

# BUSINESS DEVELOPMENT SUPPORT FUND

BIO



## INVESTMENT FUNDS

BIO's objective when it invests in funds is to enable the funds' investee companies to grow and prosper, generate jobs and build expertise. Investees not only need the tailor-made funding provided by the fund, but also skills, expertise and know-how to increase their business performance and improve sustainable business development practices at all levels.

The Business Development Support Fund is a grant fund available to co-finance projects of investees to strengthen their competencies and improve the business performance and development impact. This can either be offered through direct technical assistance projects for the investees or a technical assistance facility managed by the Fund Manager to co-finance various projects of the investee companies.

### Eligible projects

Two kinds of projects are eligible: projects transferring competencies to investees through training, advice, product development and assistance; and feasibility studies analysing the technical & economic viability of an expansion project.

Projects should be defined in time and scope and should detail the project's expected outcome and impact, activities and methodology, skills of the expert and the budget and planning. All proposed projects have to be in line with BIO's investment strategy and country eligibility criteria.

### Amounts

The maximum contribution of BIO to a TA project is €350,000. A co-financing of the investees of the fund is required. Both budget and co-financing rate should be proportional to the size, the financial capacity and the development impact of the company and the project.

### Eligible costs

Services are carried out by external, independent and qualified experts who are selected through a transparent process and are approved by BIO. Projects in progress and costs incurred are not eligible for BIO co-financing.

### Examples of eligible projects

- Market study on expansion to new locations;
- Digital product development and digital training to staff
- Improve institutional and managerial capacity in treasury and financial management;
- Strengthening Environmental & Social management through the implementation of a management system;
- Preparation for certification (ISO, HACCP,...);

### Contact and application

For more information, contact the Business Development Support Fund team at: [supportfund@bio-invest.be](mailto:supportfund@bio-invest.be).



## CASE STUDY 1 - LOCFUND II

*Tailor-made support to MFI's in the LAC region*

### FACTS & FIGURES

<b>Sector</b>	Investment Companies and Funds
<b>Subsector</b>	Microfinance fund
<b>Region</b>	Latin America and the Caribbean
<b>Instruments</b>	Technical Assistance facility
<b>Amount</b>	\$ 150,000 contribution of BIO



### PROJECT

LocFund II is a microfinance fund providing debt financing in local currency to microfinance institutions in Latin America and the Caribbean. The Fund established a Technical Assistance Facility to support MFIs in asset liability management, operational risk, corporate governance, improving the social and environmental performances.

LocFund II works with a pool of 15 pre-defined consultants. The TA coordinator manages the facility, supported by the donor committee.

Examples of projects funded are:

- training & Assistance in Assets and Liabilities Management and Risk Control for Bolivian MFI;
- workshop on Agricultural credit & Climate Risk for 40 managers of portfolio and pipeline MFI's.

#### *Clients of LocFund II testimonies:*

*"As a result of the discussions and training received from the Technical Support Facility of LocFund II we think more about what we do, while controlling risks. With auditing and performing risk control, improved coordination has been generated."*

*"The technical assistance in the area of finance helped us build tools as a team, which we continue to use, and which allowed us to grow professionally and institutionally."*

*"We recommend the technical assistance because its consultants make up a great team and transfer their knowledge in a practical and simple manner."*

## CASE STUDY 2 - ADENIA CAPITAL III

*Capacity improvement to SME portfolio companies*



### FACTS & FIGURES

<b>Sector</b>	Investment Companies and Funds
<b>Subsector</b>	SME fund
<b>Region</b>	Africa
<b>Instruments</b>	Technical Assistance facility
<b>Amount</b>	€ 150,000 contribution of BIO



### PROJECT

Adenia Capital III is a 10-year private equity fund targeting primarily control positions in small and medium-sized companies in the Indian Ocean region as well as West Africa. The fund manager established a technical assistance facility to co-finance by 50% capacity building projects in the areas of: management & governance; environment and social management; and production techniques, quality and safety.

Examples of projects funded are:

- coaching in Food Safety and Management to a dairy product manufacturer in Madagascar;
- improving financial management and organisation of financial department for ATM distributor in Ivory Coast

