



Dubai SME launches Mohammed Bin Rashid Fund for SME

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(MENAFN - Emirates News Agency (WAM)) Dubai SME today launched the Mohammed bin Rashid Fund for SME, a government initiative established by a law issued by Vice President and Prime Minister and Ruler of Dubai, His Highness Sheikh Mohammed bin Rashid Al Maktoum.

Aimed at maximising financing solutions for innovative businesses and developing Emirati entrepreneurs, the fund's assets today exceed AED600 million and offer Emirati nationals between 21 and 65 years old one of two types of loans: The Seed Capital Loan, offered directly to startups requiring funding of more than AED50,000 but not exceeding 500,000 and The Credit Scheme Loan, offered through banking partners and guaranteed by The Fund, to both startups and existing businesses requiring a funding of more than AED500,000 but not exceeding AED5 million.

Commenting on the launch, Sami Al Qamzi, Director-General, Department of Economic Development, Dubai, said, "The Fund follows clear procedures within the Dubai SME services, allowing entrepreneurs to benefit from integrated funding solutions."

"The Dubai SME contributes to the development of the proposed business idea, obtains necessary approvals from other government departments, offers training workshops to help integrate new business owners in the local market and support them prepare their finance application form. Once this is presented to The Fund, a feasibility study is made and financial advice and financing options are given," he added.

The Fund's operating model ensures its sustainability through re-investing the loan settlement to finance new projects. The Fund allows for a maximum of two-year grace period through which no accumulating interests would be relayed to the seed loan. The period granted to settle the loan should not exceed seven years, including the two-year grace period.

Within its mandate, the Fund will monitor the funded projects through reviewing its business reports and field visits and offering advice to entrepreneurs as and when needed.

Abdul Baset Al Janahi, Chief Executive Officer of Dubai SME and Vice Chairman of The Fund's Supervising Committee, commented, "Through The Fund, we aim specifically to nurture the sense of innovation and creativity of Emirati entrepreneurs. In addition to its financing role, The Fund will act as an incubator to innovative projects through Hamdan Innovation Incubator."

"Selecting the projects eligible for funding will be inspired by H.H. Sheikh Mohammed bin Rashid Al Maktoum's saying, 'Innovation is the key to prosperity'. We will focus on innovative project ideas that will contribute to the strategic goals of Dubai and the UAE, in addition to projects whose owners are committed to innovation through adopting leading digital and smart technologies and robotising their operations," he concluded.

Saeed Matar Al Marri, Deputy CEO and Director of The Fund, outlined the main criteria for funding applications, saying, "The project should be based in Dubai and fully owned by an Emirati. The applicant should also be personally committed to developing and executing the business plan and managing the project as a whole."