

Investment Preparation Project Plan

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| An investment preparation project is a study carried out by a Dutch company with substantial activities in the Netherlands, which intends to invest abroad. Investing means setting up a new production or service facility, not being a sales office, or extending an existing production or service facility, not being a sales office, in the target country. The investment preparation study provides a complete and detailed business plan with which the Dutch investor can try to obtain financing for its investment. Further information about the conditions, assessment criteria and the application process is available at [www.rvo.nl/dhi](http://www.rvo.nl/dhi). This project plan distinguishes between:* Investment preparation project: the study carried out by the Dutch applicant for an investment abroad
* Investment project: the investment abroad (e.g. a new production or service facility) for which the above study is carried out
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# 1. Project details

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| --- | --- |
| Country |   |
| If case of more than one country: explain the necessity and indicate why for reasons of effectiveness or suitability, it is necessary to carry out the investment preparation project in more than one country |   |
| Project title |   |
| Start and end date of the project |  / / to / / /  |
| Project budget | €  |  |
| Subsidy amount requested | €  | *.*  |
| Company name of applicant |   |
| Sector |  Horticulture and starting materials Agro & food Water Life Sciences and Health Chemicals High tech Energy Logistics Creative industry IT Other, namely  |

# 2. The Applicant(s)

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| --- | --- |
| Name of (main) applicant*(Dutch SME exporting or investing abroad)* |   |
| Number of employees (incl. management)  |   |
| Turnover over the past three calendar years*Please provide an estimate if annual figures are not yet known.* | Turnover 20   | Turnover 20   | Turnover 20   |
| Profit over the past three calendar years*Please provide an estimate if annual figures are not yet known.* | Profit 20   | Profit 20   | Profit 20   |

## A. Description of APPLICANT

* Provide a general description of the business (founding date of the business, core activities, business strategy)
* Briefly describe the company’s experience(s) in doing business abroad (mention any similar investment projects)

Substantiate that the applicant has sufficient organisational and financial capacity to:

* Implement the investment preparation project. In case the company employs less than three staff members (including management), then substantiate in what way the organisational capacity can be guaranteed. In case the turnover is lower than 100,000 euros on average over the last three calendar years, it is important to substantiate with documentation that there are sufficient financial resources to finance the own contribution to the project
* The realisation of the export process (see 4D). When for example a scale up of the company is necessary to achieve this, describe how the company plans to realise this scale up

## B. Consortium

*If the investment preparation project is carried out by several Dutch subsidy-receiving companies, this constitutes a consortium (parties included as ‘Third Party’ in the project – see budget – are not part of this). The SME requirement applies only to the main applicant.*

Describe for each additional participant:

* Name participant
* Number of employees (including management)
* Turnover and profit over the past three years
* Provide a general description of the business (founding date of the business, core activities)

# 3. Project description

* Describe the investment project (why is the applicant going to invest, what are the objectives, what will the applicant be investing in, what is the size of the investment amount)
* Provide a comprehensive description of the project location

* Describe the technology or service that will be produced/rendered locally. Name the unique selling points of this technology or service
* Specify whether it concerns a new technology or service for the target market
* Is the technology in use already? If not, is there a working prototype that has been sufficiently tested?
* Explain if goods or services are expected to be supplied from the Netherlands

If possible, describe how the operation of the intended production/service facility is envisaged (management/responsibilities Dutch partner vs. local partner)

# 4. Business case

## A. Local partner

In an investment preparation project, the local partner (if any) is the intended local investor (joint venture partner). This local partner must issue a letter of intent showing that it intends to invest in the intended project and that there is interest in a collaboration with the Dutch subsidy applicant (or the Dutch consortium).

Where possible, the letter of intent shall also indicate the contribution of the local partner to the investment project and how this contribution will be financed

*! This letter of intent must be included as an appendix to the application. If there is no local investor, no letter of intent is required.*

Where applicable, provide a comprehensive description of the local partner(s): type of organisation, activities, size, contact person, contact details

## B. Strategy and choice of target market

* Provide a comprehensive analysis of the market and the market opportunities for the applicant in the target country and explain why you chose this market and why this is a good time to enter the market
* If you are already active in the target market, describe these activities
* Identify the main competitors and describe how the applicant’s offering is distinct from local or international competition
* Indicate how the investment project contributes to the positioning of your business on the target market
* Describe the positive substantial impact this investment has on the applicant and therefore on the Dutch economy in general. The investment can not lead to job losses in the Netherlands

## c. INVESTMENT

* Specify the total scale of the investment project? Specify your own investments and those of (if any) other parties
* Will the investment project lead to an increase in the applicant’s exports to the target country? Please explain
* (If applicable) Will the investment project lead to the export of capital goods/services by Dutch subsidy-receiving companies? Please explain
* Describe how the intended investment will affect employment and economic growth in the Netherlands

* Specify the investment costs per category. Wages and salaries are not included.

|  |  |
| --- | --- |
| *Type of costs* | *Amount investment(€)* |
| Land and building |   |
| Machinery, equipment, tools |   |
| Furnishing of an office or production location |   |
| Start-up costs |   |
|   |   |
|   |   |
|   |   |
|   |   |

## D. Political feasibility

* Describe whether and how the investment project ties in with the political priorities of the authorities in the target country
* Describe whether there are any political obstacles that should be taken into account in the investment project

## E. neccessity of government support

* Explain why an investment preparationy study is necessary for your investment decision
* Substantiate why government support is necessary for realisation of this investment preparation study

# 5. The investment preparation project

## a. Objective and set-up of the investment preparation project

* Describe the overall objective of the investment preparation project
* Specify the sub-objectives. It must be possible to assess the results of the investment preparation against the objectives. This could take the form, for example, of technical objectives (which technical matters are examined in the study), as well as organisational, marketing, legal, financial and environmental objectives. Identify the sub-objectives relevant for determining the feasibility of the envisaged investment project

* In case you include pilot production in the investment preparation project, please indicate why it is necessary that the principles of your business plan are tested in practice. Indicate any specific local circumstances you foresee resulting in bottlenecks in the implementation of the investment project
* In case you include pilot production in this project, please indicate the extent to which this is set up on the smallest possible scale. Explain how this pilot production relates to the final investment planned

## B. Activities

* Name possible project phases in the investment preparation project. Indicate the planning
* Describe which activities are carried out per phase. When doing so, specify the activities in the Netherlands and abroad. The objectives are formulated under A (‘what’). Under B, indicate which activities are needed to develop the objectives (‘how’).
* For each activity, describe in detail what the activity comprises. Indicate what will be described in the final report (the results or ‘deliverables’)

*! In order to link the budget to the activities, an activity plan should also be submitted as an appendix in accordance with the model attached to the budget. The plan should specify who carries out which activities and in how many days.*

*Please note: unnecessary time may result in rejection of the application.*

## C. PROJECT COSTS

*Please specify the costs of the investment preparation project. Use the obligatory format (Excel) to this end. Read the explanatory note carefully to assess whether your costs are eligible for grant money under the DHI Scheme. The costs must tie in with the activities to be specified in the list of activities.*

*! The budget shall be enclosed as an appendix.*

If applicable, describe which machines and equipment (hardware) will be brought into the investment preparation project and/or pilot production and how much they will cost. Costs of machinery and equipment are budgeted on the basis of cost and depreciation only.

# 6. Project organisation

## The project team

Provide a brief description of the project team members, including their expertise, and state who is doing what in the project

Indicate the role the local partner (if applicable) plays in the study. Are concrete agreements already made?

*! The CVs of the members of the project team shall be enclosed as an appendix.*

## B. Consortium

*In the event of a consortium, a cooperation agreement must be drawn up (there is no format for this) which has been signed by all participants. In any case, arrangements must be made with regard to:*

1. *the way in which each of the parties contributes to the activities of the consortium,*
2. *the manner in which decisions are taken in the consortium,*
3. *how the costs and risks are shared between the participants, and*
4. *the way in which compliance with the obligations to the Minister associated with a grant is ensured.*

*! This letter of intent must be included as an appendix to the application.*

* Describe the added value of the consortium
* Where applicable, describe the added value of non-SME companies in the consortium for the applicant
* For each consortium partner, describe its experience of doing business abroad in general, its experience in the target country, and the contribution of the investment project to strengthening the position of the relevant cooperation partner in the target country

## C. Other parties

If ‘Third Parties’ are involved in the investment project (either Dutch or local parties) provide a brief description of these parties and indicate the role that they will undertake (name of organisation, role in the project). Also relevant other parties that are not in the budget can be described here

*! If ‘Third Parties’ are shown in the budget, detailed quote(s) must be submitted (specifying the activities, number of days and rates). This quote must be included as an appendix to the application. If no quotes are available yet, this may be entered in the budget. However, in order to assess the project costs, it is important that quotes involving a substantial amount are included.*

Has the project already been discussed with a Netherlands embassy, Consulate General or other public authority? If so, with which body and contact person? Give a short summary of the contact

# 7. financing of the proposed investment project

* How large (in euros) is the proposed investment project to be carried out after the investment preparation project (both local component and Dutch exports)?
* Describe how the investment project will be financed (after the investment preparation project). You must *demonstrate* that there is a realistic view of the follow-up financing of the entire proposed investment project:
* Does the applicant/investing party have own resources (please demonstrate), are there other investors or are external funds raised? Which financiers have been approached for this? If possible, attach letters of intent from investors and/or financiers.
* Are you considering using the [DGGF Fund](http://www.rvo.nl/dggf) (developing countries) or the [DTIF Fund](http://www.rvo.nl/dtif) (other countries)? Has any contact been made with Invest International about this?

# 8. Risks

## a. Risks of ICSR (International Corporate Social Responsibility)

*When you apply for a DHI project, RVO asks you to sign a declaration in the application form, in which you, as applicant and, where applicable, any partners, declare that you are aware of and will act in accordance with the OECD guidelines (*[*www.oesorichtlijnen.nl*](http://www.oesorichtlijnen.nl)*). You also declare that you are aware of the FMO exclusion list (Netherlands Development Finance Company) and that you will not carry out any activities that are specified on this list (*[*www.fmo.nl/exclusion-list*](http://www.fmo.nl/exclusion-list)*).*

*In addition, the OECD-FAO Guidance for Responsible Agricultural Supply Chains also apply in specific cases. Applicants – and, where applicable, participants – are also asked to declare that they are aware of and subscribe to these guidelines. The applicant must report any facts or circumstances that suggest violation of these guidelines to RVO. immediately.*

*See the OECD guidelines for all ICSR risks. If necessary, use the* [*ICSR risk checker*](https://www.mvorisicochecker.nl/nl) *to identify any risks in your sector and target country (please select target country, not the Netherlands). In doing so, describe the circumstances for your own intended investment/export and for investment preparation projects also for the main local suppliers and customers. If you would still like to address some of these questions during the DHI project, please describe this clearly.*

* Please indicate per ICSR risk how you intend to prevent, mitigate or compensate for this risk
* Local partner: To what extent have you investigated the local partner/customer? Are you aware of any ICSR violations by the local partner/customer? If so, how do you intend to prevent, mitigate or compensate for these risks in the future?

## B. Other risks

* Identify any risks (other than ICSR related) that may occur during and after the execution of the investment preparation project. Describe the impact of these risks and the mitigating measures that could be taken to prevent or reduce the risks
* If the technology has to be certified before it is placed on the market, please explain how and when the certification will be achieved and what uncertainties there are

# 9. GREEN ACTIVITIES (IF APPLICABLE)

From 2023, barriers for green activities will be lowered to achieve more green jobs and sustainable exports. If projects pass the green project test, a grant rate of up to 70% of eligible costs will apply, up to the maximum amounts applicable for DHI.

The technology to be delivered, or its direct effect, must comply with at least one of the mentioned green categories of the framework below to qualify for the higher grant rate.

Select (X) to which category of 'green' the specific technology (product/approach/service) of the DHI application (the core activity) - has a positive contribution.

The contribution to “greening” must be substantial, i.e. the greening should is not just be a side effect of the relevant technology

At [www.rvo.nl/dhi](http://www.rvo.nl/dhi) under 'extra subsidie ‘groene’ DHI projecten’, the framework below is published where examples of measures or activities are described for each category.

|  |  |  |
| --- | --- | --- |
| **Category green** | **Further definition** | **Which category applies to your DHI application?** |
| 1. Reducing (the - speed of) climate change
 | Preventing further climate change by reducing greenhouse gas emissions. |   |
| 1. Adapting to the effects of climate change
 | Preparing for and taking measures against the risks of already visible changes associated with a changing climate and adapting the (built) environment preventively/anticipating or making it resilient to these changes. |   |
| 1. Sustainable use and protection of water and marine resources
 | Preserving and/or improving the quantity and quality of surface water, groundwater and marine water as well as maintaining a functioning water basin and marine system. |   |
| 1. Transition to a circular economy
 | Strengthening the closing of cycles in which raw materials, components and products lose their value as little as possible, renewable energy sources are used and system thinking is central. |   |
| 1. Pollution prevention and control
 | Measures or use of technologies to prevent or control pollution of air, soil, ground and surface water (land and sea), light and noise. |   |
| 1. Protecting and restoring biodiversity and ecosystems
 | Protecting and restoring biodiversity and ecosystems on a large scale.  |   |

For each category selected, describe:

* In what way the technology presented in the DHI application contributes to the goals of the relevant greening category.

* The contribution to greening, compared to the baseline situation in the targeted country. If possible, quantify this contribution.

# 10. Development relevance (applicable for [DGGF countries](https://www.dggf.nl/landenlijst) only)

*P*rojects should be demonstrably relevant for the countries’ development. In other words, the project must make a positive contribution to at least one of the following aspects:

1. Growth in local employment opportunities in the target country

2. Sustainable transfer of knowledge and skills, technology and innovation

3. Expansion of local production capacity for the local business involved

*Describe and substantiate how the project contributes to development objectives in relation to the target market and in particular to the aforementioned development relevance. To do this, use the document ‘Development Relevance Form’ (Excel). The assessment looks at whether the impact described is realistic.*

*! The Development Relevance Form must be enclosed as an appendix.*

# Attachments

1. Letter of Intent of the local partner (customer)
2. Completed list of activities according to model
3. Completed budget according to model (Excel)
4. CVs of experts deployed
5. In the case of more than 1 subsidy requesting company: a signed cooperation agreement (no standard format)
6. Itemised quotations of Third-Party costs (if applicable and where available)
7. Development Relevance Form (only for DGGF countries, Excel)