



Dutch Good Growth Fund

Part of DGGF

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

Title

DGGF101056120190513 Food processing machines in Egypt

Exporter

Gea Food Solutions Bakel B.V., Bakel

Country of investment

Egypt

Sector

Food processing machines

Contract amount

Maximum indemnification: EUR 301.288,--

Period

Manufacturing period: 1 month

Credit period: 6 months

Parties involved

Debtor: Al Sabeel Al Jeedah Company for Poultry Production – Hegazy Group, Gharbeya/Egypte

Impact on development

Job creation

The transaction is part of an expansion project where a new factory will be built. The current transaction will contribute to a growth in direct employment, according to the exporter, the increase in direct employment will be around 100 FTEs. The male-female ratio will be 50-50. The increase in indirect employment will be around 50 FTEs, under the same gender ratio.

Increasing the strenght of production

The production power is enhanced by the delivery of the machines. The profit and turnover of the buyer will increase. Additional trade will arise as a result of this transaction with local businesses in the chain. This concerns suppliers and companies active in the sales channel.

Sharing of knowledge, skills and techniques

The machines are innovative and meet the high European standards with regard to efficiency and hygiene. The use of these machines will lead to improved knowledge and skills with regard to the processing process of the local employees in Egypt. This knowledge is transferred by GEA as part of the installation of the machines where training is given on how to operate, maintain and clean the machines.

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Risk category

The transaction involves food processing machines from GEA Food Solutions at Al Sabeel Al Jadeedah in Egypt and has a value of EUR 750,000. As this remains below the EUR 1 million threshold for DGGF transactions and is not a sensitive area or sector, only an exporter assessment has been carried out. The exporter has CSR at the center of the organization and has set up its management system in accordance with various international standards (including ISO, UN Global Compact, ILO, OECD guidelines). Based on the above, the environmental and social risk involved in the present transaction is assessed as acceptable.

Description

GEA Food Solutions (hereinafter GEA) has submitted an application for the delivery of food processing machines. The buyer is Al Sabeel Al Jadeedah Co. For Poultry Production, Giza / Egypt. The goods are delivered at once, after signing the takeover protocol.

The total contract price is EUR 750,000. Of this amount, EUR 714,726 relates to the goods and EUR 35,274 to the services. The services include packaging, transport and installation. The factory where the machines will be installed is located in the city of Tanta, Egypt.

