



BIOMASS FINANCING SCHEME

If you are passionate about agriculture and are a biomass producer or processor, we invite you to discuss this scheme designed specifically for you! The Biomass Financing Scheme supports the production and processing of biomass products and related activities.

Why Biomass?

- Farm income diversification
- Sustainable job creation
- Improved rangeland
- Climate resilience

<p>Who qualifies?</p>	<ul style="list-style-type: none"> • An applicant (legal entity or individual) can be the owner of the farm or leasing a farm from which he/she can harvest biomass products • An applicant can also be a processor (legal entity or individual) who buys biomass products (i.e. retail shops/ restaurants or export/import companies) • Commercial and Communal farmers with approval from the Directorate of Forestry
<p>Loan products</p>	<p>Producers</p> <ul style="list-style-type: none"> • Working capital • Tractors / trailers • Storage sheds • Debushing equipment • Kilns • Personal protective equipment • Workers housing including clean water & sanitation <p>Processors</p> <ul style="list-style-type: none"> • Working capital • General equipment & Vehicles • Maintenance workshop • Office to operate from • Charcoal processing plant • Warehouse & equipment

Loan term	<ul style="list-style-type: none"> Between 2 – 6 years (Depending on the loan type)
Qualifying criteria	<p>Producers</p> <ul style="list-style-type: none"> No collateral required, if client has an offtake agreement with a processor or retailer If no offtake agreement of biomass products, client to provide collateral based on existing policy Monthly debit order Session of income / Tripartite agreement (if debit order is not feasible) <p>Processors</p> <ul style="list-style-type: none"> Working capital - no collateral if there is an offtake agreement Capital investment loans are subject to collateral based on the principle of 100% Loan-to- Value All loan payments are to be done via monthly debit order. Insurance for equipment and plants is required but a responsibility of the client All vehicles, tractors, trucks to be insured from accident and veld fire. Credit life cover as per the current arrangement of the Bank
Interest rate	<ul style="list-style-type: none"> Interest rate and other standard requirements are as per the Bank's policy and lending procedures
Grace period	<ul style="list-style-type: none"> 3 Months for Equipment & Vehicles 6 Months for other loan types