

DBCCI PROGRAMMES FOR BANGLADESHI SMES IN CORPORATION WITH IN DUTCH GOVERNMENT

The Royal Netherlands government offers following services to SMEs of Bangladesh through the Dutch- Bangla Chamber of Commerce & Industry (DBCCI):

Netherlands Management Cooperation Programme (PUM)

International job agency

PUM has played an important role in the field of international development assistance for the past 28 years, sending senior experts to more than 70 countries in Africa, Asia, the Middle East, Latin America and Central and Eastern Europe. Upon request, PUM's experts offer their skills and experience to businesses and organisations in places where these are most needed. PUM projects are intense and generally take two to three weeks.

In the course of their careers, PUM's advisers have gained extensive experience in nearly every conceivable field. These experts are independent and work on a voluntary basis (they receive no wages). Since its establishment in 1978, PUM has become Europe's largest 'job agency' for professional volunteers who wish to work in developing countries.

Small and medium-sized enterprises

The theory that entrepreneurs should play a major role in improving a society's standard of living has recently gained greater acceptance. Hence it is not surprising that most of PUM's clients are medium or small businesses and organisations in developing countries. By clearly defining the goals of its (short-term) missions in advance, PUM ensures that the help will reach those who need it most. The recipients must demonstrate that they cannot afford to pay for external advisers. Subsidiaries of foreign companies do not qualify for assistance. The firm or organisation must also be prepared to pay for the expert's local costs, such as housing and other expenses.

A broad range of expertise

PUM receives requests for assistance in every stage of the managerial process: administration, finance, automatisisation, production, marketing, technique and a wide variety of specialist fields. It has assigned experts to advise firms in just about every sector of industry, including construction, textile, metal and wood processing, chemicals and agriculture.

Driven by enthusiasm

PUM achieves results because its senior experts are sent in response to specific requests from developing countries. Enterprising people in the Netherlands work together with Enterprising people elsewhere. This is done on a voluntary basis. PUM volunteers do not receive a salary. They are driven by enthusiasm, the desire to make a contribution and meet a challenge: that of improving the lives of people in far-off countries. PUM has experts in every conceivable field. Developing countries value PUM's reservoir of expertise. Entrepreneurs in developing countries have had many positive experiences with the Netherlands' 'grey experts'. And nearly all experts speak of invigorating experiences and warm memories.

Bangladeshi enterprises willing to avail the facility may visit www.pum.nl for details.

Programme Cooperation Emerging Markets (PSOM)

Objective:

To reduce poverty by supporting sustainable economic development in PSOM countries;

Through:

- Encouraging Dutch companies to invest in emerging markets;
- Promoting durable trade relations

Why is PSOM being executed?

The main goals of the PSOM programme are:

- Alleviate poverty;
- Create employment and train people;
- Income generation;
- Strengthen private sector in Bangladesh.

Typical PSOM project

- **Pilot investment project (demonstration, new and risk);**
- **Joint venture between the Dutch and the Bangladeshi company. Both companies will have to invest in the project;**
- **Hardware & technical assistance (80%-20%);**
- **New for Bangladesh (new product, production method, technology);**
- **Follow-up investments: possibility of expansion after project;**
- **Maximum project duration is 2 years, max. budget EUR 825,000;**
- **Result based contracts with companies.**

Budget

- Approximately EUR 2 million for Bangladesh per year;
- Maximum total project costs are approximately EUR 825,000 (60% PSOM + 40% companies);
- PSOM contribution is 60% (max EUR 495,000)
- Own contribution of project partners is 40% (max EUR 310,000)

Economic sectors PSOM Bangladesh

- All economic sectors are taken into consideration in accordance with the MoU between Bangladesh and the Netherlands;
- Only Dutch companies can apply for PSOM;
- The JV that will be established between the Dutch applicant Company and the Bangladeshi partner company will be the recipient of PSOM;

Selection criteria PSOM

- 1. Strategic interest**
- 2. Quality project plan and business plan**
- 3. Financial aspects**
- 4. Pilot character**
- 5. Development effects**

Tender Procedure

Only Dutch companies can apply for PSOM:

1. **Intake form** (voluntary):
Free consult for the applicant with EVD advisor to see if the project idea can fit within PSOM;
2. **Qualification proposal** (tender):
Project proposal according to the obligatory format in the tender instructions (an external commission decides upon which project gets the PSOM contribution).

Intake Form

- **NOT considered as project proposal (Additional service offered by EVD)**
 - check basic idea
 - avoid energy wasted
- **NOT obligatory to use it (same applies to: Workshop How to Write)**
- **No deadline for submission**
- **Information treated confidentially**
- **Content does NOT have bearing on appraisal procedure**

Qualification proposal:

- Applicant has to use the obligatory format for the qualification proposal that can be downloaded from our website www.evd.nl/psom;
- Only the applicant can apply for PSOM;
- Take enough time to write the proposal or ask a consultant.

Summary PSOM: The basic needs

- **Mature project idea creating employment & income in Bangladesh;**
- **Two companies; one Dutch; one Bengali**
 - Each partner providing 2 annual reports
 - Good financial position partners
- **No commercial funding available;**
- **The project partners must pay for their own contribution (40% of total project costs);**
- **Total project costs max EUR 825,000 (60% PSOM + 40% own contribution)**

PSOM: from idea to project

1. Project idea / search partner
2. Consult PSOM website (Download: Tender Instructions / General Brochure);
3. Download / fill out / send: Intake Form;
4. Consult EVD the Netherlands;
5. Proposal writing ;
6. Visit workshop 'How to write a project proposal';
7. Submit project proposal to EVD the Netherlands by Deadline (15 August 2005);
8. Appraisal by EVD (including company visits) -> selection / rejection (Sep/Oct. 2005);
9. Contract negotiation/signing (December 2005);
10. Start project (January 2006).

Partner search

- www.sterenbergsalinas.nl
- www.sunsia.com
- www.advanceconsulting.nl
- CBI Netherlands: www.cbi.nl;
- Consultants such as KPMG, Ernst & Young.

New tender

- New tender will close on:
6 March 2006;
- Intake forms for free advice can be downloaded from www.evd.nl/psom;
- The tender instructions with the format for the qualification proposal can be downloaded from the website www.evd.nl/psom from
1 December 2005 .

Contact

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