



**Pre-financing
& Guarantee Fund**

VGF

**Financial
security for your
international conference**

What is the Pre-financing & Guarantee Fund?

The Pre-financing & Guarantee Fund (VGF) is intended to give organisers of international, multiple-day conferences in Holland increased financial security. The fund helps conference organisers to cover pre-conference expenses, and other financial risks. It encourages organisers to realise conferences.

The VGF combines two separate schemes; a pre-financing scheme and a guarantee scheme. We offer you the possibility to use these two schemes separately, or to combine the two.

The Pre-financing scheme

In the preparatory stages of the conference, the organiser has to deal with various aspects that must be paid for. Examples are the costs for establishing a foundation, a down payment for the accommodation, and expenses incurred for developing marketing tools, such as a brochure, first announcement, or website.

As the registration fees will not be received until later, the organisers may not always be able to fund these initial expenses. The pre-financing scheme of the VGF can help to pay these costs.

Conference organisers may apply to the VGF for an interest-free loan, free of charge. The loan is capped at € 90,000, with the actual amount depending on the size of the conference and the liquidity forecast.



The Guarantee scheme

All conference budgets have expenses and income. A limited risk only is attached to the costs, because conference organisers can benefit from the knowledge, experience and the stable infrastructure of the Dutch conference industry.

The income, however, is less solid. Most of the income, apart from possible sponsoring, comes from the registration fees of the attendees. This is exactly where the main risk lies for organisers. If the attendance level falls short of expectations, this yields less income, which will impact the overall conference budget.

In order to minimise this risk, the VGF offers the possibility of a guarantee. This guarantee allows the conference organisation to guarantee that the event will take place, in spite of possible disappointing numbers of attendees. The guarantee is capped at € 90,000, and the actual amount depends on various aspects, such as the size of the conference, the history of the conference, possible sponsoring, and the overall budget. Moreover, the budget must have been drawn up competently.



History VGF

The idea for the Pre-financing & Guarantee Fund (VGF) was first launched in the 1980s, by the Netherlands Board of Tourism & Conventions (NBTC). In concert with other parties, NBTC wanted to set up a fund to encourage scientists who were considering organising an international conference in Holland for several days. NBTC sought cooperation with the Dutch Convention Industry Association, now CLC Vecta, the Ministry of Economic Affairs, and some twenty organisations in the Dutch conference industry. In 1986, this resulted in the foundation of the Pre-financing and Guarantee Fund International Conferences Holland, abbreviated to VGF.

Are you eligible?

Read on for the main terms and conditions:

General VGF guidelines:

- *The VGF assists organisers of international, multiple-day conferences in Holland that focus on the exchange of knowledge. The duration of the conference is a minimum of two days, calculated from the day on which the first working session takes place, in accordance with the programme.*
- *The conference must be organised by a party that has verifiable expertise in organising international, multiple-day conferences. A Professional Congress Organiser (PCO) is often asked to assist with or organise the event.*
- *The financial responsibility for the conference must, in principle, be placed with a separate foundation for the organisation of the conference in question, on a non-profit basis. Other legal formats are also possible.*
- *The applications must be submitted to the director of the Pre-financing and Guarantee Fund Foundation.*
- *The agreement is valid from the moment that both the organiser, i.e. a representative who has the authority to sign, and the treasurer of the VGF have signed the contract.*

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

Additional terms and conditions

Pre-financing Scheme:

- The VGF Foundation wishes to receive a conference budget and a liquidity budget, drawn up by a party that has verifiable expertise in organising international conferences that last several days. These budgets are often drawn up with the assistance of, or by, a Professional Congress Organiser (PCO).
- The actual pre-financing amount depends on both the size of the conference and the liquidity budget. The maximum amount that will be pre-financed is € 90,000.
- The loan must be repaid in full to the VGF prior to the start of the conference, by means of a direct debit. The application may be submitted until eight months before the start date of the conference, and must include the following:
 - *A detailed description of the conference, including the name, dates, venue and city, the draft programme or definitive programme, and the names of the members on the organising committee;*
 - *A copy of the deed of foundation, or an extract from the Chamber of Commerce, that shows who is authorised to represent the organiser;*
 - *A provisional, balanced budget;*
 - *A liquidity forecast.*

Additional terms and conditions

Guarantee Scheme:

- No later than eight months prior to the start of the conference, a definitive, balanced, detailed budget must be submitted. This budget may not include the guarantee amount, and must show the definitive registration fee and the definitive programme.

- The maximum risk that may be covered by the guarantee scheme depends on the size of the conference. The following aspects are considered for the assessment: the expected number of attendees, the size of the budget, the break-even point in relation to the expected number of attendees, the programme, the history of the conference, and the possibility of and actual sponsoring. The maximum guarantee amount that may be granted is € 90,000.
- The definitive budget may only be amended after consultation with the VGF.
- The VGF charges the organiser a 2.5% premium of the guarantee amount provided by the VGF.
- In case payment obligations cannot be met from the organisation's own funds, because of disappointing attendance, the VGF will cover the deficit up to the agreed guarantee amount, after the verifiable, definitive statement of operating income and expenditure of the conference has been drawn up.
- The application for a guarantee must be submitted in writing until eight months before the start of the conference, and must include the following:
 - *A detailed description of the conference, including the name, dates, venue and city, the definitive programme, and the names of the members on the organising committee;*
 - *A copy of the deed of foundation, or an extract from the Chamber of Commerce, that shows who is authorised to represent the organiser;*
 - *A definitive, balanced, detailed budget.*
- The guarantee contract must be signed by the organiser, i.e. a representative who has the authority to sign, and the treasurer of the VGF, no later than six months prior to the start of the conference.

"Using the VGF scheme gave us the much-needed financial backing for the organisation of our international conference."

Hans H. Horsting, Secretary of the Foundation 25th International Congress of Vexillology in Rotterdam

"The VGF is a fantastic opportunity for a conference organiser to apply for a guarantee amount. Because of the VGF we do not have to worry as much about our income from registration fees."

Lidwien Hollanders, M.A., organiser of the 21st Conference of the International Research Society for Children's Literature in Maastricht

"The guarantee fund takes away some of the financial risks that you run as a conference initiator, while the fee is minimal."

Susanne Pauwels, Managing Director of Pauwels Congress Organisers, and PCO for the 3rd International One Health Congress in Amsterdam



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The VGF is available for the organisation of international, multiple-day conferences with a focus on the exchange of knowledge. The VGF is intended to reduce financial risks, thereby encouraging organisers to organise an international conference. The VGF provides a free, and interest-free, loan. In addition, the VGF offers a conference insurance with extensive financial security, against a small financial contribution.

Where can I find more information?

For more information about the VGF, please go to www.VGFHolland.nl. This website also has an example of a conference budget.

Alternatively, you may send an e-mail to info@VGFHolland.nl, or call us on **+31 (0)70 370 57 05**.

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Tourism & Conventions