

Millennium Challenge Georgia Chooses SEAF to Manage the Georgia Regional Development Fund

Millennium Challenge Georgia (MCG) and SEAF announce the launch of the Georgia Regional Development Fund (GRDF).

The GRDF is a \$30 million risk capital investment fund that focuses on long-term growth-oriented investments in local small and medium size enterprises (SMEs) operating especially in the regions of Georgia. The GRDF will invest through a combination of debt and equity investments, generally making investments of between USD 600,000 and USD 3 million. The Fund will also have access to a USD 2 million facility funded by the MCG to provide investees with business development support and technical assistance. Davis Broach, who has worked with SEAF in Poland and Kazakhstan over the past six years, will serve as Director of the Fund and will operate out of Tbilisi with a team of local investment professionals.



While open to all sectors, the Fund will focus at least 51% of its investments on SMEs operating in or supporting Georgia's agribusiness and tourism industries. "Georgia's beautiful and varied terrain, its Black Sea location and rich culture lay the foundation for business potential in tourism, while the country's rich land and agricultural tradition should provide a strong foundation for future growth in that sector," said Bert van der Vaart, President and CEO of SEAF. SEAF offers risk capital in combination with strategic business support, including lessons learned from SEAF's more than 240 investments around the world. Firms partnering with SEAF are expected to profit from SEAF's ability to access industry know how and regional and global markets. The result should be that value would be created for the companies in which the Fund will invest and for the Fund, as well as sustainable enterprise growth for Georgia.

The MCG (www.mcg.ge) was established by the Government of Georgia with funding from the Millennium Challenge Account, a new mechanism established by the United States Government for providing aid to countries that fight corruption, support rule of law, invest in the health and education of their people, and adopt open markets. The MCA is managed by the Millennium Challenge Corporation (www.mca.gov). The MCA is unique in that its local country counterparts determine their own priorities and design their own development plan through an intensive public consultation process.

SEAF (www.seaf.com) is a global investment firm focused on providing growth capital and operational support to businesses in emerging markets and those underserved by traditional sources of capital. Based in Washington D.C. with a European office in Amsterdam, the Netherlands, SEAF invests in more than 22 countries around the world through an international network of 16 offices in Central and Eastern Europe, Latin America, and Asia. Investors include a cross section of public and private institutions, including several of the international finance institutions, local pension funds, insurance companies, banks and family offices.

For more information on the GRDF, please contact Mildred Callear in SEAF/Washington at +1-202-737-8463 or callear@seafweb.org, or Davis Broach in Tbilisi at +995 55 292908 or davis@seaf.com.