



Dutch Good Growth Fund

Part of DGGF

Export credit insurance of an export transaction from a Dutch exporter executed by Atradius Dutch State Business NV.

Title

DGGF102764420190906 Delivery of pregnant heifers Egypt

Exporter

Heemskerk B.V.

Country of investment

Egypt

Sector

Livestock farming

Contract amount

Maximum indemnification: EUR 2.736.451,--

Period

Manufacturing period: 3 months

Credit period: 36 months

Parties involved

Debtor: Multi Commerce Co., Cairo, Egypt

Impact on development

Job creation

The transaction will contribute to a growth in direct and indirect employment. Approximately 15 FTEs are currently working at the customer. The expectation is that approximately 20 additional FTEs will be employed after purchasing these pregnant heifers. This concerns 5 women. There is also an increase indirect employment due to an increase in demand from suppliers, but this is more difficult to estimate. The preliminary estimate is that indirect employment can also grow by 20 FTEs.

Increasing the strength of production

The production power is enhanced by the delivery of the pregnant heifers. It is the expectation that the buyer will achieved more sales and profit after purchasing the heifers.

This cannot yet be quantified in an amount or percentage. There will also be more trade with other local companies in the chain.

Sharing of knowledge, skills and techniques

Exporter has committed himself to a month-long intensive training course with buyer. Hereby knowledge will be shared about how to keep the heifers well and about intensive livestock farming. Exporter intends to make regular visits to the buyer. The buyer will have to become an example company in the region that can also contribute for the exporter to follow-up transactions with this buyer or others in the area.



Other positive effects

In addition to the above criteria, we also look at other positive effects, such as in the field of the environment, female and / or young entrepreneurship, education and healthcare.

The buyer will have to become an example company in the region in the field of intensive livestock farming. Based on the above, we assess this transaction as developmentally relevant.

Risk category

The present transaction is qualified as a B-project.

Description

This transaction concerns the delivery of 1,500 registered pregnant Holstein Friesian heifers by Heemskerk B.V. to Multi Commerce in Egypt. The exporter purchase part of the heifers in Germany, but the minimum percentage of the national component is amply achieved. This concerns dairy cattle. Pregnant heifers are regarded as capital goods within the OECD agreements. For pregnant heifers, we only cover the credit risk and up to a maximum of three years. The heifers are used by the buyer for starting a dairy farm.

The heifers are delivered in the port of Alexandria / Egypt by 2 shipments, the first after 2 months and the second after 4 months. No additional services are provided, the legal delivery is arrival at the port of Alexandria.

