

# MSME LOAN-GRANT FACILITY

## GUIDELINES FOR COOPERATIVES

- A completed application form (with original signature) must be submitted with a completed Project Plan including financial projections (cash flow and income statement).
- Only one (1) application per Cooperative/Partnering Cooperative permitted (i.e. an individual may only benefit once).
- This particular phase of the MSME Loan-Grant Facility will be administered in the amount of 50% grant- and 50% loan-funding at an attractive interest rate of 3%.
- The maximum amount of the fund available per enterprise is shown in the table below:

**MAXIMUM LOAN-GRANT AMOUNT (XCD)**

**\$50,000**

**\*Note: Partnering Cooperatives may apply for the aggregate maximum threshold (i.e. if three (3) cooperatives are collaborating on one (1) project, they all bear full liability for the loan agreement and would be allowed apportioning of the payments;  $\$50,000 \times 3 =$  aggregate of  $\$150,000$ .)**

- Signatories must present two (2) valid forms of ID (National ID Card - front & back, Passport, Driver's license.)
- Bank Statement letter (new account) or Running Balance Bank Statement (active account).
- Financial Status Report (for restructuring Cooperatives or pre-ventures) or Audited Financial Status Report.
- Applicant must retain copies of receipts, invoices and contracts upon purchase.
- The enterprise must be a legally registered Cooperative Society. Note: A copy of the Certificate must be submitted. Cooperative Societies must provide a copy of the following:

**Certificate of Registration/  
Certificate of Continuance and Amendments**

**Authorization of Use of Land/  
Land Ownership Documents**

**Notice of Address**

**Name of Banker/Credit Union (Common Account for  
Partnering Co-operatives; include account number)**

**Notice of Director(s)/Notice of Change of  
Directors (specimen signature)**

**Bylaw Administrative Page (includes name, geographical  
boundaries, and objectives)**

**Photo ID of President and Secretary of the  
Board of Directors**

**Letter of Good Standing (if registered for more than one year)**

**Registered Project Contract**

**Registrar's Order**

- Supporting documents e.g. Quotations valid for three (3) months must be provided. Invoices should be from recognized enterprises. Otherwise, to be evidenced by cooperative minutes confirming declared interest or service provider.
- In cases where the enterprise's financing needs exceed the maximum amount of the loan-grant, the cooperative must provide evidence of additional financing or provide a named co-financer.
- Each successful applicant is required to sign a contract to adhere to the monitoring requirements of the programme.
- The ability to demonstrate mandatory provision for project's technical and governance oversight committee.
- The ability to demonstrate a phased approach for project implementation.

## USE OF FUNDS

### ELIGIBLE USES

- Equipment upgrade/modernization and spare parts/automation (including computers and laptops)
- Food Safety Standards/certification/regulations
- Purchase of direct supplies (service-oriented businesses)
- Acquisition of specialized Motor Vehicles (including delivery vehicles/panel vans not exceeding 5 years in age)
- Technical Assistance
  - Specialty Advisory
  - Marketing services and activities (e.g. Trade Fair participation, Trade Mission and in-market activities)
  - Product and service development
- Quality and environment systems
- Retrofitting facilities (fixtures and amenities) to attain a specific standard
- International Food Quality & Environment Standards
- Training Programmes (to benefit cooperative members e.g. QuickBooks, etc.)
- Implementation of IT solutions (e.g. Website, E-Commerce and Multimedia)
- Packaging, Design
- Applied Duties (e.g. VAT, HSL, Service Charge)
- Small Appliances and tools
- Sourcing energy-efficient equipment
- Pre-seed Investments
- Technical Training Areas and mandatory Counterpart/Matching funds toward administrative/governance training

### INELIGIBLE USES

- |  |  |
|--|--|
| <input type="checkbox"/> Overheads: Salaries, Rent, Utilities, etc.                    | <input type="checkbox"/> Debts, and Provision for Losses or Debts    |
| <input type="checkbox"/> Sponsorships  | <input type="checkbox"/> Items for retail and consumables            |
| <input type="checkbox"/> Personal Use  | <input type="checkbox"/> No new construction                         |
| <input type="checkbox"/> Travel Costs (Airfare, Hotel per-diem)                        | <input type="checkbox"/> Items already financed in another framework |
| <input type="checkbox"/> Individual Scholarships/Training Courses                      |  |
| <input type="checkbox"/> Acquisition of Motor Vehicles for General Use                 |  |
| <input type="checkbox"/> Interest owed on Outstanding Loans                            |  |
| <input type="checkbox"/> Arrears of Taxes (VAT, Income Tax, Property Tax, etc.)        |  |
| <input type="checkbox"/> Interim Financing Costs (Legal/Accounting/Banking Fees, etc.) |  |

*N.B. The list of eligible and ineligible items is non-exhaustive. The approval of the full request is not guaranteed.*

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## GUIDANCE TO APPLICANT – ADDITIONAL DOCUMENTATION

### REQUIREMENTS SPECIFIC TO SECTORS

#### Food & Beverage Sector (Manufacturing/Agro-processing)

- Health Card
- License to Operate Facility - Environmental Health License (where applicable)
- Approved Labels – SLBS (Labelling Statement of Conformity)

#### Agriculture

- Letter from major supermarket/customers stating that the applicant is a bona-fide farmer and the produce/item(s) that is purchased from the farmer (where applicable)
- License to own a chainsaw (where applicable)
- License to own/operate a boat

### REQUIREMENT BASED ON LOAN REQUEST TYPE:

#### 1. RETROFITTING

- Retrofitting of Facility – (sketch) Floor Plan, Bill of Quantities (Quote: Contractor including labour and materials)
- Permanent Structures - Proof of Land Ownership
- Property Ownership - Rental/Lease Agreements
- Approval letter from Crown Lands to use the space
- Vehicle Enquiry from Ministry of Infrastructure for persons using a vehicle to conduct business (this is to show proof of ownership)

#### 2. ANY OTHER SERVICES (WEBSITE AND APP DESIGN, CONSULTATIONS ETC.)

- Copy of statement of works or service agreement from the service provider with payment plan highlighting the cost at each phase.

