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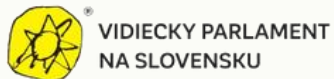
## **Block 2 - Module 2**

# **Sources of obtaining and financing investments in rural areas**

**Elaborated by VuS**



# LECTURE 2: FINANCIAL PRODUCT AND SERVICES



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# LEARNING OUTCOMES

The participants will be able to explain the main financial products and services offered by bank.

# LEARNING ACTIVITY CONTENT

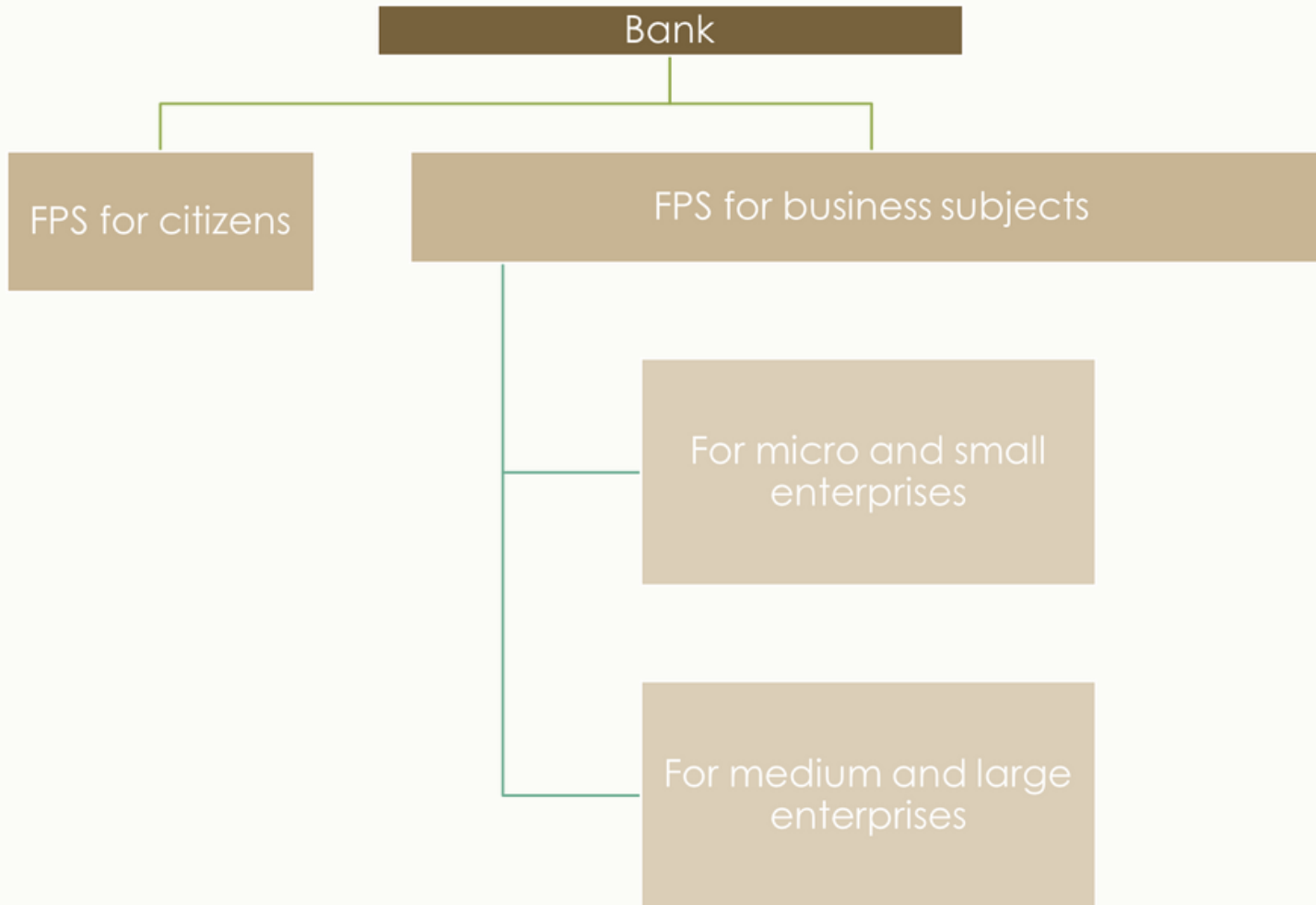
## Financial product and services:

- Introduction to basic financial products and services offered by banks.

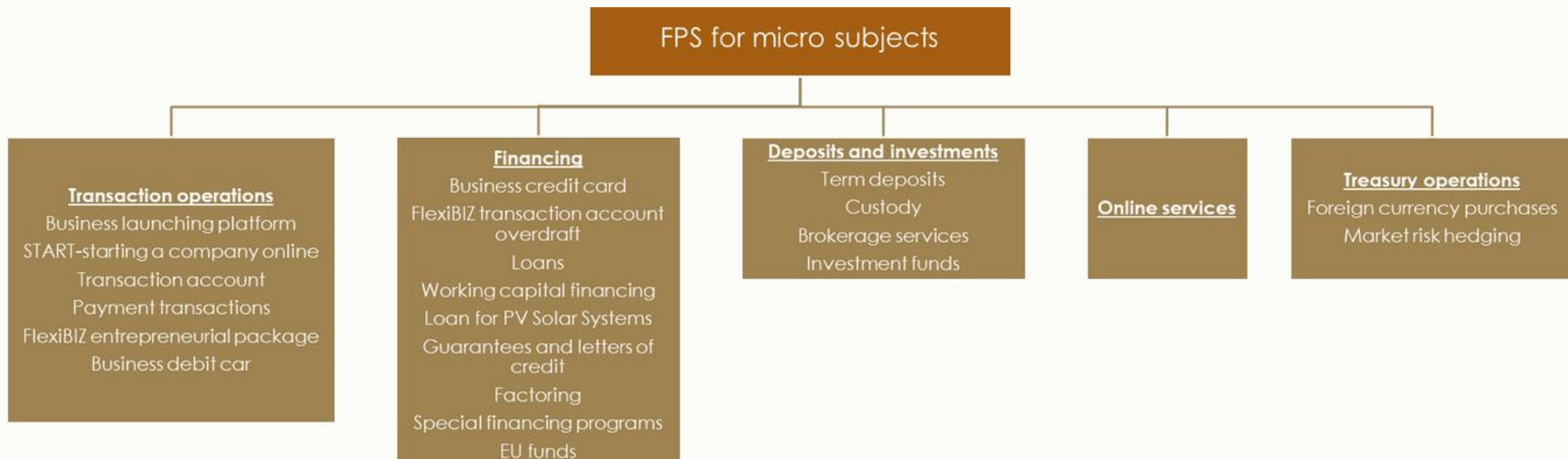
# FINANCIAL PRODUCTS AND SERVICES—THE BASICS

- Checking Accounts
- Savings Accounts
- Money Market Accounts
- Certificates of Deposit
- Mortgages
- Home Equity Loans
- Auto Loans
- Personal Loans
- Credit Cards
- Debit Cards
- ATM Cards
- Cashier's Checks
- Money Orders
- Traveler's Checks
- Wire Transfers
- Foreign Currency Exchange
- Safe Deposit Boxes

# FINANCIAL PRODUCTS AND SERVICES (FPS) OFFERED BY BANKS



# FINANCIAL PRODUCTS AND SERVICES (FPS) OFFERED BY BANKS FOR MICRO SUBJECTS



# BANK ACCOUNTS IN THE EU

**A "basic payment account" is an account that covers standard transactions that you use in daily life, such as:**

- making deposits
- withdrawing cash
- receiving and carrying out payments (for example direct debits and card purchases)
- It should also include a payment card that you can use to withdraw cash and make purchases - both online and in shops.
- Where available, the bank should include access to online banking services with your account. However, they do not always have to include an overdraft or credit facility.
- In some EU countries, your bank might still charge you an annual fee for this basic payment account. This fee should remain reasonable.\*



# PAYMENTS, TRANSFERS AND CHEQUES

- Your bank must charge you the same rate for payments in euro across the EU as it does for equivalent national transactions.
- This includes any:
  - transfers between bank accounts in different EU countries
  - withdrawals from cash machines/ATMs in EU countries
  - payments by debit or credit card across the EU
  - direct debit transactions

# SAMPLE STORY

## Payments in euro cost the same as domestic payments.

- Jakub lives in Czechia and has a Czech bank account. His bank charges him 5Kč when he transfers money in Czech koruna to any other Czech bank account.
- Following a recent holiday, Jakub needs to transfer €150 to a friend's bank account in France. His bank can only charge him the same rate as they charge him for a bank transfer in Czech koruna within Czechia – 5Kč – or the equivalent in euros.

# MORTGAGE LOANS

- A mortgage loan allows you to purchase a home or some property. Mortgages are offered by banks, building societies or other lenders and are often **secured against your property**.\*
- Lower interest rate
- Longer redemption period
- Creditworthiness



# IN ADDITION...

- Digital finance
- EU finance
- EU grants
- EU funds

# DIGITAL FINANCE

## Digital finance - impact of new technologies on the financial services industry.

- online banking, online payment and transfer services
- peer-to-peer lending
- personal investment advice and services



EU FINANCE

## Finance and support



# EU GRANTS – GOOD TO KNOW...

- The European Union provides different types of funding for investment projects.
- Projects can be financed through grants or financial instruments.\*
- You will find more details about EU tenders at the following links:
  - [European structural and investment funds](#)
  - [The National Recovery and Resilience Plan](#)
  - [EU Funds](#)
  - [Rural development](#)
  - [Aquaculture](#)

# FINANCIAL INSTRUMENTS



Unlike grant funding, financial instruments include measures of financial support in the form of:

- investments loans,
- guarantees,
- equity and
- other risk-sharing mechanisms (possibly combined with technical support, interest rate subsidies and guarantee fee subsidies)



# EU FUNDS

- PRODUCTS AND SERVICES:
  - loans for interim financing and co-financing of EU projects
  - letter of Intent and guarantees in accordance with EU tender standards and requirements of implementing bodies
  - fixed-term deposit
  - EU project implementing account
  - issuing of other certificates, statements and extracts

# EUROPEAN STRUCTURAL AND INVESTMENT FUNDS

- The European structural and investment funds are:
  - European regional development fund,
  - European social fund,
  - Cohesion fund,
  - European agricultural fund for rural development,
  - European maritime and fisheries fund.

# EUROPEAN AGRICULTURAL FUND FOR RURAL DEVELOPMENT (EAFRD)

- Rural development is the 'second pillar' of the common agricultural policy (CAP), reinforcing the 'first pillar' of income supports and market measures by strengthening the social, environmental and economic sustainability of rural areas.
- The CAP contributes to the sustainable development of rural areas through three long-term objectives:
  - fostering the competitiveness of agriculture and forestry;
  - ensuring the sustainable management of natural resources and climate action;
  - achieving a balanced territorial development of rural economies and communities including the creation and maintenance of employment.

# EUROPEAN AGRICULTURAL FUND FOR RURAL DEVELOPMENT (EAFRD)

- **Financial instruments:**

- loans,
- microcredit,
- guarantees and
- equities.

# RURAL DEVELOPMENT PROGRAMMES (RDP)

- Each RDP must work towards at least four of the six priorities of the EAFRD:
  - fostering knowledge transfer and innovation in agriculture, forestry and rural areas;
  - enhancing the viability and competitiveness of all types of agriculture, and promoting innovative farm technologies and sustainable forest management;
  - promoting food chain organisation, animal welfare and risk management in agriculture;
  - promoting resource efficiency and supporting the shift toward a low-carbon and climate resilient economy in the agriculture, food and forestry sectors;
  - restoring, preserving and enhancing ecosystems related to agriculture and forestry;
  - promoting social inclusion, poverty reduction and economic development in rural areas.

# RURAL DEVELOPMENT PROGRAMMES BY COUNTRY

- EU countries prepare their own rural development programmes to meet national and regional needs within the framework of shared EU priorities.

- You can find out more at this link:

[https://agriculture.ec.europa.eu/common-agricultural-policy/rural-development/country\\_en](https://agriculture.ec.europa.eu/common-agricultural-policy/rural-development/country_en)

- **VARIOUS FINANCIAL PRODUCTS AND SERVICES ARE AVAILABLE TO BUSINESSES.**
- **However, it is important to choose the best package of financial products and services for your company in order to be able to operate smoothly.**



# CONCLUSION

# SOURCES

- <https://www.unitedway.org/my-smart-money/pages/financial-products-and-services-the-basics#>
- [https://europa.eu/youreurope/citizens/consumers/financial-products-and-services/bank-accounts-eu/index\\_en.htm](https://europa.eu/youreurope/citizens/consumers/financial-products-and-services/bank-accounts-eu/index_en.htm)
- [https://finance.ec.europa.eu/digital-finance\\_en](https://finance.ec.europa.eu/digital-finance_en)
- [https://ec.europa.eu/info/funding-tenders/funding-opportunities/funding-programmes/overview-funding-programmes/european-structural-and-investment-funds\\_en](https://ec.europa.eu/info/funding-tenders/funding-opportunities/funding-programmes/overview-funding-programmes/european-structural-and-investment-funds_en)
- [https://agriculture.ec.europa.eu/common-agricultural-policy/rural-development\\_en](https://agriculture.ec.europa.eu/common-agricultural-policy/rural-development_en)
- [www.rba.hr](http://www.rba.hr)
- [www.zaba.hr](http://www.zaba.hr)





# PROJECT WOBIS

Enhancement of  
Rural Women's  
Associations as  
a Chance for  
Growth of Women  
Entrepreneurship

## WEB PAGE:

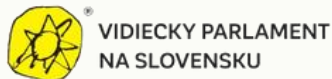
[www.wobis2022.eu](http://www.wobis2022.eu)

## FACEBOOK PAGE:

WOBIS



INFO



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