

## Youth Strategy Financing

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**Terms and Conditions:**

**Eligibility:** Young entrepreneurs aged 18 to 39 years, inclusive.

**Type of Assistance:** Personal loan.

**Loan Purpose:** Acquisition, startup, modernization, or expansion of a business.

**Ownership:** The entrepreneur must be the majority owner of the business (or hold control) and have decision-making power (for two entrepreneurs, they must jointly hold decision-making power).

**Investment:** The loan can be used as equity, fixed assets, startup costs, or working capital.

**Loan Amount:** Minimum \$5,000 and maximum \$25,000 per entrepreneur.

**Amortization:** 5 years.

**Other Investments:** The loan may serve as equity to attract other investors.

**Number of Eligible Young Entrepreneurs in the Same Business:** Two.

**Guarantee:** None.

**Factors to Consider:** The quality of the project and the individual.

**Interest:** Interest-free loan for the first 24 months. Afterward, the applicable interest rate for a loan cannot be lower than the current rate charged by a lender, according to the provisions of the Small Business Loans Act. As per our terms, repayment must not exceed five years.

**SADC Investment Fund:** Can be part of the financial structure.

**Refinancing:** Cannot be used to "refinance" existing debt.

**Business Sectors:** The SADC must prioritize businesses operating or planning to operate in sectors that highlight the resources available within the eligible territory. Businesses related to new economies are given particular attention. Economic activities that create net jobs are favored.

**Cooperatives:** Cooperative projects are eligible as long as the cooperative is primarily led by individuals under 35 years of age. The program allows for two young entrepreneurs (maximum) to obtain the "Stratégie Jeunesse" loan, provided that they create their own job within the cooperative.

**Seasonal Businesses:** Seasonal businesses are eligible as long as their activities last at least 6 months per year and are profitable. Financial forecasts will be used to determine profitability.

**Part-Time Businesses:** Eligible based on the profitability of the project.

**Youth Support:** A personalized support service and close follow-up will be provided to the young entrepreneur throughout the loan period. By accepting the loan, the young entrepreneur commits to collaborating in the design and implementation of a support plan that enables them to receive harmonized assistance for their development. The support service is also tailored to the project's specifics, draws from local strengths, and leverages the expertise of the entire community.

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#### **Documents Required:**

- Copy of the business plan
- Copy of the financial statements for the last three (3) years
- Copy of the projected financial statements
- Copy of the cash flow budget
- Copy of the most recent financial statements at the time of the application
- Any other relevant documents for the project