



CEDA

FINANCE • DEVELOP • SUSTAIN

# CO-OPERATIVES PRODUCT GUIDELINES



## 1. PRODUCT GUIDELINES

The product will be aimed to finance the following:

- i. Equipment, Plant & Other Asset Acquisition
- ii. Property Development
- iii. Working Capital Needs

### Criteria For Funding

- i. Co-operatives both start-ups and expansions
- ii. Co-operative with a business or income generating activities. This does not include funding for on-lending activities.
- iii. Co-operative registered with Ministry of Trade and Enteprenuership (Department of Co-operative Development)
- iv. Level of Funding will depend on the viability of the co-operative.
- v. Priority will be given to Co-operatives operating in the special sectors, these are currently manufacturing, mining, construction, energy, technology and innovations, agriculture, creative industry and tourism.

## 2. Loan Limit

- i. Minimum Loan Amount : P500.00
- ii. Maximum Loan amount : P50 million

## 3. Interest Rate

Interest rates will be consistent with the CEDA Credit Policy and CEDA Guidelines depending on the loan amount.

## 4. Repayment Period

The repayment period will be in line with CEDA Credit Policy and CEDA Guidelines

- i. Working Capital & Trade Finance Products as per working capital guidelines
- ii. Asset Acquisition
- iii. Infrastructure or Property Development

## 5. Frequency of Payments

From Monthly, depending on the operating cycle of the financed business activity and or of the co-operative's other income sources.

## 6. Grace Period

This will be in line with CEDA Credit Policy, CEDA Guidelines and aligned to the business operating cycle.

## 7. Security and Collateral

As a rule, all projects financed by CEDA shall be secured to the satisfaction of the Agency as per the Guidelines. The Agency may require up to 100% security cover depending on the viability of the project and risk appetite of the Agency from time to time.

## 8. Types of Collateral

- i. Cash or equivalent (i.e. Bank deposits, etc.)
- ii. Equity/ stock of listed companies on major stock exchanges
- iii. Government and corporate bonds
- iv. Mutual funds
- v. Real estate
- vi. Bank guarantees
- vii. Other credit guarantees
- viii. Tangible assets

## 9. Contribution

As a rule, promoters of projects to be financed by CEDA should show commitment through contribution. Contribution may either be in cash or in kind (tangible assets)

The co-operative must show proof of their contribution; through any other verification methodology.

## 10. Eligibility of the Applicant

- i. Formally registered Co-operative with bye laws.
- ii. Sound & competent Management team of the Co-operative in place
- iii. Co-operative should have up to date audited financial statements
- iv. Co-operative should comply with all statutory requirements as stated by the Department of Co-operative Development (Co-operative Societies Act and Co-operative bye laws).
- v. Clean credit record for the co-operative and the Management Board .
- vi. Disbursements for goods will be paid directly to the supplier.
- vii. Disbursement will be done after engagement of mentors, where applicable.
- viii. Willingness to comply with training & mentorship programs of the Agency for both Management Board and employees.

## 11. Application Processing Time

The product will follow the normal CEDA procedures as per the CEDA Guidelines for loan application assessment.

## 12. List of Requirements

- i. Registration certificate
- ii. Co-operative Bye- Laws
- iii. Borrowing Resolution
- iv. Proof of Annual returns

- v. Tax clearance certificate
  - vi. Audited financial statements
  - vii. Financial projections
  - viii. Curriculum Vitae for all Management Board and Key members of staff
  - ix. Detailed Business plan
  - x. 12 months Bank statements
  - xi. Proof of land ownership where applicable
- 
- xii. Business licences
  - xiii. CEDA Application Form
  - xiv. Submit a recommendation letter from the Area Co-operative Officer.
  - xv. Submit a copy of the limitation of borrowing powers.
  - xvi. Submit a copy of full minutes that fixed the borrowing powers of the cooperative.
  - xvii. All other requirements applicable to the type of business (Refer to Services, Agribusiness or Property and Manufacturing Checklists)



**Toll Free Number: 0800600253**  
**www.ceda.co.bw**



## CEDA NETWORK

### GABORONE BRANCH

*Physical Address*

Prime Plaza, Plot 54358, Corner PG  
Matante Road & Khama Crescent Ext, CBD

*Postal Address*

Private Bag 00504, Gaborone, Botswana  
T : +267 3170895, F : +267 3170896

### 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

### 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

### 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

### 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

### 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

### MOLEPOLOLE BRANCH

*Physical Address*

Plot 470, Borakanelo Ward, Molepolole

*Postal Address*

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

### 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

### LETLHAKANE BRANCH

*Physical Address*

Plot 10297, Mokgobelele Ward, Letlhakane

*Postal Address*

Private Bag 55, Letlhakane, Botswana  
Tel: 297 6254

### 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

### SHAKAWA BRANCH

*Physical Address*

Acacia Mall - Unit 10, Plot 180, Shakawe  
Botswana

*Postal Address*

Private Bag16, Shakawe.  
Tel: 6875090. Fax: 6875093

### 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

### 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