



Dutch Good Growth Fund

Part of DGGF

Export credit insurance of an export transaction from a Dutch exporter.

Title

DGGF 20160323 Milk powder Afghanistan

Exporter

Alpha Milkpowders Holland B.V.

Country of investment

Afghanistan

Sector

Dairy

Contract amount

Maximum indemnification: EUR 686.000,-

Periode

Manufacturing period: 12 months

Credit period: 6 months suppliers credit

Parties involved

Debtor: Mido Dairy Production , Kabul/ Afghanistan

Impact on development

Job creation

The transaction will contribute to the growth of direct and indirect employment. Without this transaction the factory cannot run. Through the transactions additional FTE are employed at the factory. Additional FTE will be added in the supply chain.



Increasing the strenght of production

Without the milkpowder the factory cannot produce dairy products. The delivery of milkpowder is crucial for the performance of the factory. This transaction makes it possible. Through the production of dairy products, trade within the supply chain will increase.

Sharing of knowledge, skills and techniques

There will be no direct knowledge sharing between exporter and buyer. If the factory is running efficiently, knowledge sharing between the factory and new employees and the farmers will increase.

Other positive effects of the transactions

Besides above mentioned criteria we also look at other possible positive effects, for example in the field of the environment, female or young entrepreneurship, education and healthcare. Buyer focusses on support and training of female and young employees. In the end the buyer wants to produce fresh dairy products, wich will benefit the general population.

Risk category

Given the limited size of the transaction and the fact that the transaction does not involve delivery to a sensitive sector or a sensitive area, only the exporter is reviewed.

Description

Delivery of milkpowder to a buyer in Kabul/ Afghanistan. The transaction concerns trade goods, not capital goods. Given the unrest in Afghanistan, it is not possible to cover the transaction in the regular, commercial credit insurance market. Without this transaction the factory stands idle.

