



Dutch Good Growth Fund

Part of DGGF

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

Title

DGGF104551320191217 Turnkey Fish processing line in Djibouti

Exporter

Weber Klimatechniek B.V., Leiden

Country of investment

Djibouti

Sector

Fish processing line

Contract amount

Maximum indemnification: EUR 463.048,-

Period

Manufacturing period: 4 months

Credit period: 60 months

Parties involved

Debtor: Loyada Fish Association, Djibouti/Djibouti

Impact on development

Job creation

According to the exporter, the transaction will immediately lead to 38 additional jobs, the share of women among the new employees to be recruited is expected to be 66%.

Indirect employment is also expected to increase by 20 jobs. Indirect employment consists of repairing fishing nets and lines, maintenance and supply of water, diesel, gasoline and lubricating oil.

Increasing the strength of production

According to the exporter's statement, the production power of the buyer will increase by around 400% as a result of the investment in the fish processing line.

Sharing of knowledge, skills and techniques

Exporter indicates that the participants of Lofa are trained in fish processing, which makes exporting fish possible. This knowledge will contribute to the growth of the fishing industry in Djibouti in general.

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Other positive effects

Lofa makes donations to the Loyada community school, the extra sales of Lofa will increase the allowances. This gives the local children better education. Foodsecurity in Ethiopië.

Risk category

The delivery by Weber Klimatechniek concerns an expansion of the freezing capacity of an existing fish processing plant of the Loyada Fish Association in Djibouti, to be assembled in the Netherlands. Since the transaction amount of this DGGF application remains below 1 million euros and the application does not relate to a sensitive sector or area and there are no increased risks of human rights violations, an E-classification assessment has been carried out based solely on the reputation of the exporter looked at. From the application form and on the basis of additional information from the public domain, it is concluded that on balance no unacceptable negative environmental and social effects are to be expected. Based on this, the environmental and social risk involved in the present transaction is assessed as acceptable.

Description

Weber intends to provide a turn key fish processing facility for a total of EUR 496,300 to the Loyada Fish Association (Lofa) in Djibouti.

Lofa was officially established in 2014 by a group of fishermen from the Loyada region in Djibouti, close to the border with Somalia. Lofa is the continuation of a previous fishing cooperative. At the moment Lofa mainly sells fresh fish in the region. It does not have sufficient freezing capacity to sell the fish in further markets. Lofa sees great potential in the export of fish, this is possible because the coast of Djibouti is very rich in fish.

Lofa wants to invest in a turn key fish processing facility. This includes in particular additional freezing capacity and, among other things, a HACCP processing room, 2 refrigerated trucks and a power generator.

With the additional freezing and processing capacity, Lofa wants to export its fish to Ethiopia. In Ethiopia, companies in Dire Dawa, Jijiga and Addis Ababa have shown an interest in Lofa's fish. With the additional income, Lofa also wants to support the community by contributing to the local school.

