



Dutch Good Growth Fund

Part of DGGF

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

Title

DGGF 1154755 automatic housing system for a poultry hatchery in Iraq

Exporter

Jansen Machinefabriek en Konstruktiebedrijf B.V.,

Country of investment

Iraq

Sector

Poultry

Contract amount

Maximum indemnification: EUR 805,457.-

Period

Manufacturing period: 12 months

Credit period: 36 months

Parties involved

Debtor: EKN Holding B.V., Amersfoort

Impact on development

Job creation

This transaction will lead to growth in local employment. It is expected that 10 FTE will be employed at the chicken farm, including 3 or 4 women. In addition, the project will also create jobs further down the chain. It is currently estimated that this will be another 8 FTE, including 2 or 3 women.

Increasing the strength of production

We have received an operating budget for the project. This assumes that approximately EUR 1.213 million in turnover will be achieved in the first year with an operating result of EUR 323K. In the following years, the entrepreneur estimates that both turnover and profit will increase further. See also for this under debtor risk.

Sharing of knowledge, skills and techniques

Iraq is lagging behind in terms of knowledge in both agriculture and animal husbandry. In addition, there is unemployment. The broiler company to be established will contribute to the employment of the local population and also to that of the suppliers. In Iraq not much attention has been paid in the past to innovation, technology and the development of animal inputs. This

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is due to the decades-long war and other political circumstances. By operating and building these chicken houses, which are built in accordance with Dutch requirements, there will be a sustainable transfer of knowledge and skills to the local population.

Other positive effects

This transaction will lead to boosting the productive power of SMEs. It is likely that other local SMEs will follow such a trajectory and start projects as well. In accordance with these Dutch standards, the business operations of a broiler farm are also more environmentally friendly than an alternative based on the traditional operational management of a poultry farm.

Risk category

The exporter's CSR policy has been assessed and found to be acceptable.

Description

The transaction concerns the furnishing of a broiler house (the Bromaxx System, patented by the exporter, including a ventilation system).

The Bromaxx System, developed by the exporter, is an automatic housing system, which consists of 3 layers and several compartments, ensures that the chickens can grow safely. Both the feeding system and the provision of clean drinking water are fully automatic and adapted to the age of the chickens. Although the system is not permitted in the EU, because there is no possibility of dust bathing, the exporter indicates that this is not yet the case for chicks/chickens of 5 weeks old. It is only necessary when the chickens have their full plumage and that happens when the chickens are about 8 weeks old. CSR colleagues will discuss this subject in more detail.

Part of the barn system is that the chicken manure does not remain on the barn floor, but is discharged automatically. The floor of the stable where the chicks are foraging has meshes that are large enough for the droppings to pass through, while the birds do not sink through with their legs. The droppings are then discharged on a conveyor belt that runs under the barn. The barn is also equipped with a manure dryer, which reduces the moisture from the collected manure from 80 to 40%. This benefits odors and CO2 emissions. The buyer will sell the dried manure to various buyers in the region.

