

Internetconsultatie Subsidieregeling Borgstelling MKB-kredieten Aruba, Curaçao en Sint Maarten (BMKB ACS)

March 10, 2025

Feedback provided by AIB BANK NV, Aruba

In general we welcome an added option for credit enhancement through a program of government provided guarantees for commercial SME loans in the Dutch Caribbean.

A brief review of the documentation leads to the following observations for consideration:

- Dutch law regulates the guarantee agreements, which introduces the aspect of multiple legal systems to manage in the loan documentation
- Currency is limited to the Euro, which creates currency risk
- Collateral coverage will be volatile with the exchange rate variation of the Euro vs the local currency
- The Local Lender in Aruba requires a FOREX license as the guarantor is the Dutch Government with Euro as currency (we checked this with CBA). This adds to the administrative procedures with the risk of extended processing time.
- The provision to be paid to the Guarantor (source: [wetten.nl - Regeling - Regeling nationale EZK- en LNV-subsidies - BWBR0035474](#)) is one-time & upfront, an exceeds our rate for commercial bank guarantees. The promo on this facility underscores that “there is no administrative charge to the borrower”, but in practice the Lender will have to pass on this cost to the borrower. That brings the question how this is labelled as “subsidized”?
- Is the annual subsidy cap indeed EURO 6,100,000 per calendar year for the 3 jurisdictions combined?
- Why will this program only be available up to July 1, 2027? This is barely 2 years.
- The timeline for collection of the funds in case of an execution of a guarantee are long: The Minister is to confirm receipt of the request to disburse within 35 days and issues a decision nine (9) months thereafter.
- Will there be room to work with sculpted amortization in stead of only linear amortization of the credit facility?

We look forward to information on the final format for this initiative in due time. Meanwhile, we remain available to further elaborate and discuss possible mitigating options in a call or meeting.

Sincerely,

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