



Dutch Good Growth Fund

# Part: Investing by Dutch SMEs

A programme by the Ministry of Foreign Affairs

## Business for Development

Do you want to invest in an emerging market or a developing country but are not able to obtain finance from your bank? The DGGF supports private investments by Dutch SMEs by means of guarantees and co-finances (loans) up to a maximum of € 10 million.

## The possibilities

Banks are often reluctant to provide financing for investments in developing countries and emerging markets such as Uganda, Kenya, South Africa and India (see also DGGF's country list below). Opportunities will be missed. Opportunities for you, but also opportunities for local development. The DGGF provides customised finance for Dutch SMEs who have a well-elaborated business plan.

The most common possibilities are:

### • Guarantees to EU and local banks

Does your (local) bank consider the risk on the finance required too high? The DGGF can provide a guarantee which can reduce possible losses on a loan or risk capital. A bank is more positive to provide you with a loan when the DGGF covers part (60 to 80 percent) of the risk.

### • Co-financing with private financiers

Is the financing provided by your bank not sufficient to cover your project? The DGGF can provide an additional loan at market interest

rates. Co-financing through DGGF amounts to a maximum of 49%, or a maximum of € 10 million per finance.

### • Loans to private equity funds

Is a private equity fund interested to participate in your initiative? The DGGF can provide a loan that will help the fund to finance its investments, with a maximum of 50%. Repayment occurs as far as the participations generate income, which is sufficient for the fund, compared with the investment itself. This stimulates the fund to invest further in local SMEs in investments in DGGF countries, which are relevant for their development.

The DGGF finances a maximum of € 10 million. We expect an own contribution with a minimum of ca. 20%

## Conditions

To be eligible to obtain finance for your investment, you should comply with the following conditions:

- You own a Dutch SME (European definition) with substantial economic activities in the Netherlands.
- You adhere to Corporate Social Responsibility (CSR). RVO.nl's policy is based on the principles established by the OECD Guidelines and the IFC Performance Standards. RVO.nl can inform you further about CSR or consult [www.rvo.nl/dggf](http://www.rvo.nl/dggf).
- You have prepared a well defined business plan and you must demonstrate that you have sufficient funds at your disposal for future reimbursement the finance in the future.
- The DGGF only finances profitable investments.

## 68 Target Countries

The Dutch Good Growth Fund is available for 68 developing countries and emerging markets. Fragile countries are marked with an F.

Afghanistan (F)	Colombia	Kenya	Myanmar (F)	Somalia (F)
Albania	Congo Dem. Rep. (F)	Kosovo (F)	Nepal (F)	South Africa
Algeria	Djibouti	Liberia (F)	Nicaragua	South Sudan (F)
Angola	Egypt	Libya (F)	Niger	Sri Lanka
Armenia	Eritrea (F)	Laos	Nigeria	Suriname
Bangladesh	Gambia	Macedonia	Pakistan	Tanzania
Benin	Ethiopia	Madagascar (F)	Palestinian Territories (F)	Tunisia
Bhutan	Georgia	Malawi (F)	Philippines	Thailand
Bolivia	Ghana	Maldives	Peru	Uganda
Bosnia Herzegovina (F)	Guatemala	Mali (F)	Rwanda	Vietnam
Burkina Faso	Guinee	Morocco	Sierra Leone (F)	Yemen (F)
Burundi (F)	India	Moldova	Sao Tome	Zambia
Cambodia	Indonesia	Mongolia	Senegal	Zimbabwe (F)
Cape Verde	Jordan	Mozambique		

## Contact

The DGGF is administered on behalf of the Ministry of Foreign Affairs.

For more information, please contact

Netherlands Enterprise Agency (RVO.nl)

2 Prinses Beatrixlaan

2595 AL The Hague

PO Box 93144

2509 AC | The Hague

T +31 (0)88 0424242

[www.rvo.nl](http://www.rvo.nl)

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