

Dutch Good Growth Fund



Ministry of Foreign Affairs of the Netherlands

Dutch Good Growth Fund



CIDRE

CIDRE is one of the few NGOs providing loans to SMEs in Bolivia, many of them in rural areas of the country. CIDRE was originally a microfinance institution, but today around 50% of its portfolio (the total portfolio amounts to approximately USD 70M) is allocated to SME loans. Overall, 35% of CIDRE's SME portfolio is dedicated to investments (e.g. buying fields for crops, acquisition of different buildings / infrastructures used in the productive sector), approximately 40% is allocated to the acquisition of different agro machineries and equipment (e.g. dairy and meat production tools, agricultural tractors, harvesting machinery, storage facilities for different crops, irrigation infrastructure, cattle raising), 10% in working capital in the agricultural sector, while the remaining part of 15% is used to finance equipment and machineries for trade and services sector. In the next 2 years, CIDRE plans to transform into a bancopyme, equivalent to becoming a SME bank. This legal form provides the possibility to gradually offer savings to its clients as well.

Sector(s)
Agriculture

Amount Invested

USD 5 million / approximately EUR 4.5 million

Manager of the Financial Institution

CIDRE is a non-governmental organization (NGO) headquartered in Cochabamba, Bolivia and providing financial services to mostly rural populations.

Impact

The support of DGGF contributes to CIDRE being able to finance an expected 5000 SMEs in the next five years. The proposed DGGF investment will reach a large number of small SMEs particularly active in the more remote rural areas of Bolivia and in the agricultural sector. These represent a financially underserved market in Bolivia. Due to political and regulatory risk in the country, international investors are currently shunning long term commitments to the sector. By providing CIDRE a loan convertible into capital DGGF is supporting the institution in its goals to transform into a bank and further develop its services towards SMEs.

Website: <http://www.cidre.org.bo/>