

Dutch Good Growth Fund



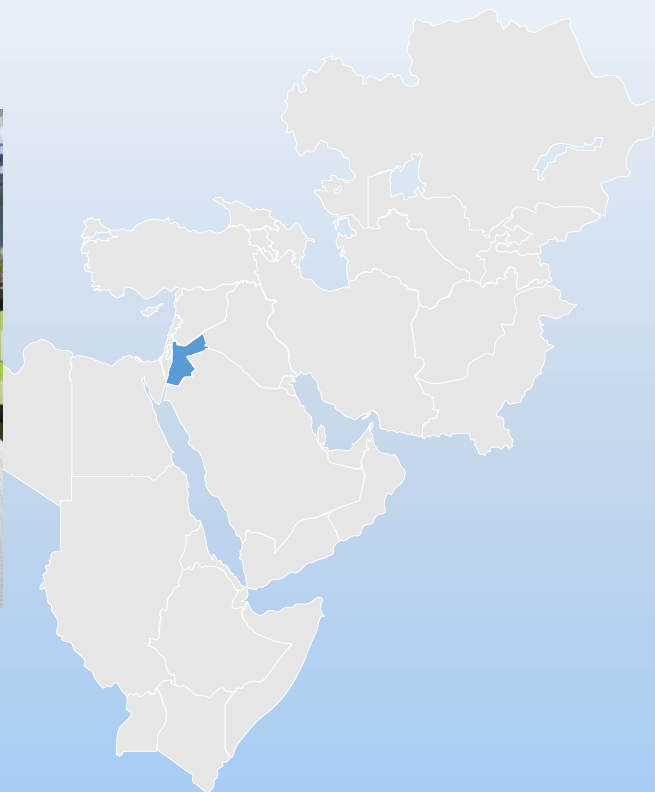
Ministry of Foreign Affairs of the Netherlands

Dutch Good Growth Fund

Liwwa



Amina, owner of Green Fields Oil factory, acquired a new distillery with a USD 10K loan from Liwwa.



Offering affordable, unsecured loans to SMEs in Jordan

DGGF's Seed Capital and Business Development (SCBD) facility is supporting Liwwa, Jordan's first digital lender catered to small businesses. Established in 2015, Liwwa offers affordable, unsecured loans in local currency equivalent to USD 7-70K that are tenured between 3-36 months, for trade and asset financing.

In Jordan, SMEs are the primary engine of jobs growth in the economy, employing up to 65% of the labour force. However, with up to 3 out of 4 enterprises facing obstacles to accessing finance, the missing-middle gap is pronounced.

Shortage of credit histories and collateral, and high transactions costs are amongst the factors prohibiting traditional financial intermediaries from serving the SME segment. By leveraging digital platforms and data-driven approaches, Liwwa streamlines onboarding and assessment processes and builds a structured credit rating tool to circumvent the conventional obstacles to SME lending.

The loan application process takes place entirely online. The resulting product enables borrowers to receive credit decisions within 48-hours and a competitive, risk-based pricing. The product is based on Islamic financing principles.

SCBD seeks to fuel Liwwa's growth and its ability to attract larger investments from local and international sources. In doing so, the facility deployed by SCBD blends debt capital to fuel portfolio expansion and technical assistance aimed at enabling Liwwa to enhance its product and risk management capabilities.