



## **INFORMATION CIRCULAR**

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**INFORMATION CIRCULAR NO. 54/2019**

**ALL QUERIES TO: S. CHINEMBIRI**

**(AGRIBUSINESS)**

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**TO: ALL**

**FROM: AGRIBUSINESS**

**REF: CBZ AGRO-YIELD**

**DATE: 19 SEPTEMBER 2019**

**SUBJECT: INTRODUCTION OF CBZ AGRO-YIELD COMMERCIAL CONTRACT FARMING**

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Dear Colleagues,

- a) CBZ Holdings Limited has launched an agricultural financing initiative. This initiative is housed under a new division branded CBZ Agro-Yield. The new division will be the Bank's partner together with Government in financing Maize and Soyabeans for the 2019/20 farming season and beyond.
- b) Qualifying farmers will firstly be selected through their local AREX offices.

- c) Loan applications will thereafter be processed through CBZ Agro-Yield at their offices - 5<sup>th</sup> Floor, Beverley Court, Corner Nelson Mandela and Fourth Street, Harare.
- d) Any farmers approaching the bank in this regard should therefore be referred to their local AREX office to make an application. Participants will however be expected to have an account with CBZ Bank for disbursement purposes. Normal KYC criteria will apply.
- e) Inputs will be distributed through agents and stockists to be advised to the farmers when their loan is approved.

## **FAQs.**

➤ **Can any farmer apply for the scheme?**

The current scheme is restricted to Maize and Soya farmers. Those with irrigation facilities will be prioritised.

➤ **How can Input Suppliers wishing to provide inputs to the Scheme sign-up?**

All input providers wishing to provide inputs must be referred to CBZ Agro-Yield for vetting and consideration.

➤ **If I am a new participant, what do I need to take with me to AREX**

- f) Proof of Land ownership
- g) Track record from previous farming seasons
- h) Copy ID

➤ **Can Corporates apply?**

Corporates can apply as long as they also register with AREX in their localities and also provide proof of access to land.

➤ **Do you provide FX or LCs for imported inputs?**

An FX facility that will benefit input suppliers will be put in place to enable them to secure inputs that are not available locally.

## **FAQS Continued**

➤ **What are the payment terms and interest rate of the Fund?**

All the facilities will be paid back as a bullet payment upon delivery of crops to GMB. Facility maximum tenure will be 270 days at an interest of 10% per annum.

➤ **Is the Bank availing working Capital?**

The Bank will provide working capital for selected operations such as tillage and some labour.

➤ **Does one need to have an Account with CBZ Bank?**

A CBZ Bank account will be required to facilitate disbursement of working capital.

Regards.

S. CHINEMBIRI  
**HEAD OF AGRIBUSINESS**

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