



## Frequently Asked Questions

### For Investors

#### **Is it possible to invest in a particular area?**

Yes, with your investment you can choose if you want to earmark your investment for Latin America, Africa or Asia. Perhaps in the future it will also be possible to earmark your investment for a particular commodity.

#### **What is the minimum amount for an investment?**

There is no minimum amount for investment. For efficiency purposes however we aim at investors who are willing to invest amounts as from USD 500.000, --. This is in line with the minimum amount of one guarantee.

#### **Will investors have a say in the SAGF?**

When investing, the investor should understand the principles and philosophy of the Guarantee Fund. Larger investors may be offered a seat in either the Steering Committee or the Board. However, to be able to operate quickly and efficiently the number of seats will be limited.

### For Local Banks

#### **We have met a prospect cooperative/SME. Can we work with you in financing this prospect?**

The Fund maintains some criteria the cooperatives/SME will have to meet. In addition, your bank should support the objectives and philosophy of the Fund and be willing to enter into a long term relationship with the cooperative/SME knowing that the Guarantee will be decreased in time.

#### **Can we have some information on the structure and the underlying legal documents.**

Please check our website for the downloads. Not only you will find the Memorandum of Understanding to be entered into by your bank, the borrower and the Fund, but you can also download our brochure explaining the structure of the fund.

#### **Can the Fund guarantee the total loan to the cooperative/SME.**

No the aim of the Fund is to provide access to finance on commercial but sustainable terms which could not be achieved without the Guarantee. The objective however is that the local bank establishes a long term relationship with the cooperative/SME. Therefore we ask for commitment from the local bank in the form of a risk sharing. The minimum risk for the local bank will be 10% and will be increased during the years. After a few years, the cooperative/SME will have built up a track record with your institution and the Fund will withdraw itself from financing the cooperative/SME

### For Cooperatives/SME's

#### **How can I apply for a Guarantee from the SAGF.**

Please download the application form from our website. Fill in and send the form with all the accompanying documents to:

Rabobank International  
Rabo Sustainable Agriculture Guarantee Fund  
P.O. Box 17100  
3500 HG UTRECHT  
The Netherlands

**I need more than USD 1.000.000,--. Does it make sense to contact the SAGF.**

There is no maximum amount for a Guarantee issued by the Fund. The participation of the Fund in this Guarantee will be limited however to approximately USD 1.000.000,--. The rest of the amount will be syndicated with possible participants.

**What is the maximum tenor of the Guarantee?**

Normally the Fund issues Guarantees with a maximum maturity of one year. In most cases the tenor is less than a year, but on a revolving basis, thus creating a kind of overdraft facility.

**For which commodities can we apply for an application through SAGF?**

There is no limit: however the following criteria are important:

- Agriculture related;
- Sustainability;
- Buying from small producers;
- Fair trade;
- Export related.

**In which countries SAGF is active?**

SAGF is a Worldwide Fund. However we set some focus areas in Latin America, Africa and Asia in this first phase of the Fund.