

## Cooperative Loan Fund Fact Sheet

	<b>Cooperative Loan Fund</b>
<b>Implementing partners</b>	Cooperative Promotion Agency and the three Cooperatives' Savings and Credit Unions (COSACUs), namely Adera Densa, Rib and Tana
<b>AgroBIG target locations</b>	Selected kebeles in North Achefer, South Achefer, North Mecha, South Mecha, Bahir Dar Zuria, Dera, Fogera and Libo Kemkem woredas
<b>AgroBIG supported value chains</b>	Value chains supported by AgroBIG are; rice, onion, maize, potato and tomato. Other value chains might be added.
<b>Purpose</b>	<p>The Cooperative Loan Fund is a revolving fund that facilitates access to working capital and loans for</p> <ul style="list-style-type: none"> <li>• Crop marketing by cooperatives of selected produce;</li> <li>• Primary cooperative societies and unions for trading, processing, production, packaging, storage, transport and distribution capacity;</li> <li>• Cooperatives to embark on contract farming schemes.</li> </ul>
<b>Loan duration</b>	Maximum 24 months.
<b>Maximum loan size</b>	1,500,000 ETB (50,000 EUR).
<b>Disbursement</b>	Upfront.
<b>Interest</b>	Normal COSACU loan interest.
<b>Collateral</b>	As per COSACUs normal lending to cooperatives.
<b>Applicant requirements</b>	<ul style="list-style-type: none"> <li>• Cooperative is formally registered as a legal entity;</li> <li>• Cooperative is operating in AgroBIG supported Woredas;</li> </ul>
<b>Procedures</b>	<ul style="list-style-type: none"> <li>• Normal screening, appraisal and funding principles, rules and conditions as in the cooperative credit system supervised by the CPA.</li> <li>• Lending to SACCOs is channelled from BoFEC to the three COSACUs upon requests from PSU.</li> <li>• The COSACUs then lend the funds to primary cooperative societies (multipurpose, consumer, irrigation etc. cooperatives).</li> <li>• Credit appraisals are conducted according to COSACUs' normal procedures.</li> <li>• Interest from loans is first used to cover possible loan losses and then to cover operational costs of the Fund.</li> <li>• Each COSACU shall submit quarterly progress reports to PSU. Reporting templates are attached to the agreements between BoFEC and the COSACUs</li> </ul>