

# CEDA EMERGENCY RESPONSE FUND

Further to the notice that the Agency put out on the 27th March 2020 with regards to changes in the daily operations of the Agency, and as result of the address by His Excellency the President of Botswana, Dr Mokgweetsi Eric Masisi, on the 31st March 2020 the Agency has put in place a special relief protocol in an effort to cushion the effect of the pandemic towards SMMEs that are most vulnerable and susceptible due to their compromised capital reserves to absorb the economic shocks of Covid-19.

## 1.1 CEDA EMERGENCY RESPONSE FUND

A special CEDA EMERGENCY RESPONSE FUND will focus on working capital facilitation and providing repayment breaks for CEDA clients (both Mabogo-Dinku and Mainline).

The interventions that have been put in place for mitigating the impact of the economic downturn brought about by the COVID-19 pandemic are:

- Rescheduling of loans
- Restructuring of loans
- Provision of working capital

The Fund will be funded with an amount of **P40 million** to support the continued operational activities of the existing CEDA funded SMMEs.

Below is the framework that has been implemented for the support through the Fund:

### 1.1.1 WORKING CAPITAL

SOLUTION	WORKING CAPITAL
Objective	Sustain business cash-flow needs during the strained business period due to Covid-19
Purpose	Payroll expenses, Rent, Property payments, Utility expenses and or any other operational expenses of a similar nature
Eligibility	All CEDA Clients in good standing affected by Covid-19
Period of Offer	April, 2020 until 31st December, 2020
Amount	Up to 50% of total normal business operational expenses
Tenure	Up to 24 months, Dependent on sector impact
Moratorium (interest free)	Up to 12 months, Dependent on sector impact
Interest Rate	5% below P500,000 and 7.5% above P500,000
<b>NB: Moratorium period is within the maximum allowable 24 months tenure and not separate</b>	

### 1.1.2 MABOGO-DINKU REPAYMENT HOLIDAY

SOLUTION	MABOGO-DINKU MORATORIUM
Objective	Repayment holiday during the strained business period due to Covid-19
Purpose	Lessen the burden of loans repayments on micro businesses to cushion the hardships on the livelihood of the promoters
Eligibility	All Maboko-Dinku Clients affected by Covid-19
Period of Offer	April, 2020 until 31st December, 2020
Tenure	Up to 6 months, reviewable
Moratorium (interest free)	Up to 6 months, reviewable

### 1.1.3 REPAYMENT HOLIDAY (ALL OTHER CEDA LOANS EXCEPT 1.1.2)

SOLUTION	MORATORIUM
Objective	Repayment holiday during the strained business period due to Covid-19
Purpose	Lessen the burden of loans repayments during the period which affected most of the industries especially hospitality and transport mainly due to travel restrictions
Eligibility	All CEDA clients in good standing affected by Covid-19
Period of Offer	April, 2020 until 31st December, 2020
Tenure	Up to 12 months (dependent on the market recovery and type)
Moratorium (interest free)	Up to 12 months

## 1.2 COVID-19 ESSENTIALS SUPPLIES LOAN (NEW PRODUCT)

This is a special loan facility that will be extended to companies that are involved in the production of essentials that are related to Covid-19 and or products that have a high propensity and viability to be manufactured during and beyond the period of Covid-19. The loan is aimed at ensuring heightened citizen participation and empowerment in the production and supply of items such as sanitizers, gloves, masks and other identified essentials to ensure the country's sufficiency.

SOLUTION	ESSENTIALS SUPPLIES LOAN
Objective	Facilitating new entrants in the market of identified essentials through a special loan.
Purpose	To increase the country's independence on medical and other critical essentials as identified during Covid19- effect, to ensure sustenance through local production
Eligibility	Botswana citizens
Period of Offer	April, 2020 until 31st December, 2020
Tenure	Up to 15 years
Moratorium (interest free)	Up to 24 months

We would like to emphasise that there are specific terms and conditions to both the relief fund as well as the essential supplies loan being:

- Non - performance should be related to Covid-19 pandemic.
- Total proposed CEDA exposure including existing CEDA loans must not exceed P30 million.
- Purpose of the loan should not be for domestic consumption but for business rescue only.
- Submission of proof of CEDA funding utilisation during the business rescue period.
- Applications will be subjected to validation for benefit of other Government interventions/ subsidies meant to address the similar effects of Covid-19 pandemic.

## 2. NON-FINANCIAL SUPPORT INTERVENTIONS

The Agency will put in place special mechanisms through its business support provision to provide non-financial support interventions to the affected businesses during the period of effect. These interventions will be meant to assist businesses to turnaround after and during the period of distress as a result of the COVID-19 pandemic.

### NB: ALL OTHER GENERAL CEDA LOAN CONDITIONS SHALL APPLY

For more information, the following can be contacted during the **28 Day Extreme Social Distancing period**. Applications will only be received via email. (reliefapplications@ceda.co.bw) Application forms are available at [www.ceda.co.bw/applications](http://www.ceda.co.bw/applications).

BRANCH LOCATION	CONTACT NUMBER TO TEXT	LANDLINE
Gaborone Branch	+267 77597028	+267 3170895
Molepolole Branch	+267 77930841	+267 5920000
Kanye Branch	+267 74853512	+267 5440324
Hukuntsi Branch	+267 72922802	+267 6510170
Ghanzi Branch	+267 77504736	+267 6597331
Maun Branch	+267 76342365	+267 6864169
Kasane Branch	+267 72601278	+267 6250183
Lethakane Branch	+267 74377819	+267 2976254
Francistown Branch	+267 72986201	+267 2426800
Selebi Phikwe branch	+267 72688229	+267 2622377
Palapye Branch	+267 75291587	+267 4920279

The public is further notified that the Agency will not be accepting any new business loan applications from 02nd April 2020. The Agency will ONLY consider CEDA EMERGENCY RESPONSE FUND & COVID-19 Essentials Supplies Loans.

We would like to take this opportunity to thank you Batswana for your patience and understanding through these times of uncertainty. CEDA will always stand tall in the crucial role of empowering Batswana and we reiterate our stance on Building Batswana for Botswana. We would like to encourage the nation at large to stand united and remain calm during this trying period. For any further information kindly contact:

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