

Financing Agriculture



Small and Micro Enterprise... The potential for Profitability

Do you share the belief that food is a commodity for which there will always be a demand? Are you interested in getting into the Agriculture Industry? Are you already in business and need additional funds to make your operation more efficient? Are you aware that there are loans available to small businesses and for "start-up" enterprises?

While the whole idea of self enterprise may be a bit intimidating, there are a number of agencies which have been established to assist in providing finance and advice to small scale enterprises. One such Agency is the Rural Agriculture Development Agency which offers technical advice and training to farmers.

In seeking to obtain funding, you may wish to consider Small and Micro Lending Institutions where loans may be obtained more easily.

Under the MicroFin Programme for example, a borrower is able to accumulate a maximum of fifty percent of points required towards securing a loan, based on his character and the viability of the enterprise. The remaining fifty percent is earned from one's ownership of other types of assets such as small machinery used for example on the farm

Additionally, the value of loans disbursed is dependent on whether the business is classified as a Small, Micro or Pre-Micro (Start-up) Enterprise. For Small Enterprises the average loan size is about \$450,000, Micro Enterprises may receive an average of \$45,000 and Pre-Micro or Start-up Businesses, may access an average of 30,000.

General Items which may be required for the loan interview:

1. Character Reference letters, either from a JP, School Principal, Police inspector or a Medical doctor
2. Identification such as a driver's license or passport
3. Passport sized Photograph
4. Credit Reference
5. Title for Items being used as security for the loan

Please note that the necessary documents will vary depending on the institution chosen. Two institutions presently participating under the government's Small Enterprise Loan Programme are the Ex-Im Bank (through the Jamaica Exporters Association) and the Micro Investment Development Agency (MIDA)

You may call us for more information at:

Consumer Affairs Commission Jamaica, Agency of the Ministry of industry Commerce & Technology.

Get the Facts!!!

Remember, in any business activity it is wise to get the best for your money, even if it is borrowed. In choosing the institution from which you access your funds, here are some questions you may need to ask:

How much time will I be given to repay the loan?

- ◆ Do late payments attract penalty? If so, how is it applied to my account?
- ◆ How will interest be charged on my loan, for example, is it a reducing balance loan or is it an add-on loan?
- ◆ What facilities are in place for repayment? Will I have to visit your office to make a payment?



An informed consumer makes better choices!

How to contact us:

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