



Netherlands Enterprise Agency

Dutch Good Growth Fund

A program by the Ministry of Foreign Affairs

Business for development

Entrepreneurs who do business in developing countries, contribute substantially to economic growth and social inclusion in these countries. Unfortunately, they are often confronted with banks that are reluctant to provide finance. The Dutch Good Growth Fund (DGGF) supports access to finance for SME's in 66 developing countries and emerging markets.

What financing needs are covered by the DGGF?

The DGGF targets Dutch SMEs and intermediary funds that invest in local SMEs.

Dutch SMEs

Investments

Do you invest in one of the DGGF countries and are you unable to obtain financing from your bank? You may apply for up to €10 million in funding. The DGGF supplements private investments by means of guarantees and direct (co-)financing with a repayment obligation, such as loans and equity investments in projects.

Export

Do you want to export Dutch capital goods to any of the DGGF countries? The DGGF provides export credit insurance and export finance. You and your bank may obtain insurance, for an amount up to €15 million (on the basis of the maximum claims amount), to cover the payment risk associated with the export of capital goods. The premium is cost based. You may also be eligible for

financing up to €2 million if your buyer is unable to obtain financing from its own bank for the export transaction.

Financial inclusion for local SMEs

Intermediary funds contribute to the improvement of financing opportunities for local SMEs

Small businesses in developing countries are often unable to obtain financing. This is one of the main bottlenecks for SMEs to expand their business. They are called 'the missing middle'; entrepreneurs who have outgrown micro-financing but do not yet have access to conventional capital markets. The DGGF aims to reach out to these local entrepreneurs. Not by providing finance directly, but by supporting (mainly locally operating) existing or new intermediary funds. These funds in turn invest in SMEs in the 66 DGGF countries, with a focus on young and female entrepreneurs and entrepreneurs in fragile states. This part of the DGGF is a 'fund of funds', it builds intermediary funds that can drive economic growth. By doing so, the DGGF enables local SMEs to finance their business and grow. It also helps direct development of the financial sector in developing countries and emerging markets.

Social responsibility and local impact

The DGGF aims to contribute to inclusive economic development in 66 developing countries and emerging markets in Africa, Asia, Latin America and Eastern Europe. The DGGF focuses on transactions and investments by SMEs that aim to stimulate local impact and that are socially responsible. To qualify for the DGGF, initiatives must meet the following criteria:

- The project contributes to the development of the local economy, for example: by creating job opportunities, by increasing the production capacity of local industry, and by transferring knowledge to the developing country.
- The company must meet the guidelines for Corporate Social Responsibility

Other criteria are:

- Guarantee sufficient earning capacity and continuity to justify and repay loans.
- DGGF financing is additional to the market

An overview of the complete terms and conditions is available at www.rvo.nl/dggf.

Contact

The DGGF is administered by third parties on behalf of the Ministry of Foreign Affairs. The central desk for information is located at the Netherlands Enterprise Agency (RVO.nl).

Central information desk

The DGGF is managed by RVO.nl, Atradius Dutch State Business and PWC/Triple Jump. Any questions you may have can be directed to these parties through the central information desk:
Tel: 0031 88 042 42 42.

www.rvo.nl/dggf

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Netherlands Enterprise Agency (RVO.nl) is an agency of the Dutch Ministry of Economic Affairs. Netherlands Enterprise Agency implements policy for various ministries in to the areas of sustainability, agricultural, innovation and international business and cooperation. Netherlands Enterprise Agency is the contact point for businesses, knowledge institutions and government bodies. For information and advice, funding, networks and legislation and regulations.

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