CEDA

FINANCE • DEVELOP • SUSTAIN

GROUP FUNDING
PRODUCT GUIDELINES

1. PRODUCT GUIDELINES

1.1 The product will be aimed to finance the following:

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

2. Criteria For Funding

i. Types of groups eligible are Cooperatives, Associations, clusters, syndicates
ii. Startup and expansion groups
iii. Group with a business or income generating activities. This does not include funding for on-lending activities.
iv. Co-operative registered with Ministry of Trade and Entepreneurship (Department of Co-operative Development)
v. Level of funding will depend on the viability of the group business activity.

3. Loan Limit

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

4. Interest Rate

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

5. Repayment Period

5.1 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

6. Frequency of Payments

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

7. Grace Period

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

8. Security and Collateral

8.1 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.

9. 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

10. Contribution

10.1 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 Group must show proof of their contribution; through any other verification methodology.

11. Eligibility of the Applicant

i. Formally registered Co-operative with bye laws.
ii. Sound & competent Management team of the Group in place
iii. Co-operative should have up to date audited financial statements (if its an existing business)
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 group 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 and or its partners for both Management Board and employees.

12. Insurance

All successful applicants will be required to take out the following insurance covers that will be part of the loan

8.1.1 Credit life insurance to insure against death, permanent disability.

8.1.2 Comprehensive insurance to insure againt fire, business interruption, stock loss, goods in transit, money loss etc (where applicable)

13. Application Processing Time

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

NB: *Below are additional requirements to the existing CEDA checklists (Agribusiness, Services, Property, Manufacturing)*

GROUP FUNDING CHECKLIST		TICK
1	Completed CEDA Group Funding Application Form	
2	Certified copy of Registration Certificate of group (where applicable)	
3	Group resolution to borrow	
4	Certified copy of Bye-Laws (where applicable)	
5	Copy of full minutes that fixed the borrowing powers of the Group	
6	Letter of recommendation from Department for Co-operative Development (where applicable)	

CEDA

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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 Coorp), 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 Phamarcy)
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

SHAKAWE 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