

LETLHABILE PRODUCT GUIDELINES



CEDA

FINANCE • DEVELOP • SUSTAIN



#BuildingBatswanaForBotswana
www.ceda.co.bw



CONTENTS

Introduction	3
Objectives	4
Types of Informal Sector Businesses	4
Eligibility	4
Financial Type Of Support	5
Loan Amount Limit	5
Loan Interest Rate And Moratorium	5
Loan Instalment Frequency	5
Loan Tenure	5
Disbursement	6
Security	6
Delivery Channels	6
Checklist	7
Contacts	8

1. Introduction

- 1.1 Letlhabile focuses specifically on uplifting the informal sector, targeting individuals who predominantly sustain their livelihood through business activities at the micro and informal sector level.
- 1.2 Letlhabile is geared towards achieving the Agency's objective of revitalisation and sustaining the informal sector businesses.
- 1.3 Letlhabile focuses on supporting businesses in the informal and micro enterprise sector that are start-ups and businesses that have been in existence for at least more than six months.
- 1.4 Letlhabile forms part of the available bouquet of CEDA's complimentary, sustainable and long-term products available to Batswana.
- 1.5 The programme will be delivered through all CEDA branches.
- 1.6 CEDA will provide training on informal business management practices to funded applicants where applicable.

2. Objectives

- 2.1 Support and sustain economic activities of the informal sector and microbusinesses.
- 2.2 Protect jobs of the self-employed informal sector.
- 2.3 Lessen Government intervention to support livelihoods of the populace which has been self-reliant.
- 2.4 Restore availability of products and services that are provided for the community especially in rural communities and other segments of towns and cities relying on the informal sector.
- 2.5 To encourage savings habit amongst the informal sector participants.

3. Types Of Informal Sector Businesses

- 3.1 **RETAIL;** Street vendors, Hawkers, General dealers, Tuck-shops, Food vendors.
- 3.2 **SERVICES;** Hairdressers, Car washes, Panel beaters and other artisans, knitters, transport (taxis), Beverage production, textile production, various bread production, nursery, etc.
- 3.3 **AGRICULTURE;** Poultry (eggs and meat), horticulture, Agro-processing
- 3.4 Any other types of micro enterprises.

4. Eligibility

- 4.1 Start-up businesses seeking to venture into informal businesses
- 4.2 Existing businesses seeking to expand or develop their informal business.
- 4.3 Demonstration of business activity for the last six (6) months through records (License/Compliance letter and cashbook, or sales book, or invoices, or receipts, or bank statements, or mobile services statement) for existing businesses only
- 4.4 Individuals without formal employment, if employed the promoter must be earning income below P4,000.00 and must provide proof of employment and salary

5. Financial Type Of Support

- 5.1** Working Capital & Asset Finance Loan (e.g Tools, machinery, equipment, Stock, raw materials, fuel or transport).

6. Loan Amount Limit

- 6.1** Minimum P500.00 and maximum P20,000.00 for start-ups
6.2 Minimum P500.00 and maximum P50,000.00 for expansions

7. Loan Interest Rate And Moratorium

- 7.1** Letlhabile loan interest will be charged at prevailing bank rate, currently at 10.76% per annum, while special sector loans will be charged at prevailing bank rate minus 3%.
7.2 Interest will be charged on Moratorium period

8. Loan Instalment Frequency

- 8.1** Loan installments repayments will be accepted on a weekly, fortnightly, monthly basis and per cycle [Loans can be paid at any of these intervals]
8.2 The frequency will depend on the operational cycle and structure of the business.

9. Loan Tenure

- 9.1** Loan repayments range from 3 months to a maximum of 24 months for working capital facilities.
9.2 Repayments for loans including assets (equipment & tools) will be repaid from 3 months up to a maximum of 36 months.
9.3 Maximum loan tenure is 36 months.

10. Savings For Non- special sector

- 10.1** The saving shall be made by the applicant for Letlhabile
- 10.2** The contributions are to encourage a savings culture amongst the informal sector participants.
- 10.3** The savings shall also act as collateral for the CEDA loan.
- 10.4** The savings shall be at least 20% of the loan amount.

11. Security

The following shall be acceptable collateral for any loan granted:

- 11.1** Personal surety
- 11.2** Deed of Cession over the 20% of loan amount held at the client's savings account in favour of the Agency.
- 11.3** Assets financed by CEDA where applicable.

12. Delivery Channels

- 12.1** All CEDA physical branches throughout the country.
- 12.2** CEDA mobile offices from time to time at areas of need.
- 12.3** Kae Kapa Kae

13. Checklist

LETLHABILE LOAN APPLICATION CHECKLIST (REQUIRED DOCUMENTS)	TICK
1. Completed Loan Application form	
2. Certified copy of Omang	
3. License to operate business where applicable (hawkers, trading, exemption etc)	
4. Company resolution to borrow (If a Company)	
5. Certified copies of Shareholders & Directors IDs (If a company)	
6. Certificate of Incorporation (If a company)	
7. Company Extract Documents	
8. Tax Clearance Certificate where applicable	
9. Certified copy of Marriage Certificate, where applicable	
10. Certified copy of Deeds Marriage Instrument (Form A & B)	
11. Certified Copy of ID for Spouse if married	
12. Quotations for items to be financed from suppliers	
13. Proof of past business activity, for the last six (6) months for existing businesses (License/Compliance letter and cashbook, or sales book, or invoices, or receipts, or bank statements, or mobile services statement)	
14. Proof of Residential address (Can be proven with Utility Bills that bear the address / Affidavit)	
15. KYC forms	



CEDA NETWORK



GABORONE BRANCH

Physical Address

Plot 5129, Gaborone Main Mall Corner
Pilane and Queens Road

Postal Address

Private Bag 00504, Gaborone, Botswana
T : +267 3181022, F : +267 3181022

PALAPYE BRANCH

Physical Address

Riverview Mall A1 Road,
Plot 8717 Unit 17, Palapye

Postal Address

Private Bag 24, Palapye, Botswana
T : +267 4920279, F : +267 4920235

LETLHAKANE BRANCH

Physical Address

Plot 10297, Mokgobelele Ward, Letlhakane
Postal Address

Private Bag 55, Letlhakane, Botswana
Tel: 297 6254

SHAKAWE BRANCH

Physical Address

Acacia Mall - Unit 10, Plot 180, Shakawe
Botswana

Postal Address

Private Bag 16, Shakawe.
Tel: 6875090. Fax: 6875093

GHANZI BRANCH

Physical Address

Plot 1299 (Opposite Bus Rank, Next to
Delta Pharmacy)

Postal Address

P. O. Box 792, Ghanzi, Botswana
T : +267 659-7331, F : +267 659-7595

KANYE BRANCH

Physical Address

Maswabi Complex, Plot. No. 1264,
Sebonego Ward, Kanye

Postal Address

Private Bag 16, Kanye, Botswana
T : +267 544-0324, F : +267 544-1109

PHIKWE BRANCH

Physical Address

Behind Barclays Bank (next to Coop), Main Mall
Postal Address

Private Bag 190, Selebi Phikwe, Botswana
T : +267 262 2377, F : +267 262 2374

HUKUNTSI BRANCH

Physical Address

Macheng Mall, Plot No. 158, Unit 7

Postal Address

P.O Box ,131 Hukuntsi Botswana
T : +267 6510170 F: 267 6510169

KASANE BRANCH

Physical Address

Plot 5085- Nunga Road (Within the Rural
Administration Centre)

Postal Address

P O Box 63, Kasane
Tel : 625 0183 Fax: 6250185

TUTUME BRANCH

Physical Address

Plot No 1551, Magapatona Ward
Sefalana Shoppers Complex

T : +267 298 7003

MOLEPOLOLE BRANCH

Physical Address

Plot 470, Borakanelo Ward, Molepolole
Postal Address

P. O. Box 3271, Molepolole, Botswana
T : +267 5920000, F : +267 5915318

FRANCISTOWN BRANCH

Physical Address

Plot No 323676 (Unit 6,7,8) Donga
Along Marang Road

Postal Address:

P. O. Box 1845, Francistown, Botswana
T : +267 241-2775, F : +267 241-6045

MAUN BRANCH

Physical Address

Tsheko Road (Next to Standard Chartered
Bank and Behind Center Lodge), Old Mall

Postal Address

P/Bag 393, Maun, Botswana,
T : +267 686-4169, F : +267 686-4858

TSABONG BRANCH

Physical Address

Plot No. 7069, Tsabong Rural Administra
tive Centre (RAC)

Postal Address

Private Bag 23, Tsabong
T : +267 654 0208 F : +267 654 0208