



AGSMEIS LOAN SCHEME THROUGH CBN EDIs

Introduction

The Scheme supports government's policy measures for the promotion of agricultural businesses, micro, small and medium enterprises (MSMEs) as vehicles for sustainable economic development and employment generation.

Objectives of the Scheme

The objectives of the Scheme are to:

1. Improve access to affordable and sustainable finance by Agri-businesses, Micro, Small and Medium Enterprises (MSMEs)
2. Create employment opportunities in Nigeria
3. Boost the managerial capacity of agri-businesses and MSMEs to grow the enterprises into large corporate organizations in line with Federal Government's agenda to develop the real sector and promote inclusive growth.

Activities covered by the Scheme

1. Businesses across the agricultural value chain, covering production, inputs supply, storage, processing, logistics and marketing.
2. MSMEs in the real sector including manufacturing, mining and petrochemicals.
3. MSMEs in the service sector including information and communication technology (ICT) and the creative industry.
4. Other activities as the Central Bank of Nigeria (CBN) may determine from time to time.

Modalities

Financing under the Scheme shall be for start-ups, business expansion or revival of ailing companies and must be in compliance with provisions of BOFIA (1991) as amended

The terms of the loans shall be as follows:

1. **Loan limit:** N10,000,000
2. **Interest:** 5% per annum
3. **Tenor:** Up to 7 years (depending on the nature/gestation period of the project)
4. **Moratorium:** Maximum of 18 months for principal and 6 months on interest.



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Documentation Requirements

Micro, Small and Medium Enterprises:

1. Duly completed application form
2. Bank Verification Number (BVN)
3. Certificate of Training from recognised Entrepreneurship Development Institution (EDI) or evidence of membership of organized private sector association.
4. Letter of Introduction from any of the following, Clergy, Village Head, District Head, Traditional Ruler, senior civil servant, etc. (for individuals/micro enterprises only).
5. Evidence of registration of business name or certificate of incorporation and filing of annual returns (where applicable) in compliance with the provisions of the Companies and Allied Matters Act (1990).
6. Tax Identification Number (TIN) and current Tax Clearance Certificate (TCC) where applicable

Application Process

Micro, Small and Medium Enterprises:

1. Enrol with a CBN certified EDI for a one-week training
2. Eligible applicants shall pick-up and submit a **completed** application form to the EDIs
3. The EDI shall collate, appraise and submit applications to CBN.
4. CBN shall consider the application and invite applicants for interviews
5. Upon approval, CBN shall approve the loan and disburse to necessary vendors as applicable