

EMBASSY OF THE KINGDOM OF THE NETHERLANDS IN HAVANA
& NETHERLANDS ENTERPRISE AGENCY (RVO)

JUNE 2017

INSTRUMENTS FOR CUBA

**FINANCIAL INSTRUMENTS OF THE NETHERLANDS
ENTERPRISE AGENCY (RVO)**





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Introduction

The aim of this report is to inform interested business parties from the Netherlands about the investment instruments for Cuba available to them. It will hopefully help Dutch entrepreneurs to take strategic decisions on how best to enter the Cuban market. The report is a co-production of the Netherlands Enterprise Agency (RVO) in The Hague and the Embassy of the Kingdom of the Netherlands in Havana. For more information, applications or contact details please check the RVO website: <http://www.rvo.nl> or call +31 88 042 42 42.

Contact details

Contact details of the Economic Section Embassy of the Kingdom of the Netherlands in Havana:

Name	Title	Email
Jan Alderliesten	First Secretary	Jan.alderliesten@minbuza.nl
Rodney Bustamante Salazar	Senior Policy Officer Economic Affairs	rodney.bustamantesalazar@minbuza.nl
Yuhina Mangly Lopez	Policy Officer Economic Affairs	yuhina.manglylopez@minbuza.nl
Economic Dept.		HAV-EA@minbuza.nl

Contact details of the Latin-American specialist of RVO:

Name	Title	Email
Inge Horstmeier	Business Development Coach Latin-America	inge.horstmeier@rvo.nl

Reader notes

SIB: Starters International Business

DHI: Demonstration projects, Feasibility studies & Investment Preparation Studies

PIB: Partners for International Business

IO: International Organizations

DTIF: Dutch Trade and Investment Fund



Business Partner Scan (BPS)

Instrument to get market insight

Aim

A Business Partner Scan presents an overview of possible business partners with their contact information in Cuba. Such a scan is made by RVO with the assistance of the Embassy in Havana.

Eligibility

- if you are looking for business partners in Cuba;
- the business partner you are looking for may be a trade agent, importer, distributor or a production partner;
- when you have made up your mind how many (financial) resources and how much time you are willing to spend to reach your business targets in Cuba.

Process

Potential partners in Cuba are personally approached by our staff with your business profile and they have indicated they want to come into contact with you.

Budget

A fee of € 500, - is required. You will receive the Business Partner Scan within 6 weeks with an overview of trustworthy business partners and their responses to your proposal.

Services

- You profit from the RVO's and the Embassy's extensive network in Cuba. We know the local market and know how to deal with language and cultural barriers.
- The Embassy of the Kingdom of the Netherlands in Havana offers its knowledge and experience to enhance your business opportunities in Cuba.

Contacts

Contact RVO for applications at +31 88 042 42 42



Starters International Business (SIB)

Instrument to increase your international business

Aim

The Starters International Business tool offers more export opportunities to companies looking to enter the Cuban market.

Eligibility – if you:

- have little to no experience with doing business in Cuba;
- want to embed export in your current business;
- have an organization with sufficient means;
- are willing to invest time and money to enter the Cuban market.

Budget

Coaching Voucher

- Available vouchers for 2016: 1,000.
- Value of the voucher is € 2.400 (plus 21% VAT – € 504). This amount can be recovered with a VAT declaration.
- Budget is € 2,4 million

Mission Voucher

- Available vouchers for 2016: 150.
- Value of the voucher max. € 1.500

Services

Coaching Voucher

- 3 to 5 meetings with an advisor
- End result = clear action plan
- Voucher covers advisor costs

Mission Voucher

- Allows participation in a (trade)mission or fair
 - Organized by a private party
- First time exporter



Examples

Trade mission:

Check for available trade missions organized by private parties:
www.internationaalondernemen.nl

Example Fairs:

- Securtec Cuba - International Security and Emergency Services Exhibition
- FIHAV – International Fair of Havana
- Cuba Glass - Glass Industry Event for Cuba and the Caribbean Region
- FIART – International Handcraft Fair
- International Book Fair
- PACGRAF Cuba - International Printing, Packaging and Graphic Arts Exhibition
- FIAGROP - International Agriculture and Livestock Breeding Fair
- FECONS - International Construction Fair
- FIT Cuba - Tourism International Fair
- Cuba Industria - International Industry Fair
- Feria Alimentos Cuba - International Food and Beverage Exhibition
- Informática Cuba - International Informatics, Industrial Automation and Communications Exhibition and Conference

Fair Exposition Center: PABEXPO

- Contact details:
 - Ave. 17 e/ 180 y 182, Siboney, Playa, La Habana, Cuba
 - Telephones: (53) 7271-3670, 7271-5513 y 7271-0758
 - Fax: (53) 7271-9065
 - E-mail: pabexpo1@palco.cu

Contacts

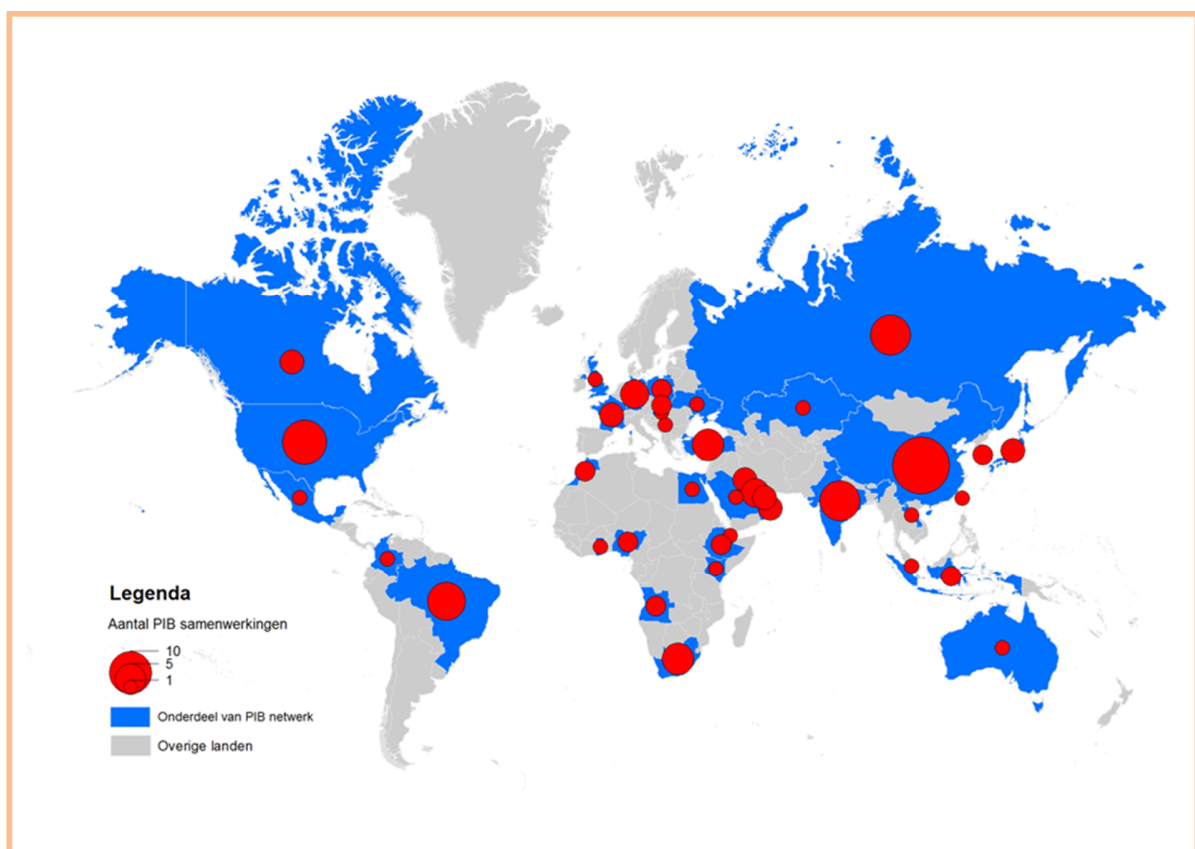
Link: www.rvo.nl/sib

Partners for International Business (PIB)

Subsidy clusters of SMEs

Aim

The instrument Partners for International Business creates a market entrance / long-term positioning of clusters of Dutch SMEs in emerging countries with the help of the unique role of RVO and the embassy.



1. Partners Worldwide

Process

- Intake
- Business case, contact per top sector
- Quick go-no go (10 working days)
- Joint production of action plan with aims, results, activities & means
- Partnership between government and cluster of SMEs



Budget

Yearly budget: 8 million euros available for the PIB-program

Government contribution: max. € 300.000,-

=> Not a subsidy (not directly available or spendable)

=> Equal commitment government and SMEs

=> Can be used for services listed below

Coordination costs are not refundable

Services

- Economic diplomacy: PIB lays the groundwork for market structuring, gives you access to the Cuban market and solves problems for the purpose of partnerships (ex. Creating a Memorandum of Understanding). The Embassy assists in laying the basis for collaboration between your company, other Dutch SME's and the Cuban authorities.
- Promotional activities: with the budget you can attend missions, seminars, liaison, Holland Branding and promotion material.
- Government2Government / Knowledge2Knowledge

Examples

- Check for projects: <http://www.rvo.nl/subsidies-regelingen/projecten/>
- Grupo AgriMex-Holanda
- Afval (water) Business Colombia (ABC)
- KasTec Brazilie
- Multi- en Synchronmodale transportcorridors in Brazilië
- Water en afvalverwerking Brazilië



DHI Regulation

Subsidy for demonstration projects, feasibility studies and investment preparation studies (DHI)

Aim

To increase and strengthen the number of Dutch companies that successfully internationalize in upcoming markets such as Cuba. This allows the ministry of Foreign Affairs to offer a positive contribution to sustainable local development in Cuba.

Eligibility

Open for 88 countries, including:

- DGGF countries
- Upcoming markets

Tender

Tender dates for Cuba: new requests may be submitted as of August 8 until September 19 2016.

Budget

- DGGF 2 million for fragile states & 2 million for other countries
- Upcoming markets 2.5 million
- Specific subsidies found below

Contacts

- Link: <http://www.rvo.nl/subsidies-regelingen/dhi>

DHI Regulation: Applicants

- 1 or more Dutch SME's
- A cluster of companies has to contain at least one SME
- Dutch exporting or and or foreign investing SME
- Minimum of 3 employees, incl. management
- Substantial turnover: subsidy may not exceed 25 % of the average annual turnover in the last 3 years.
- In case of a cluster of companies, only the formal applicant (secretary) has to meet these requirements



DHI Regulation: Modules

- Demonstration project: matches your company with new technology in the Cuban market to as many potential buyers as possible.
- Feasibility Study: to investigate the feasibility of a foreign investment in your product in order to convince one potential customer to buy your technology.
- Investment Preparation Study: to assess what you need to invest in a foreign company. The result that you receive is a bankable business plan.

DHI Regulation: Subsidy

- Demonstration project:
 - Maximum subsidy is € 200.000
 - Subsidy percentage: 50% of the costs of the demonstration project
 - Subsidy has to be in reasonable ratio to possible export return on Cuban market – ratio is 1:10
 - If the subsidy for a project is € 100.000, the export potential should be a minimum of € 1 million. Within three years expected export should be 10 times the subsidy value.
- Feasibility Study:
 - Maximum subsidy is € 100.000
 - Subsidy percentage: 50% of the costs of the demonstration project
 - Subsidy has to be in reasonable ratio to possible export return on Cuban market – ratio is 1:10
 - If the subsidy for a project is € 100.000, the export potential should be a minimum of € 1 million. Within three years expected export should be 10 times the subsidy value.
- Investment Preparation Study:
 - Maximum subsidy is € 100.000
 - Subsidy percentage: 50% of the costs of the demonstration project
 - Subsidy has to be in reasonable ratio to possible export return on Cuban market – ratio is 1:10
 - If the subsidy for a project is € 100.000, the export potential should be a minimum of € 1 million. Within three years expected export should be 10 times the subsidy value.
- *Multiplier of 10: in case you request a subsidy you will have to show that it will return 10x the subsidy amount in the market or through a deal with a potential client.*



Dutch Trade and Investment Fund (DTIF)

The DTIF offers loans, guarantees and export financing to non-DGGF-countries for both investing and exporting.

Aim

DTIF is intended for all Dutch companies seeking to invest in or export to foreign markets in developing countries (non-DGGF-countries). The fund was established in order to stimulate the globalization of Dutch companies.

Eligibility

DTIF is available to countries not serviced by the DGGF, with the exception of countries currently under sanction. DTIF Investment might be able to help in the form of loans, guarantees and direct or indirect participation with a repayment obligation if your bank qualifies the financing risk of your investment as too high. Then, the following conditions need to be met to be eligible:

- You have a properly substantiated business plan and you offer the prospect of repayment of the financing.
- Your business is established in the Netherlands and you have substantial activities here. This means that your Dutch establishment achieves sufficient turnover and profit on activities in the Netherlands, so that a co-financier also wants to provide financing.
- You preferably have a co-financier (for instance, a bank) and in addition you will preferably contribute at least 20% yourself.
- The market cannot, or only partly, facilitate your financing request.
- Your activities are not on the FMO exclusion list.
- In your project execution, you adhere to the OECD guidelines for multinational enterprises concerning corporate social responsibility.

Investment vs. Export

DTIF Investment is able to help foreign investment by loans, guarantees and direct or indirect participation with a repayment obligation to arrange necessary funding from your bank. The RVO serves as fund manager for this facility.

DTIF Exports can help export capital goods by offering export credit insurance and export funding. Atradius Dutch State Business serves as fund manager for this resource.



Kingdom of the Netherlands

Budget

DTIF can offer up to EUR 15 million in financial support for each project. The total budget is set at EUR 102 million.

Contacts

Link: <http://www.rvo.nl/subsidies-regelingen/dutch-trade-and-investment-fund-dtif>