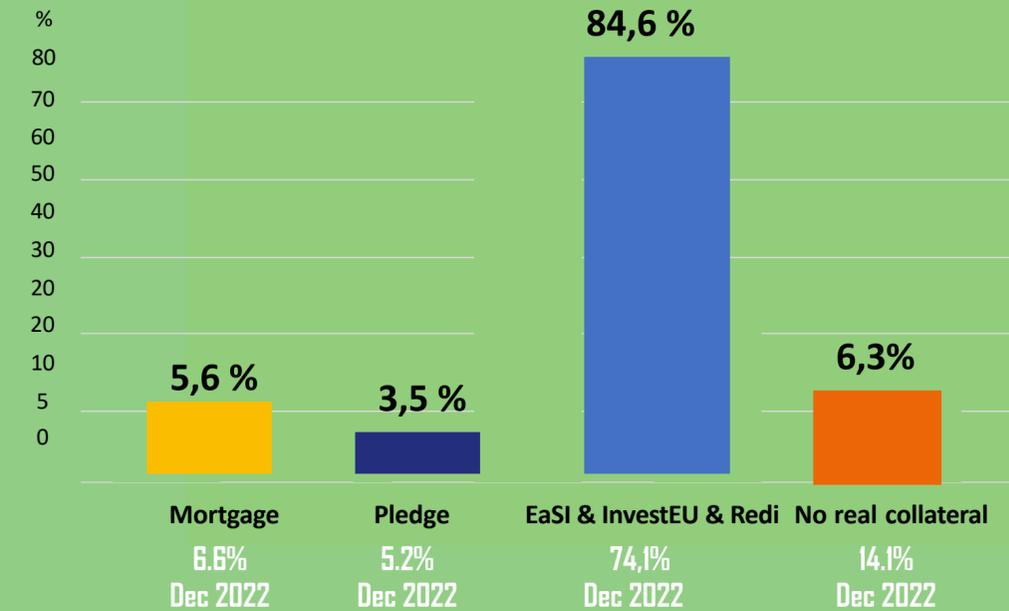
The average Patria Credit customer is mainly an agro producer, cultivating vegetable, lives in rural Muntenia and acces a loan value <25,000 euro (Ron equivalent), that used mainly for investments.

**Avg ticket 12.224 Euro**  
(11.845 Euro – Dec 2022)

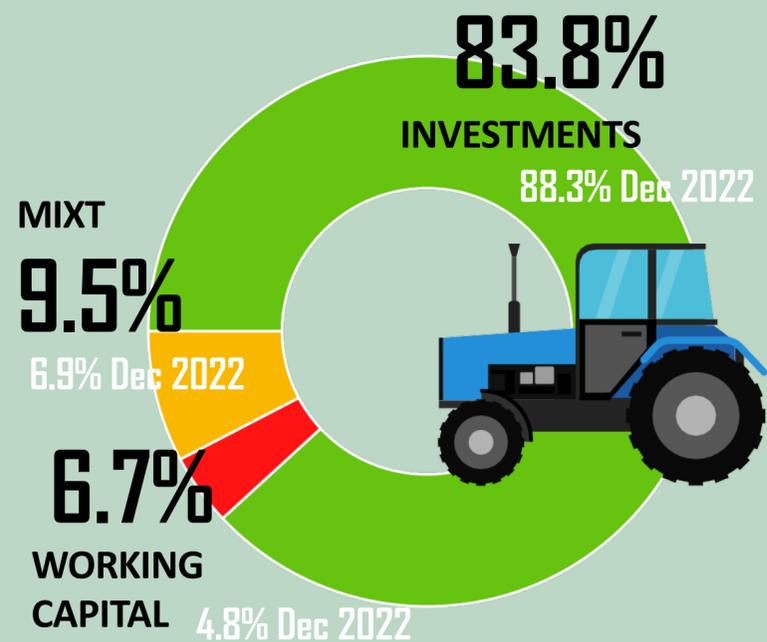
## WHERE DOES HE LEAVES



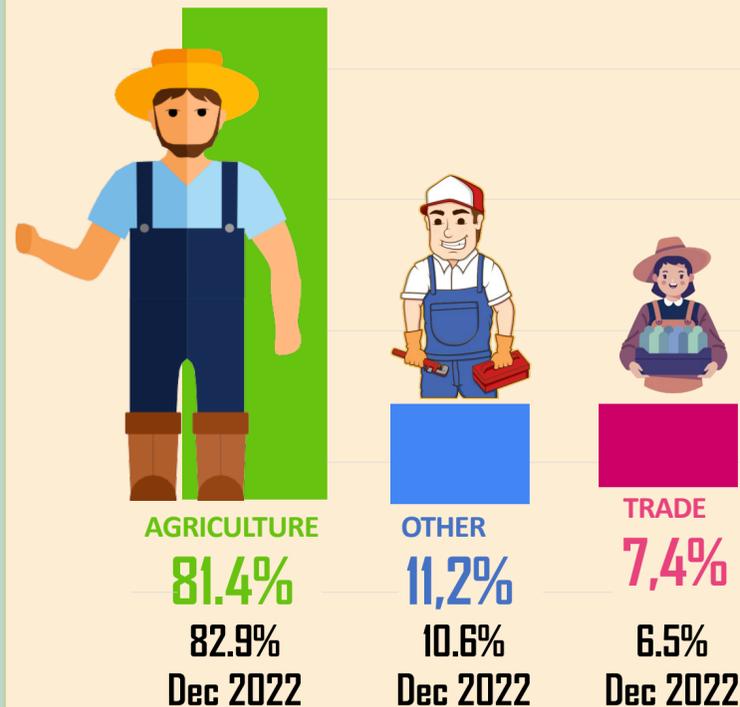
## COLLATERAL



## LOAN DESTINATION

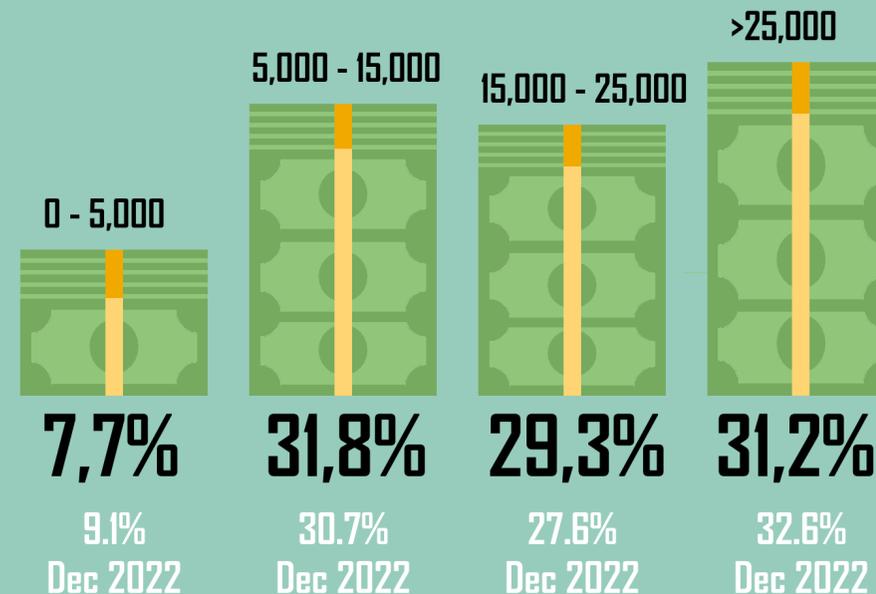


## TYPE OF BUSINESS

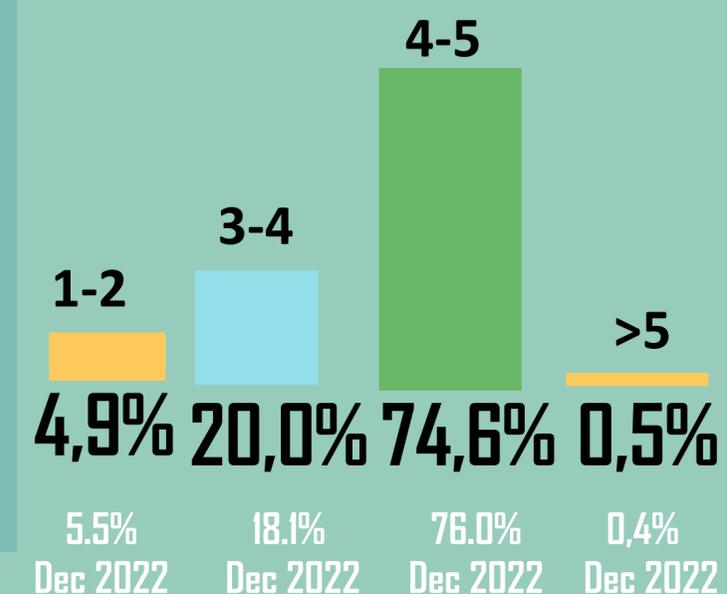


## FINANCING DETAILS

### LOAN VALUE euro equivalent



### INITIAL TENOR - years -

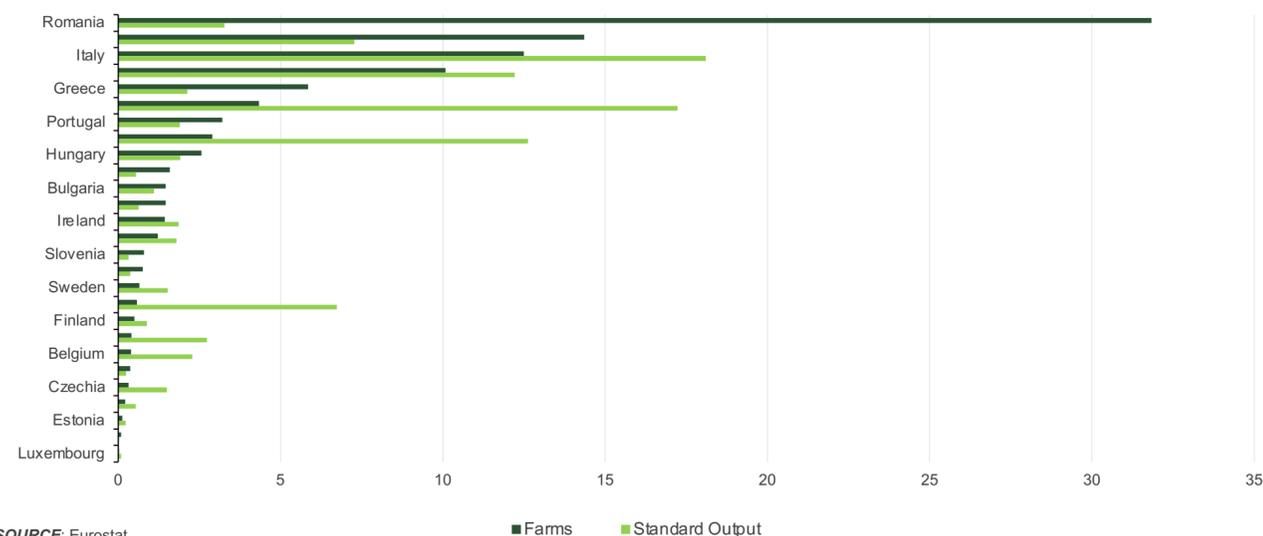


# Romanian Agriculture Landscape

## POTENTIAL ROMANIAN AGRICULTURE MARKET IN THE EU CONTEXT

- Romanian market for agro producers defined by different local and European studies as huge in numbers of farms.
- According to the Eurostat Report of the European Commission there were 9.1 million agricultural holdings in the EU in 2020, of which 2.9 million holdings - 31.8% were located in Romania, more than twice the number of farms as the next Member State - 1.3 million farms in Poland (the equivalent of 14.4% of the EU total), with 1.1 million farms in Italy (12.5%) and 0.9 million in Spain (10.1%).
- The overwhelming majority, 94.8% in 2020, of the EU's farms are classed as being family farms, defined as being farms on which 50% or more of the regular agricultural labour force is provided by family members.

FARMS AND STANDARD OUTPUT, 2020 (share of EU total, %)



A large majority (60.2%) of the standard output generated by agriculture across the EU was from the combined farms in Italy (18.1%), France (17.2%), Germany (12.6%), and Spain (12.2%) in 2020. Although Romania accounted for about one third of the EU's farms, it accounted for only 3.3% of the EU's standard output.

Although there is no official information regarding micro farms market dimension in Romania, we estimated internally the current market to around 2.5 bil. Euro, with Patria Credit having a leadership position in the vegetable agro producers' market. There are also growth opportunities on the Romanian financial market coming from different areas.

## ROMANIAN FARMING LANDSCAPE EU CONTEXT - 2020

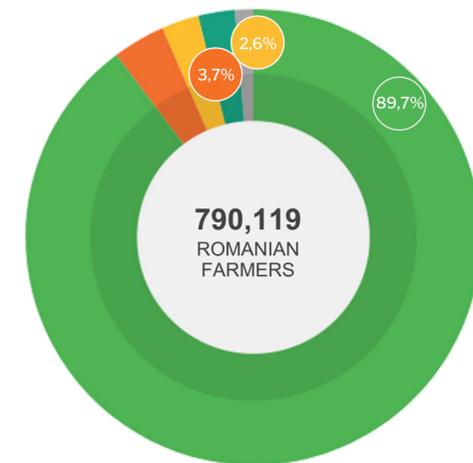
- 44% rural population
- 6<sup>th</sup> place in EU agricultural area
- 1<sup>st</sup> place in EU no of farms



## HIGH AGRICULTURAL FRAGMENTATION

- 70% of farms <2ha => cca 39% of agriculture surface
- Only 0.5% farms >100ha => 49% of surface

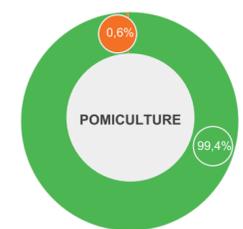
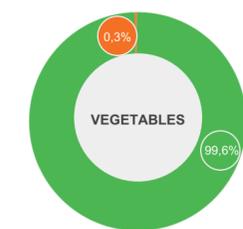
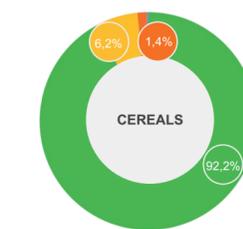
100% IN RURAL AREA, FAMILY SMALL FARMS. THIS IS WHERE MICROFINANCE HAPPENS.



- Individuals Agro Producers
- Self Employed Persons
- Individual Businesses
- Legal Entity SRL/SNC/SCS/SA
- Family Businesses

## ROMANIAN FARMERS REGISTERED AT NATIONAL AGENCY FOR PAYMENTS AND INTERVENTION IN AGRICULTURE - 2022

- CEREALS - 444,791 farmers, 92.2% 0-10ha
- VEGETABLES - 66,798 farmers, 99.6% 0-10ha
- POMICULTURE - 118,024 farmers, 99.4% 0-10 ha



- 0-10 ha
- 10-100 ha
- 100-500 ha
- Over 500 ha

# COMMITMENT TO INNOVATION GROWTH & IMPACT

Partnerships to enable transition to sustainable agriculture

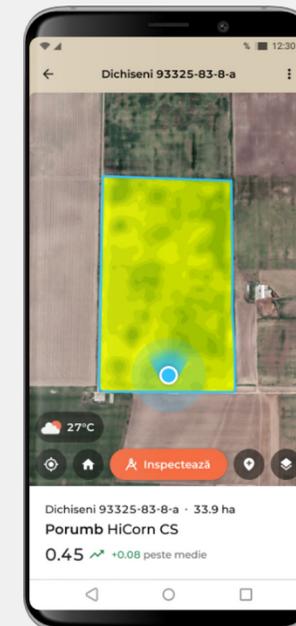
## SMART FARM

Partnership for the digitalization of vegetable growers

Partnership for the big crops producers



- | Satellite monitoring
- | Online platform agronomic decision
- | Meteo forecast



- | Satellite monitoring
- | Online platform agronomic decision
- | Meteo forecast

# Partnerships for the digitalization of vegetable growers

## Partnership for the digitalization of vegetable growers



**PATRIA  
CREDIT**



**| Weather stations | Online platform agronomic decision | Dedicated agronomist engineer**

- Facilitating the uptake of precision farming technologies among micro-fruit growers of vegetables in rural communities
- Improving crop management processes, increasing agricultural production yields and its quality, optimizing resources and protecting the environment
- Identification, assessment, monitoring and control of agricultural risks in the crops monitored
- Facilitating the economic and financial inclusion of the monitored micro-producers
- **THE FINAL SCOPE IS TO ENHANCE Farmers capacity building towards digital transformation for a green and clean production, to ensure easy access to funding and to the big chain retailing.**

# THANK YOU

**Oana Zglobiu**, Operational Director Patria Credit

**T:** +40 728 200 640

**E:** [mihaela\\_zglobiu@patriacredit.ro](mailto:mihaela_zglobiu@patriacredit.ro)