



## **Dutch Good Growth Fund**

### **Part of DGGF**

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

### **Title**

DGGF20180130 Bakery Equipment to Nigeria

### **Exporter**

Bakery Initiatives International BV, Zwijndrecht

### **Country of investment**

Nigeria

### **Sector**

Food

### **Contract amount**

Maximum indemnification: EUR 277.239,-

### **Period**

Manufacturing period: 1 months

Credit period: 36 months suppliers credit

### **Parties involved**

Debtor: Delly Tee Kenny Nig, Lagos, Nigeria

### **Impact on development**

#### **Job creation**

According to the exporter's statement, the transaction in question will lead directly to 15 additional jobs, 10 of which are for women. The indirect employment is also expected to increase by 10 jobs as a result of the purchase of ingredients locally.

#### **Increasing the strenght of production**

According to the declaration of the exporter, the productive power of the buyer will increase by approximately 50% as a result of the investment in a bakery line.

#### **Sharing of knowledge, skills and techniques.**

Exporter will train the employees of the bakery and then monitor the customers until the loan has been repaid.



### **Risk category**

This DGGF application from Bakery Initiatives BV concerns the delivery of bakery machines to Delly Tee Kenny Nig Ltd. and Ogundipe Builders Company Ltd. (i.o) in Nigeria as guarantor. This does not concern a transaction with involvement in activities that are mentioned on the FMO exclusion list. The transaction has a value of € 250,000. Since this remains below the threshold of € 1 million for DGGF transactions and for sensitive area or sector, an exporter assessment (Category E) has been carried out.

From the application form and the additional information as provided by the applicant as well as those obtained in the public domain, it is concluded that no unacceptable negative environmental and social effects can be expected. The exporter has set up its management system in accordance with international standards in the field of food safety and quality. On this basis, the environmental and social risks associated with the transaction are assessed as acceptable.

### **Description**

The investment in a bakery line will contribute to better food security in Nigeria and to better quality standards for bread as a result of the high quality of the machines to be delivered.



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