

A conference budget between EUR 350,000 - EUR 400,000 with 500 expected delegates.

The conference itself has produced a guarantee of	EUR	12.000,-
VGF adds a maximum of 3 x EUR 12.000,-	EUR	36.000,-
The total available guarantee is	EUR	48.000,-
Premium for the conference 2.5% of EUR 36.000,-	EUR	900,-
Suppose:		
If the conference shows a loss of	EUR	24.000,-
Than:		
25% is borne by the conference:	EUR	6.000,-
75% is borne by VGF	EUR	18.000,-

Tip

For an example of a conference budget, please go to the NBTC internet site

More information

The Pre-Financing and Guarantee Fund
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Priority / Prioritaire
 By airmail / Par avion

Stamp needed

Pre-Financing and Guarantee Fund
 Attn.: the secretary
 Postbus 5208
 2000 GE HAARLEM

Pre-Financing and Guarantee Fund



The Pre-Financing and Guarantee Fund offers two facilities:

Loans to finance the initial costs of an international conference.

Coverage of possible financial risks due to reduced attendance.

usually requires starting capital to pay the initial costs. Insurance to cover possible risks due to reduced attendance may also be needed.

The Pre-financing and Guarantee Fund (VGF) was set up by the Netherlands Board of Tourism & Conventions (NBTC) and the Dutch Convention Industry Association VNC, in co-operation with the Ministry of Economic Affairs, to meet these needs.

The two facilities the VGF offers, the pre-financing and the guarantee, may be used both separately and in combination.

Organising an international conference in the Netherlands entails very few risks. The majority of the conferences held in the Netherlands conclude with a modest positive balance. The reason lies in the fact that the Netherlands has a sound conference structure with regard to accommodation and services provided. At the same time, the Dutch conference industry is highly experienced in supervising and organising these types of events.

Initiating and organising an international conference is like starting up a new enterprise, knowing beforehand that its life span is limited. Such an enterprise



Pre-financing

Well before the conference delegates pay their registration fees, conference organisers are faced with considerable costs, such as deposits for the accommodation, costs for printed matter and mailings. These costs can be met by the VGF by way of a loan. The main advantage of a VGF loan is that it is interest-free! The amount of the loan depends on the number of expected delegates and the liquidity forecast.

Specific conditions

1. Conference budget and liquidity forecast

The PCO must draw up the provisional conference budget - as detailed as possible - and a liquidity forecast, for approval.

2. Level of pre-financing

The level of pre-financing is determined by both the size of the conference and the liquidity forecast. The maximum amount that may be loaned is EUR 90,000.

3. Repayment

The loan must be repaid in full to the VGF before the start of the conference.

4. Application

The application must be submitted at least twelve months prior to the start of the congress. The following documents must also be submitted:

- An extensive description of the conference, including title, date, venue, programme, members of the organising committee, etc.;
- Copy of the charter of foundation or certificate of the Chamber of Commerce showing the foundation's representatives at law;
- The provisional, balanced conference budget;
- A liquidity forecast.

Guarantee

Cost-wise there are virtually no risks, thanks to the Dutch conference industry's expertise and experience. The cost estimates are solid. However, organisers have less control over income. Reduced attendance will have consequences for the income.

The guarantee allows the conference to go ahead, even if the number of delegates is lower than expected.

Specific conditions

1. Definite budget

Twelve months prior to the conference, the PCO must draw up and have a definite and detailed budget approved. The guarantee amount may not be incorporated in this budget. This budget also determines the final conference fee and programme.

2. Level of guarantee

The maximum risk that may be covered by the guarantee depends on the size of the conference. Other factors that influence the level of the guarantee are the expected number of delegates, break-even point (in relation to the number of expected delegates), programme,

history of the conference and possible sponsoring.

The organiser must provide 25% coverage of the amount guaranteed, while the VGF grants a maximum guarantee of 75%.

3. Budget changes

The definite budget may be changed only after consultation with the VGF.

4. Premium

The VGF charges the conference organiser a premium of 2.5% of the guarantee amount granted by the VGF.

5. Payment

If, after the final working account has been drawn up by an accountant or other financial expert, the conference has financial commitments which cannot be met due to reduced attendance, the VGF will bear 75% of the loss, up to the level guaranteed, and the conference organiser will bear 25%.

6. Application

The application for a guarantee must be submitted in writing twelve months prior to the date the

conference is due to start and must include the following:

- An accurate description of the conference, including title, date, venue, final programme and members of the organising committee;
- A copy of the charter of foundation or certificate of the Chamber of Commerce stating the foundation's representatives at law;
- The definite, detailed conference budget;
- The final programme;
- A statement about the guarantee obtained by the conference.

7. Contract

Both the organiser (representative at law) and the treasurer of the VGF must sign the contract of guarantee no later than six months prior to the start of the conference.

General conditions

To be eligible for the facilities offered, the organisers of international conferences held in the Netherlands have to meet the following general conditions:

Duration

The duration of the international conference must be at least two days, the first day being the first working meeting that has been scheduled in the programme.

Professional Conference Organiser (PCO)

A PCO must, in principle, be employed to help organise the conference. Meetings and conferences initiated by non-Dutch Certified Meeting Planners (CMPs) may use the services of a Destination Management Company (DMC).

Foundation

The financial responsibility for the conference must be allocated to a separate non-profit foundation, which is to organise the conference.

Advice

Applications are submitted to the Secretary of the Board of the Pre-Financing and Guarantee Fund for advice.

Contracts

Contracts are valid as soon as both the organiser (representative at law) and the treasurer of the Pre-Financing and Guarantee Fund have signed.

Reservation

The VGF Board reserves the right to reject an application for reasons related to the financial position of the Fund.

More information

If you would like more information on the Pre-Financing and Guarantee Fund, please complete this reply form and return it to the Netherlands Board of Tourism & Conventions.

Name conference

Contact person

Address

Postal Code

City

Country

Telephone

Fax

E-mail

