

# COVID-19 AGRICULTURE

MAY 2020 | ECONOMIC RELIEF MEASURES FOR FARMERS

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## FARM CREDIT CANADA

- As of March 23, the government increased the lending capacity to \$5B
- Existing loans have a deferral of principal and interest payments of up to six months
- A deferral of principal payments up to 12 months
- Term loans up to \$2.5M with no fees and an 18-month interest-only option over a 10 year amortization – these funds are to be used for working capital and to modify production as a result of the impacts from COVID-19
- As of May 14, they launched a \$100M Agriculture and Food Business Solutions Fund to support proven, viable companies during unexpected

## FARM CREDIT CANADA

FCC has taken on many new measures to help out the agriculture industry during these difficult times.

## ADVANCE PAYMENTS PROGRAMS

The APP has made its loan more flexible to assist farmers.

## LA FINANCIÈRE AGRICOLE

The Financière Agricole du Québec has also taken on new measures to assist farmers in these hard times.

## ADVANCE PAYMENTS PROGRAMS

- Loans due before May 1 have an additional six months to repay the principal amount
- Farmers who still have interest-free loans outstanding have the opportunity to apply for an additional \$100K interest-free portion for 2020-2021 provided that their total APP advances remain under \$1M



"Farmers and food processors work hard to put food on tables across our country, and they should not have to worry about being able to afford their loan payments or having enough money to support their own families. We are taking action now to give them more flexibility to meet challenges ahead in these times of uncertainty."

- *The Rt. Hon. Justin Trudeau, Prime Minister of Canada*

## LA FINANCIÈRE AGRICOLE

- Offering a six month moratorium on loan repayments
- The enrolment date for the Crop Insurance Program is extended to May 31, 2020
- Notices of assessment are extended from June 1 to July 1, 2020

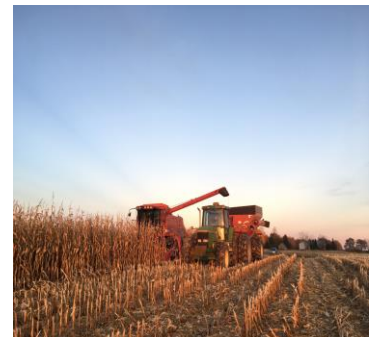
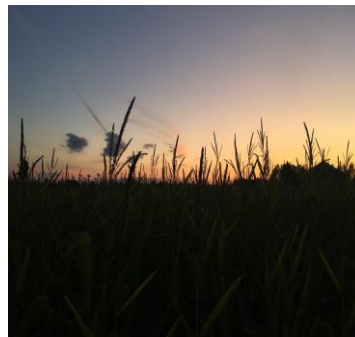
## GOVERNMENT OF CANADA ACTIONS

On May 5, Justin Trudeau announced an additional \$252M in financial assistance for Canada's Agriculture industry.

It will be divided into 3 sections:

- \$77M to support food processors
- \$125M to AgriRecovery for beef and pork producers
- \$50M to launch a Surplus Food Purchase Program to help redistribute unsold produce

*More measures are to be set by the government  
According to Trudeau*



We would also like to take this opportunity to thank all of our farmer clients! Keep up the good work, and know that we all support you!



“Like many Canadians, I am truly grateful for our farmers and food business owners and employees, who continue working hard so we all have quality food on our grocery store shelves and kitchen tables. Their continued work is essential to our plan to manage COVID-19.”

- The Hon. Marie-Claude Bibeau, Minister of Agriculture and Agri-Food

## CONTACT US



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