

# Unlocking Finance in Zambia

A WOMAN ENTREPRENEUR'S GUIDE



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## ABOUT THE PAPER

According to the 2021 World Bank Report, Zambian women entrepreneurs own more than one-third of the country's small businesses and more than 40% of its microenterprises. Despite their pivotal role in the Zambian economy, women encounter a disproportionate number of obstacles in accessing financial services, hampering their economic potential and the progression of gender equity.

In response, this guide was created as a tool for women entrepreneurs to navigate the Zambian financial landscape, identify suitable funding options and narrow the gender finance gap. Drawing on interviews with policymakers, financial institutions, business experts and other key stakeholders, *Unlocking Finance in Zambia: A woman entrepreneur's guide* offers practical tips for women entrepreneurs to secure funding. It also provides information to funders interested in adopting a gender-lens approach to finance.

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## FOREWORD

Zambia, a key player in the African economy, has witnessed remarkable growth in recent years. Yet, to achieve true inclusivity and equitable growth, it is imperative to address the challenges faced by women-owned and -led businesses, especially access to finance.

This guide is jointly produced by the International Trade Centre (ITC) and the Bank of Zambia within the framework of the SheTrades Zambia project, which is implemented by ITC in collaboration with the Zambian Ministry of Commerce, Trade and Industry and the Zambia Development Agency. This guide aims to shed light on the gender finance gap in Zambia and provide practical solutions to bridge the divide.

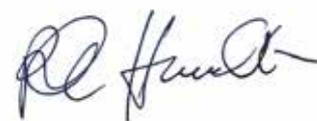
Women entrepreneurs are prominent actors in Zambia's economy. They constitute 48% of the labour force and own around 36% of small businesses and 42% of microenterprises in the country. Their success hinges largely on access to finance, and these businesses play a critical role in unlocking economic growth and reducing poverty. While the country has made commendable strides in reducing the gender finance gap in recent years, challenges persist.

This guide unveils the gap between the needs of women entrepreneurs and the available financial products and services. It is based on in-depth interviews with women entrepreneurs with high export potential who are taking part in SheTrades Zambia and financiers operating in the country. Limited access to funding information, overwhelming loan requirements, unclear funding criteria and difficulties in identifying suitable funding options are among the barriers they face.

To address these gaps and support women entrepreneurs' efforts, this guide has been developed to provide step-by-step instructions on navigating the financial landscape in Zambia. It also showcases the wide range of available financial products and services. Moreover, it may offer valuable insight for funders interested in establishing or strengthening a gender-lens approach to finance.

ITC and the Bank of Zambia share a common vision of creating a supportive ecosystem that fosters the success of women-owned businesses. By removing the inequalities that hinder women's participation in trade, improving their competitiveness, and strengthening their market and investment linkages, we take a significant step towards generating inclusive growth, reducing poverty and improving livelihoods for all.

We extend our gratitude to the women entrepreneurs, financiers and government officials who generously shared their experiences and insight, making this guide possible. It is our hope that it helps Zambia's women-led and -owned businesses access the funding they need, sparks meaningful dialogue and catalyses action to address the gender finance gap.



**Pamela Coke-Hamilton**  
Executive Director  
International Trade Centre

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## ACRONYMS

Unless otherwise specified, all references to dollars (\$) are to United States dollars, and all references to tons are to metric tons.

BoZ	Bank of Zambia
CDF	Constituency Development Fund
CEEC	Citizens Economic Empowerment Commission
CCPC	Competition and Consumer Protection Commission
ISO	International Organization for Standardization
ITC	International Trade Centre
LuSE	Lusaka Stock Exchange
MCTI	Ministry of Commerce, Trade, and Industry
NAPSA	National Pension Schemes Authority
NRC	National Registration Card
PACRA	Patents and Companies Registration Agency
PIA	Pensions and Insurance Authority
SEC	Securities and Exchange Commission
TPIN	Taxpayer Identification Number
WEAC	Women's Entrepreneurship Access Center
We-Fi	Women Entrepreneurs Finance Initiative Zambia
WLB	Women Led Business
W-MSMEs	Women-led Micro, Small and Medium Enterprises
WOB	Women Owned Business
ZDA	Zambia Development Agency
ZRA	Zambia Revenue Authority



## Executive summary

*Unlocking Finance in Zambia: A woman entrepreneur's guide* is a resource to help women business owners in Zambia identify suitable funding options for business growth. It addresses the barriers that these women face when accessing capital, describes a comprehensive range of financial products and services, and offers practical advice to obtain funding.

Although women entrepreneurs play an important role in the Zambian economy, securing funding to grow and sustain their business can be difficult. The barriers they face include a lack of collateral for loans and interest rates that put borrowing money out of reach. Applying for funding can be time-consuming, especially considering other demands on their time, such as childcare. Social norms about who makes financial decisions may also play a role. Some women don't know what funding opportunities are available or how much they need to borrow. Others need help comparing the alternatives and putting together an application.

The guide acknowledges the challenges that women encounter in obtaining accurate information about opportunities for their business. It seeks to bridge this information gap by providing a comprehensive overview of the funding options available in Zambia.

Chapter 1 emphasizes that, despite these barriers, viable funding options exist and women can improve their chances of securing funding by taking targeted actions. The most important step is to formalize their business. Business formalization involves registering and licensing the business to meet Zambian legal requirements and is required for accessing formal credit and insurance services. The guide also contains information about where to register. Business owners should keep accurate records to share with potential funders; good record-keeping also helps business owners to take informed decisions. Many investors expect a well-written business plan with the application. This chapter therefore includes a step-by-step explanation of how to formalize a business and create a business plan, as well as a detailed list of the types of records businesses should routinely keep.

Chapter 2 outlines the types of funding that are available and how to identify the most appropriate funding for the business. One key recommendation is that women business owners calculate the exact amount of funding they require before embarking on a funding search. This process allows them to approach potential funders with a clear understanding of their financial needs. Developing a business plan will also give funder's more confidence in their ability to repay the funding. For some funders, a business plan is mandatory.

Choosing which funding instrument to use will depend on what is available and the state of the business. We recommend accessing grants, if possible, because they are the cheapest form of funding.

Equity financing involves selling part of one's company. This may seem like an inexpensive source of finance, but the business owner will need to share profits with their equity partner. A variety of loans are available in Zambia; and longer-term loans generally need collateral to secure the loan. Some companies in Zambia can source angel investors, but business owners should be aware of the cost of this funding before accepting it.

If the business is not registered, these options may not be available and may push the owner towards informal mechanisms. Many women entrepreneurs in Zambia use *chilimb*as or savings groups. Because these groups are not regulated, there is some risk attached to using them. This chapter outlines questions to ask before joining a *chilimba* or savings group to reduce the risk.

Obtaining a loan from a savings group will generally be less onerous than from a formal financial institution. The other participants in the savings group may also serve as a useful resource for the company for identifying suppliers and customers. Another option is to use government funding, for example through the Constituency Development Fund. Application processes take time for these funds, so other options may be needed while the adjudication takes place.

While the guide highlights financial products and services that have a gender lens, it also acknowledges the presence of other funding options in the Zambian market. Chapter 3 is a comprehensive guide to the funding available in Zambia for both women-owned businesses and the general population. It provides a description of the funding, contact details, information on who qualifies, details on how to apply and what documents are needed, how much funding a company can obtain, and under what terms.

The guide covers private and government sources of funding and concessional financing offered by some development partners. By providing a comprehensive catalogue of available funding sources, the guide equips women business owners to make informed decisions about their funding strategies.

The guide emphasizes that both business owners and funders have a role to play in improving funding processes. It calls for increased collaboration among these stakeholders to address the challenges specific to women entrepreneurs. Recommendations for business owners and funders are provided in Chapter 4. By working together, they can create an enabling environment for greater access to funding for women-owned businesses in Zambia.

We recommend that women business owners:

- Build their network;
- Know their numbers;
- Find a mentor to offer guidance and support about funding when needed;
- Keep financial records up to date;
- Explore different funding options because some take longer than others;
- Learn from each unsuccessful funding application;

For funders, we recommend:

- Publicize funding opportunities through as many networks as possible;
- Improve the turnaround time for loan applications;
- Include capacity building within your funding packages;
- Supply tools for women in business to compare financing options (formal and informal);
- Share resources that will help women to find business mentors (local and international);
- Encourage formalization.

This guide aims to be a valuable resource for women business owners in Zambia. By addressing the barriers they face in accessing capital, providing an overview of funding options and offering practical advice, the guide equips women entrepreneurs to successfully pursue their business growth aspirations. Collaboration between business owners and funders can foster an environment that supports and promotes women's access to funding.



CHAPTER 1

# WOMEN BUSINESS OWNERS IN ZAMBIA

WHO ARE WOMEN ENTREPRENEURS AND WHAT FUNDING BARRIERS DO THEY FACE? ..... 2

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# CHAPTER 1

## Women business owners in Zambia

### WHO ARE WOMEN ENTREPRENEURS AND WHAT FUNDING BARRIERS DO THEY FACE?

Women entrepreneurs play an important role in creating jobs and growing the Zambian economy, but many struggle to secure funding to expand their business. Women report that they cannot raise funding because they do not have collateral for loans which tend to be stringent and interest rates are too high. Applying for funding takes time, time that women often need to manage multiple responsibilities. Social norms can be another a setback (for example, if women need permission to apply for funding).

Some women tend not to be aware of what funding options are available, or how to access them. This guide is designed

to help Zambian women find the right business funding. While the examples are largely drawn from the textiles, clothing and agriculture sectors, the guidelines can be useful to any woman entrepreneur or support organization interested in finding ways to access funding, regardless of business size or sector.

Stakeholders worldwide use various definitions to describe enterprises owned or led by women, which is problematic as it delays the implementation of programmes, policies and laws. Against this backdrop, the International Organization for Standardization in partnership with the International Trade Centre (ITC) worked with more than 360 experts from 77 countries to come up with a standard definition under the International Workshop Agreement IWA 34. This internationally accepted definition,<sup>1</sup> which is now used by the Zambian authorities, is summarized in Table 1.

**Table 1: Women's entrepreneurship – definitions and general criteria**

Type	Ownership	Women have management and control of the business	Women have signing authority for legal documents	At least one-third of board are women	Operates independently of any business owned by men
Women owned business	More than 50 % owned by one or more women	✓	✓	✓	✓
Women-led business	At least 25% owned by one or more women	✓	✓	✓	✓

Source: International Workshop Agreement IWA 34

Women entrepreneurs have the potential to be good customers for Zambian financial service providers. Zambian women have better loan repayment behaviour than men (Bank of Zambia, 2019). If financial institutions can benefit from investing in women-owned businesses, why is it so difficult for women to secure funding?

Because they face serious barriers to obtaining funding, women entrepreneurs are described as ‘discouraged borrowers’ (Menking & Kaplan, 2020). As women believe their applications will be rejected, they don’t even apply for

external financing. While the odds may be stacked against women entrepreneurs, awareness of the added effort needed to secure financing gives them the opportunity to prepare better and get as much information as possible to get the most out of each funding experience. This guide will help with that process.

We interviewed more than 20 women across Zambia,<sup>2</sup> both within and beyond the ITC SheTrades network, about their funding experiences.

## Access to information

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### What they said

Women hear about funding opportunities through social media, word of mouth and information hubs. For example, the SheTrades platform (shetrades.com) raises awareness about opportunities through strengthening trade and investment linkages. Organizations like the Zambia Federation of Associations of Women in Business, Women Entrepreneurs Finance Initiative Zambia (We-Fi) and the Women’s Entrepreneurship Access Centre (WEAC) also provide information to their members (see Chapters 3 and 4). Some women benefit from programmes run by financial institutions. For example, training and webinars for women entrepreneurs are offered by Stanbic Bank’s Anakazi programme and networking events arranged by First National Bank’s (FNB) HER initiative.

### What they need

Some details about grants are not shared widely, resulting in the same women business owners repeatedly attending events, making pitches and benefiting from funding opportunities. If information is communicated promptly and through multiple channels, then a wider selection of women can respond to opportunities. At the same time, women admit that they don’t always respond to requests quickly and fail to meet funding deadlines.

*“Only a handful of businesswomen have access to information about funding opportunities.”*

Interviewee from SheTrades Invest Zambia

## Loan requirements

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### What they said

Businesswomen are discouraged by high-interest rates and steep collateral requirements for bank loans. Many women find that banks are reluctant to fund start-ups. Those with an existing relationship with a financial institution find it easier to obtain loans and access overdraft facilities but the responsibility to cultivate relationships with banks lies squarely on their shoulders. The turnaround time for loan approval is a concern.

### What they need

Because of slow responses from financial institutions, women risk missing out on opportunities. Women enjoy the convenience of mobile services for transacting and would like to see access to loan facilities through mobile banking.

*“Loan requirements can be overwhelming to us.”*

Interviewee from SheTrades Invest Zambia

## Government funding

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### What they said

Women are aware of government funding but feel that these schemes are not readily accessible. For instance, the Constituency Development Fund (CDF) prioritizes group financing over individual financing. Citizens Economic Empowerment Commission (CEEC) loans are tied to specific sectors, such as the 2023 Call, which invites applications across 13 empowerment products (see Chapter 3).

*“Criteria for government funding can be unclear, feedback is scarce and processing time is lengthy.”*

Interviewee from SheTrades Invest Zambia

### What they need

Criteria for individual loans through CDF need to be clarified. In 2020, the Bank of Zambia (BoZ) introduced a targeted medium-term refinancing facility to support businesses affected by the COVID-19 pandemic. Businesswomen would like to see relief grants that are more supportive of small and medium-sized enterprises (SMEs) and for the government to clearly communicate the selection criteria for grants.

## Financial management

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### What they said

Some business owners need help understanding financial statements to make it easier for them to discuss the financial position of their companies. One way to address this need is to attach training on financial management to funding agreements. While a wide range of capacity-building activities are available in Zambia, these events could be better coordinated. Depending on the phase of her business, some training may not be suitable.

### What they need

Women want advice about the right training for the specific stage of their business so they can be more selective about how to invest their time. Training should include soft skills like self-confidence and communication.

*“We rely heavily on personal savings, retained company earnings and informal financial sources to fund our businesses.”*

Interviewee from SheTrades Invest Zambia

## Alternative financing

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### What they said

Because financial institutions can view them as risky, women use other sources of external finance to keep their businesses running. Savings groups (where people save together, borrow from each other and receive a payment plus interest earnings at the end of the cycle) and chilimbas (where group members make a fixed, regular contribution and each member has a turn receiving the money) are used widely for recapitalizing businesses. Some women are members of savings groups that are run by women's business associations.

*“It can be difficult to decide the amount and type of funding that we need.”*

Interviewee from SheTrades Invest Zambia

### What they need

Women in Zambia use informal financing so often that it is easy to overlook the risks. They need guidelines to weigh the benefits and risks of different financing options, including informal ones. Instead of assuming that savings groups are more cost-effective, women seek a reliable way to compare the interest rate from savings group loans to other loan facilities' rates so they use the right funding source at the right time.

## SNAPSHOTS

### Textiles

**Name of Business:** My Perfect Stitch  
**Founder and CEO:** Ruth Kayira Mooto

My Perfect Stitch has three product lines: Laptop bags, backpacks and side packs using local chitenge fabric for corporate clients; custom-made furniture using locally sourced materials such as pine, mukwa and rosewood; and interior space designs tailored to the clients' needs. The company is growing and rapidly onboarding new clients beyond its traditional Lusaka client base.

Ruth relies heavily on retained company earnings to fund the business. She recently opened an invoice discounting facility with her bank, after discussions with senior bank leadership, where she made a case for increased support for her business. Ruth hears about funding opportunities by attending networking events and through conversations with her mentors.

### Box 1: Top tips from Ruth Kayira Mooto, Textiles

- Be well prepared for networking events, ask questions and follow-up soon afterwards.
- Find a mentor who has faced some of the challenges that you're going through, who can offer advice and help you to gain access to networks.
- Applications for bank financing will require due-diligence checks. These can be complex and time consuming but completing the process will help you understand the strengths and weaknesses of your business and give you an opportunity to address potential problems.

Source: Interview with SheTrades Invest entrepreneur

### Apparel value chain

**Name of Business:** Mommies and Munchkins  
**Founder and CEO:** Abigail Mwailenge

Mommies and Munchkins is a local homegrown brand with stores in Lusaka and Copperbelt and an online presence catering to the Zambian market and parts of southern Africa. They are a fashion brand that bridges the gap between class and comfort for new-age parents who are juggling too much at once and need a one-stop store for maternity, baby clothes and accessories. Their products relieve the stress of budding parents by retailing classy and comfortable maternity wear, baby clothes, baby

furniture and accessories. The company prides itself on manufacturing half of the product line and outsourcing what it cannot produce. Mommies and Munchkin's financing stems from retained earnings from the business; in periods of downtime or when working capital is low, they rely on networks and in-house financing schemes, such as friends and family. They have accessed external financing through bank loans for growth purposes, such as setting up a new retail location or inventory expansion.

### Box 2: Top tips from Abigail Mwailenge, Apparel

- Chilimbos are a handy source of working capital. Schedules orders of new stock to coincide with the date when you receive chilimba savings.
- Get your books in order, irrespective of the size of the business, because funding will depend on showing that the business is viable. Make sure your business's financial position is clear.
- Funding information is easier to source when you are a member of a network. Take time to identify networks that can help your business to grow.

Source: Interview with SheTrades Invest entrepreneur

## Agriculture

**Name of Business:** Chiwenu Farms

**Founder and CFO:** Mbeza Nsanganyi

Chiwenu Farms is a honey aggregator based in Mwinilunga, North-Western province. They buy raw honey from local beekeepers, process it and then repackage it for sale in Lusaka, Eastern Province and Copperbelt. Supporting female beekeeping is an important part of the Chiwenu

business model. Mbeza intends to start processing beeswax in the coming season. Revenue is expected to increase significantly in 2023 because of the introduction of a honey processing line that will increase overall production.

### Box 3: Top tips from Mbeza Nsanganyi, Agriculture

- Look for in-kind grants (grants that pay for an asset, rather than cash) to purchase assets that can add to the value and productivity of your business. Chiwenu Farms used an in-kind grant to obtain a honey processing line, a canter, beehives and a motor bike.
- Ask about training options when you apply for funding. Having funding that comes with training has helped Chiwenu Farms to manage their resources more efficiently.
- Be prepared for a lengthy turnaround time on your applications. As well as a long waiting time, there may be requests for site visits and additional information before a decision is made.

Source: Interview with Mbeza Nsanganyi

## FORMALIZATION AND RECORD KEEPING

Formal businesses have access to more options for funding, as can be seen in the three examples above.

### What business formalizing means

Business formalization means registering and licensing a business so it complies with the legal requirements of Zambia, including registering with the Zambia Revenue Authority (ZRA) and the National Pension Scheme Authority (NAPSA).

### Benefits of formalizing a business

- Formalizing a business means that it exists as a separate entity from its founders or employees. If anything goes wrong with the business, the interests of the owners are protected. The opposite is also true: if the owners run into financial problems, then the business is protected.
- The business has greater access to formal credit options, such as bank loans, and on more favourable terms. If it is not formalized, then it needs to rely heavily on informal credit.
- The business gains access to insurance coverage to protect its assets and employees, and minimize the risk of income loss.
- The business can apply for government contracts and grants.
- Company revenue may increase with onboarding of customers who only trade with formalized businesses.

### Choosing the right category to register a business

Business formalization is managed by the Patents and Companies Registration Agency (PACRA). There are three types of private companies:

- **Limited by shares** – gives limited liability to its shareholders but restricts ownership. Shares can't be sold to the public through the stock exchange market.
- **Private unlimited company** – places no limit on the liability of its members. This means that members are personally liable for the company's debt and liabilities.
- **Limited by guarantee** – cannot operate for the purpose of making profit. Members' liability is based on the amount that each agrees to contribute when the company winds up. This amount cannot be less than ZMW15,000 (about \$600).

### Steps to formalize a business

**Register the business at PACRA.** Complete a name clearance form and sign the required company forms, pay the registration fees (including fees for certificate of incorporation, certificate of share capital, declaration of consent and declaration of compliance), receive a signed certificate of registration.

**Obtain a tax ID number (TPIN).** Register with ZRA. Note that the certificate of incorporation is required to obtain a TPIN.

**Register for social security.** Register as an employer at the NAPSA desk.

**Pay a business levy.** In Lusaka, this levy is paid at the local council.

**Register to pay direct taxes,** e.g. income tax, turnover tax pay-as-you-earn for your employees. Register with ZRA for VAT if the value of taxable supplies will exceed ZMW800,000 in any 12 consecutive months or ZMW200,000 in any three consecutive months.

**Open a bank account.** Note that many commercial banks have a dedicated business banking consultant.

**Obtain a fire clearance certificate.** This renewable certificate is issued by the local council where the business is based and is valid for one year.

**Obtain a business permit.** The Zambia business licensing information portal provides information about the permits and licences required for each type of business.

**Obtain a licence to manufacture excisable goods.** If the company deals with excisable goods (manufacturers, importers), it must obtain a permit from ZRA. The ZRA website has a list of all excisable goods.

**National Health Insurance Management Agency.** While not required, many employers choose this option as a low-cost healthcare solution for their employees.

**Industry relevant licences,** e.g. if running a drug-supply company, permits from the Zambia Medicines Regulatory Authority are needed.

### Types of business records to keep

Formal businesses need to keep the following records up to date:

1. The certificate of registration of the business as well as all operating licences, permits and business certificates used to formalize it. It's a good idea to have certified copies prepared.
2. Bank statements (most banks provide online statements).
3. Payable and receivable invoices to use in profit and loss statements.
4. Home office expenses (if working from home) for tax deductions. Keep electricity, water, internet, home insurance, rental and property tax bills. Home office supply expenses like computers, furniture and stationery should also be kept. Be sure to keep receipts.
5. Vehicle and mileage expenses.
6. Advertising expenses, including receipts from digital advertising and software subscriptions.
7. Prior tax returns and employee tax forms.
8. Internal management control systems. If the company is a manufacturing business, also keep daily sales data.
9. Up-to-date management accounts. If the company can't afford full-time accounting services, hire an accounts clerk or bookkeeper (this need not be full time) to keep financial records intact and organized in an orderly way; hire an accountant to periodically organize the information into formal accounting statements.

CHAPTER 2

# APPLYING FOR FINANCE

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# CHAPTER 2

## Applying for finance

### CHOOSING THE BEST PRODUCT FOR YOUR NEEDS

In Chapter 3 we review the range of financial products and services available, ranging from bank loans to informal finance. But first, business owners must know how much they need to borrow and what they plan to do with the funds, as described in their business plan.

### CALCULATE HOW MUCH TO BORROW

Business owners need to understand the financial needs of their business before deciding on the best lending product. They should not apply for more funding than they qualify for because they will be paying interest on borrowing that they do not need, leading to less profit.

At the same time, they should avoid getting a loan that they can't afford to repay. Financial need is based on a company's working capital (daily operating costs), fixed assets (including buildings and equipment), marketing costs (websites, advertising) and financial cushion or contingency plan (reserves to deal with unexpected business changes).

The following guidelines will help the business owner to assess their financial need, but importantly, they should ask for help from a certified financial adviser if needed. (See Appendix II for an example of how to do this calculation.)

**Table 2: Step-by-step guidelines to calculate funding needs**

Calculating funding needs
1. Use the annual growth of sales over the most recent five-year period to project the value of sales that you expect your company will generate in the next year.
2. Calculate your company's cost of goods sold and operating expenses as a percentage of sales made.
3. Subtract the cost of goods sold and operating expenses from your sales to determine your company's pre-tax income.
4. Calculate your company's taxes for the next tax year and subtract these from its pre-tax income to determine its net income.
5. Project next year's current assets using the same method. Current assets include cash, inventory and accounts receivable.
6. Project next year's current liabilities using the historical percentage of the cost of goods sold.
7. Subtract your company's current liabilities from its current assets to determine its working capital needs.
8. Estimate your company's projected capital expenditures using the same 'percentage of sales' method.
9. Subtract your company's projected working capital needs and capital expenditures from its net income to determine the amount of external financing it needs.
10. If the total is positive, it means that your company does not need external financing. If it is negative, you will need to raise outside funding.

## DEVELOP A BUSINESS PLAN

A business plan is a document that describes the company's future. It explains how to get from where the business is now to where the owner wants it to be. It includes information about the product or service, marketing strategy and finances. Lenders will usually want to see a business plan before lending money.

Table 3 describes elements to include in a business plan. Even if the business owner is getting help preparing the business plan, they must be familiar with the document. They should ask questions if they are unclear about anything in the business plan so they can use it to make well-informed decisions about their business.

**Table 3: Elements of business plan**

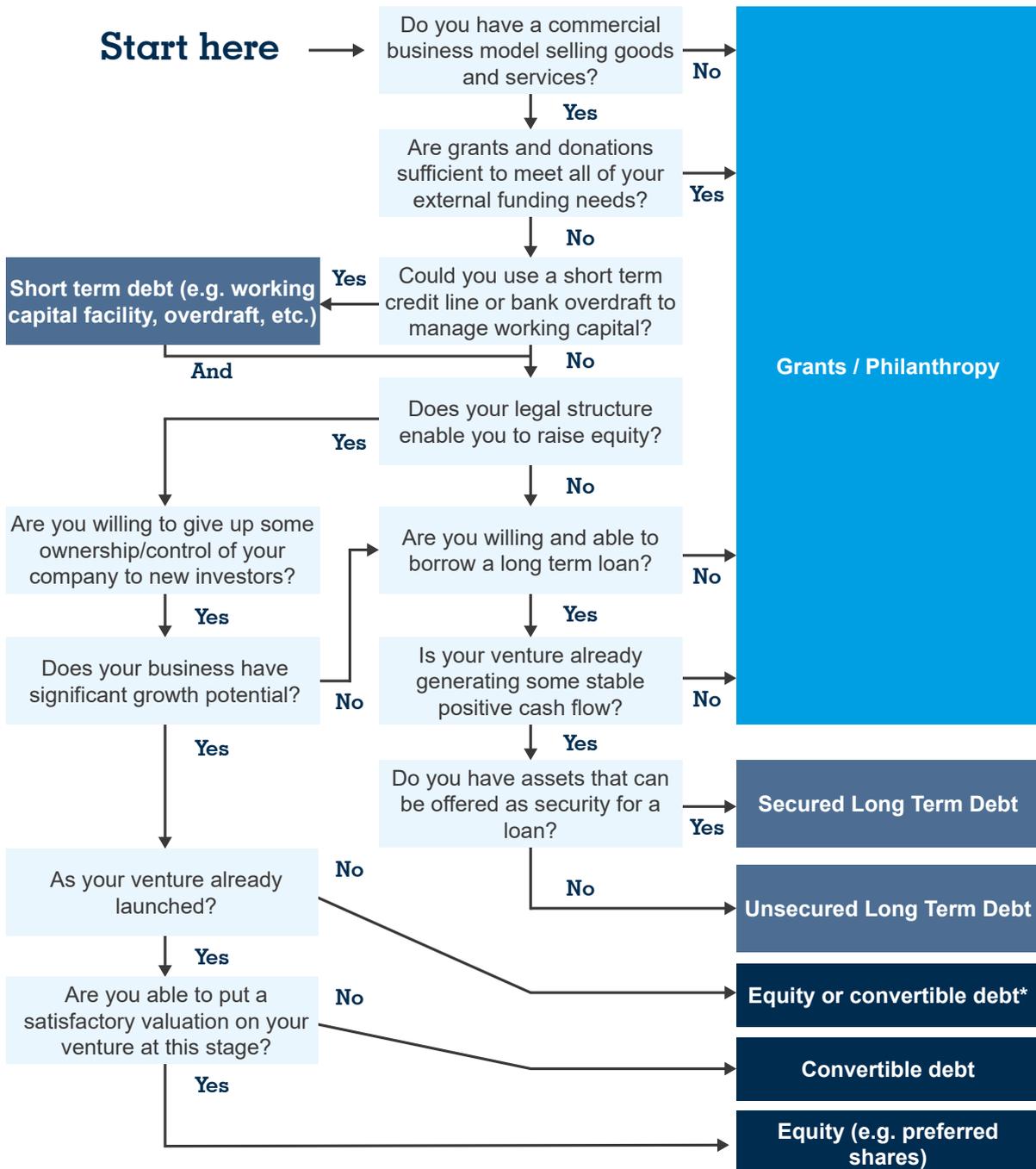
Elements of the business plan	
1.	<b>Executive summary:</b> This should summarize what you expect your business to accomplish
2.	<b>Company description:</b> Key information about your business, goals and the customers you plan to serve.
3.	<b>Market analysis:</b> This analysis should show that you know the ins and outs of the industry, as well as the market(s) you plan to enter.
4.	<b>Competitive analysis:</b> Provide a clear comparison of your business with your direct and indirect competitors.
5.	<b>Management and organization:</b> List your company managers, their skills and primary job responsibilities, and how they will move your company towards its goals.
6.	<b>Your products:</b> Include all pertinent information about your product offering.
7.	<b>Marketing plan:</b> Spell out how you will generate market awareness of your business and products.
8.	<b>Sales strategy:</b> Explain how you plan to sell the products that you are developing.
9.	<b>Financial projections:</b> Outline the financial goals and expectations for your business, based on market research. Report the anticipated revenue from the last 12 months and your annual projected earnings for the future of the business
10.	<b>Request for funding:</b> Clearly state the amount of funds that your business needs and how you plan to use it.

Source: Adapted from SheTrades Invest: Raising Funds for Your Business. SheTrades Guidebook (2020)

## PICK THE RIGHT TYPE OF FUNDING

Figure 1 can help the business owner choose the best financing options. However, it may be appropriate to use multiple financing instruments. The advantages and disadvantages of each funding source are detailed later in this chapter.

**Figure 1: Which financial option should you choose?**



Source: Adapted from SheTrades Invest: Raising Funds for Your Business. SheTrades Guidebook (2020).

## FINANCIAL INSTITUTIONS

Formal financial institutions – commercial banks, building societies, development finance institutions, leasing and finance companies, savings and credit institutions, microfinance institutions and companies offering digital financial services – need a licence to operate. These institutions must fulfil requirements that are monitored closely by either the Bank of Zambia, the Securities and Exchange Commission or the Pensions and Insurance Authority.

Financial institutions are not the only source of business funding. Venture capitalists who see the growth potential of a business can offer capital (on behalf of others) in exchange for an equity stake. Angel investors invest in high-potential businesses. A business could appeal to an angel investor if it represents a cause that they care about. Angel investors can invest either through debt or equity and are generally more flexible than formal financial institutions (see Chapter 3 for details on how to contact angel investors).

The Zambian government, along with development agencies that are based in Zambia, offers business funding and support for business development. Sometimes these resources target women-owned businesses and specific sectors, so the business should confirm whether it qualifies before applying. Keep in mind that the application process can be longer than for other kinds of funding.

## FINANCIAL INSTRUMENTS

Financial instruments can be either informal or formal. Many women entrepreneurs in Zambia rely on a combination of formal and informal funding sources. Informal sources of funding include friends and family, unregistered and unregulated money lenders (kalobas), savings groups, chilimbas and village banks. Formal financial instruments include equity, short-term debt, long-term debt and grants.

**Table 4: Informal funding sources**

Type	How it Works
Kaloba	An informal form of credit offered by money lenders to community members for a given time and high interest rate. A kaloba can include a written agreement and collateral but this is not always the case and is usually unregistered.
Savings group	A group of people saving together, borrowing from each other and receiving a payment plus interest earnings at the end of the cycle. Some savings groups use mobile money or bank accounts for transactions.
Chilimba	A group of people making a fixed, regular contribution to a pooled fund. Each member has a turn at receiving a pay-out. Members of a chilimba can use group mobile money or bank accounts for storing contributions.

Source: Linda Zuze

Using informal finance can be risky. Table 5 provides questions to ask when considering these informal financing instruments.

**Table 5: Key questions about informal financing instruments**

Type of instrument	Questions to ask
Kaloba	<ul style="list-style-type: none"> <li>■ What are the interest rate and loan repayment periods?</li> <li>■ Is collateral required?</li> <li>■ Is there a written agreement?</li> <li>■ Does the lender have a reputation of harassing customers over repayment?</li> <li>■ What penalties are charged for late repayment?</li> <li>■ Can you repay the loan within the agreed period?</li> <li>■ Are you aware of the consequences of non-repayment?</li> </ul>
Savings group	<ul style="list-style-type: none"> <li>■ How long has the group been running and how often does it meet?</li> <li>■ How well do group members know each other?</li> <li>■ Does the group have a written constitution?</li> <li>■ Where is the money stored, and who has access to it and under what conditions?</li> <li>■ What is the interest rate on loans and savings and what penalties do they charge for late repayment?</li> <li>■ Are there opportunities to invest the money as a group?</li> <li>■ Are meetings online or in person?</li> <li>■ If meetings are online, what tools are used to send/or receive money?</li> <li>■ Does the group require members to pay a social fund (for emergencies)? If yes, how much, how often, how is it used and who is eligible to access it?</li> <li>■ How are group members selected and are there checks in place to ensure all members can save and repay loans?</li> <li>■ Are members introduced through existing members? If so, is the member that refers held accountable for non-payment of the referred member?</li> <li>■ Does the group have an executive committee? If yes, how are the committee members selected?</li> <li>■ How is the remaining money handled after people borrow?</li> <li>■ Does the group give loans to people outside the group?</li> <li>■ Are members forced to take out loans when there is excess cash?</li> <li>■ Is there transparency and clear record-keeping of all transactions (e.g. passbook, ledgers, spreadsheets)?</li> </ul>
Chilimba	<ul style="list-style-type: none"> <li>■ How many members are in the group and how often will you receive a payment?</li> <li>■ How well do group members know each other?</li> <li>■ How much is the fixed contribution?</li> <li>■ What is the frequency of saving?</li> <li>■ Do members meet in person or are meetings online?</li> </ul>

Source: Linda Zuze

**Table 6: Formal funding sources**

Type	How it Works
Equity	This involves selling a part of your company to an investor in the form of shares. In exchange, you receive a cash investment. Shareholders have a right to a share of a company's profits through dividends, but dividends are only paid when the company is making a profit.
Short-term debt	This type of funding can provide your business with working capital for its daily operations while you wait for revenue from customers. It is due to be paid within a year.
Long-term debt	This long-term loan does not require giving up ownership of your business but must be repaid on time, with interest. It often requires collateral. If you default on the loan, your business runs the risk of going bankrupt to repay the loan.
Grant	This type of fund is given by an institution (a government agency or a foundation) that may or may not need to be repaid. Grants can be restricted, which means that there are conditions on how the funds can be used, or unrestricted, which are more flexible. Grant funding is limited and harder to secure over a long period of time.
Blended finance	Blended finance instruments or structures use development finance and private capital or the use of multiple financing instruments, including grant capital, debt and equity to reduce risk.

Source: Adapted from SheTrades Invest: Raising Funds for Your Business. SheTrades Guidebook (2020)

Table 7 provides points to consider when comparing formal financing instruments for your business.

**Table 7: Choosing a financing instrument**

Type of instrument	Questions to ask
Grants	<ul style="list-style-type: none"> <li>■ You can source them – they are the cheapest form of funding, so use them whenever you qualify.</li> <li>■ Your company is not profit-making.</li> <li>■ You are unable to meet the requirements for other forms of investment.</li> <li>■ You need help covering your capital needs.</li> <li>■ Selling equity or taking on debt are not feasible.</li> <li>■ Your expected profits won't cover your investment costs.</li> </ul>
Equity	<ul style="list-style-type: none"> <li>■ Your company is registered as a commercial and for-profit business.</li> <li>■ You need external resources and support to grow your business.</li> <li>■ You are willing to surrender some ownership and control of your business.</li> <li>■ You intend to sell the business or buy back the shares from the new investors in the future.</li> </ul>
Long-term debt	<ul style="list-style-type: none"> <li>■ You have access to collateral as security for your debt.</li> <li>■ Your company has a track record of cash flow.</li> <li>■ Your business is in its early stages, and you are looking for an affordable option to develop your business.</li> </ul>
Short-term debt	<ul style="list-style-type: none"> <li>■ There is a gap between the inflow and outflow of cash for your business because the time when you incur the expenses differs from when you receive revenue.</li> </ul>

Source: Adapted from SheTrades Invest: Raising Funds for Your Business. SheTrades Guidebook (2020)



CHAPTER 3

# FINANCIAL PRODUCTS AND SERVICES AVAILABLE IN ZAMBIA

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## CHAPTER 3

# Financial products and services available in Zambia

This chapter presents details of financial products and services with a gender lens, as well as a summary of other funding options that are available in the Zambian market. As the Zambian funding landscape expands, this list will grow and be updated periodically.<sup>3</sup>

### FUNDING OPTIONS WITH A GENDER LENS

The following tables contain information on several types of public sector funding with a gender lens available for women-led businesses in Zambia. The options shown are not exhaustive<sup>4</sup> and further information and updates can be found on the digital platforms of each organization.

## Public-sector funding

**Table 8: Constituency Development Fund (CDF)**

Name	Constituency Development Fund (CDF)
Description	<ul style="list-style-type: none"> <li>■ Empowerment loans</li> <li>■ Empowerment grants</li> </ul>
Who qualifies	<ul style="list-style-type: none"> <li>■ Empowerment loans: registered SMEs, cooperatives, associations and clubs with a viable employment-generating proposal for their constituency and a bank account; Over six months of residency in the constituency is required.</li> <li>■ Empowerment grants: Cooperatives, associations and organized groups with a minimum of 10 members, a viable employment-generating proposal for their constituency and a group bank account; Over six months of residency in the constituency is required of the group.</li> </ul>
How to apply	<ul style="list-style-type: none"> <li>■ Complete the project application forms, available free of charge, from the local authority, parliamentary constituency office, any public institution in the constituency or an identified financial institution. Forms are also available from the local authority website. Forms and supporting documentation should be submitted to your ward development committee or ward counsellor.</li> </ul>
Documents required	<ul style="list-style-type: none"> <li>■ Copy of a valid certificate of registration for a company, organization, group, cooperative, enterprise or club. Registration should be with PACRA, Registrar of NGOs, Zambia Agency for Persons with Disabilities, Registrar of Cooperatives, local authority, National Construction Council (NCC), National Youth Development Council (NYDC) and other registration bodies.</li> <li>■ Green national registration card (where applicable for all project members).</li> <li>■ Letter of recommendation from a civic leader, religious leader, traditional leader, commissioner of oaths or bank manager.</li> <li>■ Proof of a bank account or mobile wallet registered for the group.</li> </ul>
Application costs	<ul style="list-style-type: none"> <li>■ No application cost</li> </ul>
Min/max term	<ul style="list-style-type: none"> <li>■ Empowerment loans: Minimum 12 months and maximum term four years</li> </ul>
Min/max amount	<ul style="list-style-type: none"> <li>■ Empowerment loans: Minimum ZMW5,000; maximum ZMW200,000</li> <li>■ Empowerment grants: Minimum ZMW5,000; maximum ZMW40,000</li> </ul>
Processing time	<ul style="list-style-type: none"> <li>■ Between 14 and 21 days.</li> </ul>
Tips for applying	<ul style="list-style-type: none"> <li>■ Ask questions to understand how CDF works and how to benefit from the scheme.</li> <li>■ Review the CDF guidelines to understand the requirements.</li> <li>■ Join a cooperative and ensure it is registered so that you can access grants.</li> </ul>
Contact information	<ul style="list-style-type: none"> <li>■ Local authorities</li> <li>■ Departments of planning and information or local government administration at the Ministry of Local Government and Rural Development</li> </ul>

Source: Interview with Constituency Development Fund (CDF)

**Table 9: Zambia Export Development Fund (ZDA)**

Name	Zambia Export Development Fund
Description	<ul style="list-style-type: none"> <li>■ Working capital finance</li> <li>■ Pre- and post-shipment financing</li> <li>■ Export mentoring</li> <li>■ Market information</li> <li>■ Advisory services</li> <li>■ Export processes and procedures</li> </ul>
Who qualifies	<ul style="list-style-type: none"> <li>■ Exporters of non-traditional export products</li> </ul>
How to apply	<ul style="list-style-type: none"> <li>■ Visit the ZEDF office to collect the application form, fill it in and submit the form with all necessary documents for processing.</li> </ul>
Documents required	<ul style="list-style-type: none"> <li>■ Business plan with export plan and delivery strategy</li> <li>■ Evidence of existing capacity and potential for export capable market</li> <li>■ Minimum annual turnover ZMW450,000</li> <li>■ Ability to fund 25% required cofinancing contribution</li> <li>■ Compliance to ZRA, NAPSA and PACRA (evidenced by current compliance, tax clearance and registration certificates)</li> <li>■ Authority to borrow</li> <li>■ Audited financial statements for the past two years or management accounts (where necessary)</li> <li>■ Bank statements for the past six months</li> <li>■ Curriculum vitae of directors and key staff</li> <li>■ Copies of national registration cards of directors/owners</li> <li>■ Passport-size photos of directors/owners</li> <li>■ Copies of proposed collateral and proof of no encumbrances</li> <li>■ Disclosure of existing borrowings from other sources established through borrower disclosures and CRB</li> <li>■ Applicant's adherence to existing government and regulatory policy</li> <li>■ ZEDF official receipt</li> </ul>
Application costs	<ul style="list-style-type: none"> <li>■ Non-refundable fee of ZMW3,500</li> </ul>
Min/max term	<ul style="list-style-type: none"> <li>■ No minimum term; Maximum term is 12 months.</li> </ul>
Min/max amount	<ul style="list-style-type: none"> <li>■ Minimum ZMW 10,000; Maximum ZMW 200,000</li> </ul>
Processing time	<ul style="list-style-type: none"> <li>■ 30 days</li> </ul>
Tips for applying	<ul style="list-style-type: none"> <li>■ All document copies must be certified; uncertified copies shall not be accepted.</li> <li>■ Applicants must have a good financial track record and appropriate management expertise.</li> </ul>
Contact information	<p>David Chewe Fund Manager 097 304 4365 David.Chewe@zda.org.zm</p> <p>Chileshe Mwenya Assistant Fund Manager 097 693 2909 Chileshe.Mwenya@zda.org.zm</p>

Source: Interview with Zambia Export Development Fund (ZDA)

## Private-sector funding

**Table 10: Absa Women in Business**

Name	Absa Women in Business
Description	<ul style="list-style-type: none"> <li>■ Access to funding through collateral-backed loans, asset financing (where the asset itself is used as collateral).</li> <li>■ Other available funding includes unsecured short-term financing, overdraft facilities, trade financing such as unsecured invoice discounting and purchase order financing, as well as insurance services.</li> <li>■ Access to trade markets. Women are linked to potential markets for their products and services.</li> <li>■ Access to business development skills centred on mentorship and coaching. The emphasis is on educating women about formalizing their businesses and creating governance structures so their businesses can be operationally sound and investment-viable.</li> <li>■ Access to business information. Information about business opportunities is shared on an ongoing basis to help women grow their businesses.</li> </ul>
Definition of women-led business	<ul style="list-style-type: none"> <li>■ Women own more than 51% share of the business.</li> <li>■ Can include male partners and shareholders, but women must be at the forefront of the daily business operations.</li> </ul>
Who qualifies	<ul style="list-style-type: none"> <li>■ Women with a PACRA registered business</li> <li>■ Women with an existing Absa business account</li> </ul> <p>Any new-to-bank customer should ensure that good credit standing from their existing bank</p>
How to apply	<ul style="list-style-type: none"> <li>■ Email: <a href="mailto:womeninbusiness@absa.africa">womeninbusiness@absa.africa</a></li> </ul>
Documents required	<ul style="list-style-type: none"> <li>■ PACRA registration documents</li> <li>■ Financial records of the business</li> <li>■ Application Letter</li> <li>■ Company profile</li> <li>■ ZRA Tax Certificate</li> </ul> <p>*Additional documents may be required based on application</p>
Application costs	<ul style="list-style-type: none"> <li>■ Application fees charged are determined on a case-by-case basis.</li> </ul>
Min/max term	<ul style="list-style-type: none"> <li>■ There is no minimum term. The maximum term is determined on a case-by-case basis with the exception of long-term financing, which has a maximum term of seven years.</li> </ul>
Min/max amount	<ul style="list-style-type: none"> <li>■ No minimum amount: maximum amount is determined on a case-by-case basis</li> </ul>
Processing time	<ul style="list-style-type: none"> <li>■ Dependent on client readiness in terms of documentation</li> </ul>
Tips for applying	<ul style="list-style-type: none"> <li>■ Have a good business model in place and understand it well.</li> <li>■ Have well-documented business and financial projections.</li> <li>■ Understand the financing products available and keep business records up to date.</li> </ul>
Contact information	<p><a href="mailto:womeninbusiness@absa.africa">womeninbusiness@absa.africa</a></p>

Source: Interview with Absa Bank

**Table 11: Access Bank, the 'W' initiative**

Name	Women in Business
Description	<ul style="list-style-type: none"> <li>■ W power loans can be accessed by businesswomen who bank with Access Bank to grow their business.</li> <li>■ Webinars and training sessions are organized regularly with expert speakers to help women overcome their business operations challenges.</li> </ul>
Definition of women-led business	<ul style="list-style-type: none"> <li>■ Women own at least 50% share of the business.</li> <li>■ Women are involved in the financial operations and management of the business.</li> </ul>
Who qualifies	<ul style="list-style-type: none"> <li>■ Women with registered businesses who have had a business account with Access Bank for over six months. The account should be in good standing and cannot be overdrawn.</li> </ul>
How to apply	<ul style="list-style-type: none"> <li>■ When you open your business account, you will be assigned a relationship manager. Visit the bank to speak to your relationship manager, who will guide you through the loan application process.</li> </ul>
Documents required	<ul style="list-style-type: none"> <li>■ PACRA registration certificate</li> <li>■ Management accounts</li> <li>■ Necessary licences to operate the business</li> <li>■ Completed and signed loan application forms</li> <li>■ Company profile</li> <li>■ Audited financials</li> <li>■ Bank statements</li> <li>■ Duly executed guarantor form</li> <li>■ Duly executed offer letter</li> <li>■ Taxpayer identification number</li> </ul>
Application costs	<ul style="list-style-type: none"> <li>■ 3%-4% of the total amount is charged for insurance, facility fee and arrangement fee</li> <li>■ 2% flat management fee</li> <li>■ 1% facility fee</li> <li>■ 1.5% flat credit life insurance fee</li> </ul>
Min/max term	<ul style="list-style-type: none"> <li>■ No minimum term; Maximum term is 36 months</li> </ul>
Min/max amount	<ul style="list-style-type: none"> <li>■ Minimum amount is 10% of annual turnover; no maximum amount.</li> </ul>
Processing time	<ul style="list-style-type: none"> <li>■ Seven days</li> </ul>
Tips for applying	<ul style="list-style-type: none"> <li>■ Attend the webinars and training sessions that will teach you proper account management.</li> <li>■ Use the resources available, such as the relationship manager and training sessions.</li> </ul>
Contact information	<p>Tel.: +260 211 227 941 E-business hotline +260 978 777 555</p>

Source: Interview with Access Bank, the 'W' initiative

**Table 12: Lupiya**

Name	Lupiya
Description	<ul style="list-style-type: none"> <li>■ Order Financing; for businesses that are in the supply chain and have an order but don't have enough liquid cash to fulfil said order.</li> <li>■ Invoice Discounting: for businesses with a pending invoice with their customer and a need to fulfil another order.</li> <li>■ Working Capital: for businesses trying to pay off their rentals, overdue salaries or just in need of money to pump into their business as capital.</li> <li>■ Asset Financing: for businesses trying to pay off their rentals.</li> </ul>
Definition of women-led business	<ul style="list-style-type: none"> <li>■ Most of its executive and management positions are held by women.</li> </ul>
Who qualifies	<ul style="list-style-type: none"> <li>■ Women-led businesses with registration with PACRA as a business name, partnership or limited company.</li> <li>■ Businesses should provide financial statements, management accounts or cash book for 12 months with supporting invoices or contracts (optional).</li> <li>■ Businesses that can provide collateral, which could be either a motor vehicle, equipment or inventory (for retail businesses).</li> </ul>
How to apply	<ul style="list-style-type: none"> <li>■ Application can be done online or by visiting the offices.</li> </ul>
Documents required	<ul style="list-style-type: none"> <li>■ Financials statement, management accounts or cash book for 12 months</li> <li>■ ZRA tax clearance</li> <li>■ PACRA registration documents</li> </ul>
Application costs	<ul style="list-style-type: none"> <li>■ 10% service charge for insurance and management costs</li> </ul>
Min/max term	<ul style="list-style-type: none"> <li>■ One-month minimum term</li> <li>■ Six-month maximum term</li> </ul>
Min/max amount	<ul style="list-style-type: none"> <li>■ ZMW20,000 minimum; maximum ZMW50,000</li> </ul>
Processing time	<ul style="list-style-type: none"> <li>■ 48 hours after all documents are presented</li> </ul>
Tips for applying	<ul style="list-style-type: none"> <li>■ Financial accounting should be done on a monthly basis.</li> <li>■ Make sure to have a separate personal and business account for easier credit evaluation.</li> <li>■ Avoid applying at the last minute.</li> </ul>
Contact Information	<p>darren.ngandu@lupiya.com 076 562 4251 Extension: 2011</p>

Source: Interview with Lupiya

**Table 13: Prospero Limited**

Name	Prospero Limited			
Description	<ul style="list-style-type: none"> <li>Co-Investment: a grant to cover part of the total project or investment cost.</li> <li>Returnable grants: catalytic grants to be returned in full without interest or an amount that Prospero determines that they can return over a period of time which matches with their cash flow.</li> <li>Investment facilitation: linking businesses to impact investors.</li> </ul>			
Definition of women-led business	<ul style="list-style-type: none"> <li>Either 100% ownership or the woman has a significant stake in the business</li> <li>Otherwise, strategic leadership of the business is female</li> </ul>			
Who qualifies	<ul style="list-style-type: none"> <li>SMEs</li> <li>Prospero uses the following parameters to define SMEs based on the previous MSME policy:</li> </ul>			
	Category	Micro enterprise	Small enterprise	Medium-sized enterprise
	Total investment (equipment)	ZMW1-80,000	ZMW81-200,000	ZMW201-500,000
	Annual sales turnover	ZMW1-150,000	ZMW151-300,000	ZMW301-800,000
	Workers	Up to 10 employees	11-50 employees	51-100 employees
How to apply	<ul style="list-style-type: none"> <li>Respond to a call for proposals shared by Prospero.</li> </ul>			
Documents required	<ul style="list-style-type: none"> <li>Documents required vary, according to the call published.</li> </ul>			
Application costs	<ul style="list-style-type: none"> <li>No application fees charged</li> </ul>			
Min/max term	<ul style="list-style-type: none"> <li>No specified minimum or maximum term</li> </ul>			
Min/max amount	<ul style="list-style-type: none"> <li>No minimum amount; direct grant loan maximum: ZMW 50,000. Maximum investment facilitation support: ZMW 10,000,000 depending on the type of investor, size of the business and their ability to absorb the capital.</li> </ul>			
Processing time	<ul style="list-style-type: none"> <li>Two months or less for co-investment or returnable grants; investment facilitation typically takes longer.</li> </ul>			
Tips for applying	<ul style="list-style-type: none"> <li>Understand your business, its financial requirements and the support needed.</li> <li>Understand the financial products available on the market to be able to pick the ones suitable for your business.</li> <li>Understand the qualification criteria for the facilities before investing time to apply for a particular facility</li> <li>Ask questions where you are not clear when applying for funding to improve the quality of your application.</li> </ul>			
Contact information	info@prospero.co.zm			

Source: Interview with Prospero Limited

**Table 14: Stanbic Anakazi banking**

Name	Stanbic Anakazi banking
Description	<ul style="list-style-type: none"> <li>Motor insurance: covers theft of handbag from the car and flat tyre assists.</li> <li>Chilimba saving: digital peer to peer saving.</li> <li>Hippo account for children: mothers can save for their children at no monthly cost on the savings account.</li> <li>Access to loans and entrepreneur training sessions.</li> </ul>
Definition of women-led business	<ul style="list-style-type: none"> <li>Headed by a woman executive, has active female representation on the board, and ownership is 50% female.</li> </ul>
Who qualifies	<ul style="list-style-type: none"> <li>Women that hold an account with Stanbic.</li> </ul>
How to apply	<ul style="list-style-type: none"> <li>Contact the relationship manager, walk into the branch or call the enterprise direct, for our SMEs on 8888.</li> </ul>
Documents required	<ul style="list-style-type: none"> <li>For invoice discounting, a confirmed invoice is needed.</li> </ul>
Application costs	<ul style="list-style-type: none"> <li>No application costs</li> </ul>
Min/max term	<ul style="list-style-type: none"> <li>Five years for unsecured loans</li> </ul>
Processing time	<ul style="list-style-type: none"> <li>A week or less from the time all documents are submitted</li> </ul>
Tips for applying	<ul style="list-style-type: none"> <li>Understand your business's financial needs and requirements.</li> <li>Understand the cost and effects of borrowing on your business.</li> <li>Understand the environment in which your business operates and your costs and returns.</li> </ul>
Contact information	Call the enterprise direct, for our SMEs on +260 971 288 888, ext. 8888

Source: Interview with Stanbic Anakazi banking

**Table 15: wCap Limited**

Name	wCap Limited
Description	<ul style="list-style-type: none"> <li>A gender lens venture capital firm that backs women led businesses in Zambia, Namibia and South Africa.</li> <li>Product: Venture capital funding,</li> <li>Services: Corporate finance, transaction advisory and diligence services</li> </ul>
Definition of women-led business	<ul style="list-style-type: none"> <li>Has at least 30% female ownership.</li> <li>Business must have a woman in executive management or on the board of directors if shareholding is 30% or less.</li> <li>If the business produces products or services that are tailored for women, then such an organization or business is women-led/women owned.</li> </ul>

Name	wCap Limited
Who qualifies	<ul style="list-style-type: none"> <li>■ Growth stage businesses, fully registered and operational for at least three years with a positive net profit and annual recurring revenue from USD500,000 per annum and above.</li> <li>■ Sector agnostic but with a preference for businesses in sustainable agriculture, manufacturing, renewable energy and tech enabled businesses</li> </ul>
How to apply	<ul style="list-style-type: none"> <li>■ Via our website: <a href="https://womencapital.co/">https://womencapital.co/</a></li> <li>■ Email: <a href="mailto:info@womencapital.co">info@womencapital.co</a></li> </ul>
Documents required	<p>Initial screening:</p> <ul style="list-style-type: none"> <li>■ Pitch deck that gives a clear summary of the business model, team, product or service and the market they operate in, traction, revenue, funding requirement and financial projections.</li> <li>■ Audited or unaudited financial statements for the last 2 years.</li> <li>■ The pitch deck should be in a 10 slide PowerPoint presentation.</li> </ul> <p>Further screening:</p> <ul style="list-style-type: none"> <li>■ Business plan</li> <li>■ Business incorporation, licences and other legal or governance documentation</li> </ul>
Application costs	<ul style="list-style-type: none"> <li>■ No cost to apply; however, fees are applicable when engaged to provide services</li> </ul>
Min/max term	<ul style="list-style-type: none"> <li>■ Equity investments, 5-10 years</li> <li>■ Equity (S.A.F.E.S, Convertible debt, preference shares)</li> <li>■ Corporate bond issuance - medium term investment programmes (3-5 years)</li> </ul>
Min/max amount	<ul style="list-style-type: none"> <li>■ Minimum USD\$250,000; maximum USD 1.5 Million</li> <li>■ Corporate Bonds: Minimum USD 5Million</li> </ul>
Processing time	<ul style="list-style-type: none"> <li>■ 4-16 weeks</li> </ul>
Tips for applying	<ul style="list-style-type: none"> <li>■ Know your numbers and industry. Investors want to see founders that demonstrate a thorough understanding of the business and the market.</li> <li>■ Know what return on investment you will give the investor.</li> <li>■ Explain how investment funds will be used to drive growth in your business.</li> <li>■ Describe your business model and revenue drivers</li> <li>■ Pay attention to detail.</li> <li>■ Ensure your financial statements and management account are in order.</li> <li>■ Have a good team in place to support your business operations.</li> <li>■ Work on your governance structure (registration) and compliance issues with statutory bodies, tax regulators and regulators for your sector of business.</li> <li>■ Create a data room with all key documentation on hand with additional screening information is requested for.</li> </ul>
Contact information	<p>Website: <a href="https://womencapital.com">https://womencapital.com</a>            Email: <a href="mailto:info@womencapital.co">info@womencapital.co</a></p>

Source: Interview with wCap Limited

**Table 16: ZANACO – Zee Women Banking**

Name	ZANACO – Zee Women Banking
Description	<p>The Zee Woman Proposition is anchored on three pillars:</p> <ol style="list-style-type: none"> <li>1. Access to finance, comprising these financial and insurance products: <ul style="list-style-type: none"> <li>■ Tailored asset product: flexible terms when accessing financing for women businesses with or without collateral. Collateral free loan for amounts of up to ZMW200,000.</li> <li>■ Tailored accounts: depending on the business life cycle, determined through a needs-based conversation.</li> <li>■ Tailored insurance products: Zee Woman Life Insurance, Motor &amp; Houseowners General Insurance</li> </ul> </li> <li>2. Access to information</li> <li>3. Access to networking and markets</li> </ol> <p>The proposition also provides tailored financing solutions depending on the business life cycle</p>
Definition of women-led business	<ul style="list-style-type: none"> <li>■ A business with shareholding of 50% or more</li> <li>■ A business with more than 50% of women in senior management</li> </ul>
Who qualifies	<ul style="list-style-type: none"> <li>■ ZANACO has simplified the loan requirements for female-led businesses to make financing easily accessible and to grow women businesses.</li> <li>■ To qualify for the loan, the applicant must be a holder of a ZANACO account.</li> <li>■ New-to-bank customers should be in good credit standing as per certified account statement from current bankers.</li> </ul>
How to apply	<ul style="list-style-type: none"> <li>■ Visit and/or contact a ZANACO branch to arrange an initial assessment meeting where ZANACO will ascertain the needs and recommend the suitable credit facility to match the needs of the business.</li> </ul>
Documents required	<ul style="list-style-type: none"> <li>■ Application letter</li> <li>■ Company profile</li> <li>■ PACRA documents</li> <li>■ ZRA TPIN</li> <li>■ Director's CV</li> <li>■ Director's NRC</li> <li>■ 12 months of cashflow for the loan</li> <li>■ Existing contracts for your business (if any)</li> <li>■ Consideration will be centred on whether the business can sustain debt service obligations.</li> </ul>
Application costs	<ul style="list-style-type: none"> <li>■ No application costs.</li> <li>■ Once the loan is approved, an arrangement fee is charged.</li> </ul>
Min/max term	<ul style="list-style-type: none"> <li>■ The tenure of the short-term loans is 12 months while the long-term facilities go up to five years.</li> </ul>
Min/max amount	<ul style="list-style-type: none"> <li>■ The loan amount is determined by the capacity of the business to sustain the debt obligation. However, the maximum amount for the collateral free loan is ZMW200,000</li> <li>■ ZANACO also offers unlimited amounts for secured facilities.</li> </ul>
Processing time	<ul style="list-style-type: none"> <li>■ Within two weeks from the date customer submits full documentation</li> </ul>

Name	ZANACO – Zee Women Banking
Tips for applying	<ul style="list-style-type: none"> <li>Be up to date with record-keeping, as certain critical information may be required in the loan assessment process.</li> <li>Have a clear and comprehensible purpose of the loan.</li> <li>Have a well written business plan; this helps the bank understand how you will manage the business</li> </ul>
Contact information	<ul style="list-style-type: none"> <li>Call the contact centre on 5000</li> <li>Email: <a href="mailto:womensbanking@zanaco.co.zm">womensbanking@zanaco.co.zm</a> or <a href="mailto:customerservice@zanaco.co.zm">customerservice@zanaco.co.zm</a></li> </ul>

Source: Interview with ZANACO – Zee Women Banking

## OTHER FUNDING OPTIONS AVAILABLE FOR SMES, WITH NO DIRECT GENDER LENS

### Commercial banks

**Table 17: Commercial banks**

Organization	Product/Services	Who can apply	How to apply	Contacts
Bank of China Zambia Limited	Working capital loans	Borrowers should be Zambian registered businesses	<ul style="list-style-type: none"> <li>Have an account with the bank</li> <li>Audited financials that go back at least three years</li> <li>PACRA registration</li> </ul>	Tel.: +260 211 238 686, ext. 88
First Alliance Bank Limited	<ul style="list-style-type: none"> <li>Project financing</li> <li>Overdrafts</li> <li>Term loans</li> <li>Bank guarantees</li> <li>Letters of credit</li> <li>Retail and wholesale credit for trading activities</li> <li>Bills discounting facility</li> </ul>	Individuals, SMEs and large corporations in the wholesale and retail trade, mining, manufacturing, agriculture, transport, hospitality and tourism, construction, real estate	Visit any branch or download application forms online.	Tel.: +260 211 237 642 Email: <a href="mailto:Credit@fabank.co.zm">Credit@fabank.co.zm</a>
First Capital Bank	<ul style="list-style-type: none"> <li>Overdrafts</li> <li>Term loans</li> <li>Foreign currency loans</li> </ul>	Account holders can access term loans, repayable in fixed instalments	Fill in enquiry form online and a representative will contact you with further details.	Tel.: +260 211 368 750, ext. 770 Mobile: +260 770 712 789 WhatsApp: +260 770 712 789 Email: <a href="mailto:info@firstcapitalbank.co.zm">info@firstcapitalbank.co.zm</a>
First National Bank (FNB) HER Women Initiative	Business tool kits and networking opportunities	Women FNB account holders can apply	Visit the HER portal on the FNB website to see available products, services and discounts.	Visit the HER portal on the FNB website.

Organization	Product/Services	Who can apply	How to apply	Contacts
Indo Zambia Bank (IZB) Business Banking	Current accounts: <ul style="list-style-type: none"> <li>■ Privilege</li> <li>■ Classic</li> </ul> SME credit: <ul style="list-style-type: none"> <li>■ MSME loan</li> <li>■ Term loan</li> <li>■ Auto finance</li> <li>■ Agri finance</li> <li>■ Equity release</li> <li>■ Business finance</li> <li>■ Working capital finance</li> <li>■ Lease rental discounting</li> </ul>	Visit the IZB website or a branch	Visit IZB website or a branch.	Visit IZB website or a branch
National Savings and Credit Bank (NATSAVE)	<ul style="list-style-type: none"> <li>■ Micro/medium enterprise loan</li> <li>■ Asset plus loan</li> </ul>	<ul style="list-style-type: none"> <li>■ Micro/medium enterprise loan: Individuals and businesses with an active account which has operated for at least six months</li> <li>■ Asset plus loan: Individuals and businesses who have an active account which has operated for at least six months</li> </ul>	Visit a branch to apply.	Tel.: +260 226 834 +260 231 440 Fax: +260 223 296
Standard Chartered Bank Zambia PLC	<ul style="list-style-type: none"> <li>■ Term loans</li> <li>■ Business overdraft</li> <li>■ Trade and working capital solutions</li> </ul>	Enterprises or individuals with SCB business accounts	Visit a branch to apply.	Tel.: 260 211 422 129, ext. 34
United Bank for Africa Zambia Limited	<ul style="list-style-type: none"> <li>■ Term loans</li> <li>■ Invoice discounting</li> <li>■ Bond and guarantees</li> <li>■ Import trade finance (letters of credit)</li> </ul>	Businesses and individuals	Visit a branch to apply.	Tel.: 260 971 779 718 Email: infozambia@ubagroup.com
Zambia Industrial Commercial Bank (ZICB)	<ul style="list-style-type: none"> <li>■ Fixed term loan</li> <li>■ Operating capital finance</li> <li>■ Overdrafts</li> </ul>	<ul style="list-style-type: none"> <li>■ SMEs</li> <li>■ CDF funding disbursed through ZICB</li> </ul>	<ul style="list-style-type: none"> <li>■ Case by case basis</li> <li>■ Must provide Audited financial statement</li> <li>■ Company profile</li> <li>■ Proof of revenue</li> </ul>	Tel.: +260 211 428 700 Call centre: 7000

Source: Desk research undertaken by author

## Impact investors

Table 18: wCap Limited

Organization	Product/Services	Who can apply	How to apply	Contacts
Hivos Impact Investments	Hivos Food & Lifestyle Fund	Food entrepreneurs	Online via the website.	nsamwa@hivosimpactinvestments.com
AgDevCo	<ul style="list-style-type: none"> <li>■ Long-term risk capital</li> <li>■ Seasonal working capital</li> </ul>	Businesses in the agricultural value chain (except tobacco and potable ethanol)	Email investment@agdevco.com	investment@agdevco.com

Source: Desk research undertaken by author

## Microfinance institutions

Table 19: Microfinance institutions

Organization	Product/Services	Who can apply	How to apply	Contacts
Altus Financial Services Limited	<ul style="list-style-type: none"> <li>■ Order finance</li> <li>■ Invoice discounting</li> <li>■ Term loan</li> <li>■ Corporate MoU-based SME financing</li> </ul>	<ul style="list-style-type: none"> <li>■ Order finance: SMEs with orders with established corporates.</li> <li>■ Invoice discounting</li> <li>■ Term loan</li> <li>■ Corporate MoU-based SME financing: only open to SMEs servicing corporates that have signed an MoU</li> </ul>	<p>Order finance, invoice discounting and term loan:</p> <ol style="list-style-type: none"> <li>1. SME supplier/contractor approaches Altus for funding</li> <li>2. Altus confirms order/invoice with corporate KYC documentation reviewed</li> <li>3. Credit appraisal conducted</li> <li>4. Management credit committee approves facility</li> <li>5. Security perfection with lands, PACRA &amp; RTSA undertaken</li> </ol> <p>Corporate MoU-based SME financing:</p> <ol style="list-style-type: none"> <li>1. Corporate signs MoU with Altus</li> <li>2. SME applies for a loan; credit appraisal conducted</li> <li>3. Altus reconfirms invoices/supply history with corporate</li> <li>4. Assignment of receivables by SME to Altus</li> <li>5. Financing advanced to SME</li> </ol>	<p>Tel.: +211 253 566 Email: info@altus.co.zm</p>

Organization	Product/Services	Who can apply	How to apply	Contacts
Vision Fund Zambia Limited (VFZ)	<ul style="list-style-type: none"> <li>■ Solidarity group lending – Pamodzi</li> <li>■ Lima (agriculture)</li> <li>■ Horticultural loans (irrigated agricultural loans)</li> <li>■ Njinga (bicycle)</li> <li>■ Dairy loan</li> </ul>	<ul style="list-style-type: none"> <li>■ Solidarity group lending –Pamodzi: solidarity groups</li> <li>■ Lima (agriculture): solidarity groups, and individual clients i.e. farmers growing seasonal crops such as maize, soya bean, sunflower, groundnuts</li> <li>■ Horticultural loans: solidarity groups and individual clients that are horticulture farmers</li> <li>■ Njinga (bicycle): any repeat client, solidarity groups, and individual clients</li> <li>■ Dairy loan: any repeat client, solidarity groups, and individual clients that are dairy farmers</li> </ul>	Visit a vision fund office or talk to a field agent.	Tel.: +260 211 225146 Email: info@visionfundzambia.org
Izwe Loans Zambia Limited	<ul style="list-style-type: none"> <li>■ Car4Cash loans</li> <li>■ Landed property loan</li> <li>■ Izwe auto loan</li> </ul>	<ul style="list-style-type: none"> <li>■ Car4Cash loans: individuals or businesses who own a car they can use as collateral</li> <li>■ Landed property loan: individuals or businesses who own property that can be used as security</li> <li>■ Izwe auto loan</li> </ul>	<ul style="list-style-type: none"> <li>■ In person- branch</li> <li>■ Online via the Izwe website</li> <li>■ SMS Izwe to 4993 for a callback or call +260 (0)762 434 218</li> <li>■ Email info@izwezambia.com</li> </ul>	Tel.: +260 (0) 762 434 218 Email: info@izwezambia.com
PremierCredit Zambia	<ul style="list-style-type: none"> <li>■ SME loans</li> <li>■ Invoice discounting loans</li> <li>■ Order finance loans</li> </ul>	<ul style="list-style-type: none"> <li>■ SME loans</li> <li>■ Invoice discounting loans: SMEs</li> <li>■ Order finance loans: SMEs</li> </ul>	Apply online via the website or mobile app, or visit a branch	Tel.: +260 761 228 721 WhatsApp: +260 761 228 722 (text only) Email: customercare@premiercredit.co.zm
Betternow Finance Company Limited	<ul style="list-style-type: none"> <li>■ Order finance</li> <li>■ Bill or invoice discount</li> </ul>	Entrepreneurs	Download application form from the website or visit a branch	Tel.: +260 211 295 281, +260 978 295 282, +260 969 295 284 Email: info@betternowfinance.co.zm

Organization	Product/Services	Who can apply	How to apply	Contacts
ASA Microfinance Zambia Limited	Small loan	Female entrepreneurs with small businesses, aged 18-60 years old	Visit a branch	Tel.: +260 960 000 000 Email: info@asazambia.co.zm
Inde Credit Company Limited	<ul style="list-style-type: none"> <li>■ Invoice discounting</li> <li>■ Order financing</li> <li>■ Working capital loans</li> <li>■ Term loans</li> <li>■ Agri loans</li> </ul>	Registered SMEs	Contact via the website, then a relationship manager will tailor the best solution for your business needs.	Tel.: (+260) 212 231 854 Email: hello@indecredit.com
Kwacha Loans	<ul style="list-style-type: none"> <li>■ Short duration</li> <li>■ Intermediate plan</li> <li>■ Flexible plan</li> </ul>	Lusaka Province residents who own registered motor vehicles that can be used as security for the loan.	Visit the office to apply	Tel.: +260 971 110 914 Email: info@kwachaloans.com
Micro Finance Zambia - Atlas Mara	<ul style="list-style-type: none"> <li>■ Invoice discounting facility</li> <li>■ Order finance facility</li> <li>■ Working capital facility</li> </ul>	<ul style="list-style-type: none"> <li>■ Invoice discounting facility: SMEs that have confirmed invoices with pending payment</li> <li>■ Order finance facility: SMEs who have confirmed orders pending execution</li> <li>■ Working capital facility: SMEs with running contracts that receive monthly payments or generate monthly income to enable the client to make monthly repayments towards their loan facility</li> </ul>	Visit a branch, discuss with the personnel, then proceed with application	Tel.: +260 211 291 252, +260 7656 46466 Email: info@mfz.co.zm
Christian Empowerment Microfinance Zambia Limited	<ul style="list-style-type: none"> <li>■ Group loans</li> <li>■ Individual loans</li> </ul>	<ul style="list-style-type: none"> <li>■ Group loans: five to six people with individual businesses within the Mongu area</li> <li>■ Individual loans: individual entrepreneurs within Mongu area</li> </ul>	Online at <a href="https://cemfin.weebly.com/contact-us.html">https://cemfin.weebly.com/contact-us.html</a>	PO box 910444 Mongu Lodge
BIU Capital Zambia	Quick mobile loan	MTN and Airtel users	<ol style="list-style-type: none"> <li>1. Sign up online with your mobile money number: <a href="https://www.biumoney.co/">https://www.biumoney.co/</a></li> <li>2. Select 'apply now' and fill in the application form</li> </ol>	Tel.: +260770102810 Email: mailto:biumoneyzambia@gmail.com

Organization	Product/Services	Who can apply	How to apply	Contacts
Elpe Finance Limited	<ul style="list-style-type: none"> <li>■ Purchase order financing</li> <li>■ Business loan</li> </ul>	<ul style="list-style-type: none"> <li>■ Purchase order financing for SMEs</li> <li>■ Business loan for contractors and businesses</li> </ul>	Visit a branch and apply with the assistance of a staff member	Tel.: +260 212 230366 Email: info@elpefinance.com
FINCA	<ul style="list-style-type: none"> <li>■ Small enterprise loan</li> <li>■ Business loan</li> <li>■ Group loan</li> </ul>	Small to medium entrepreneurs	Work with a client relationship officer: site visit, training on credit management, loan approval, loan disbursement, loan repayment	Tel.: +260 966 200 580, +260 971 245 429 Hotline: 8008 (Airtel only) Email: ZM_CustomerCare@finca.co.zm
Agora Microfinance	<ul style="list-style-type: none"> <li>■ End of term (EoT)</li> <li>■ Flexi 1</li> <li>■ Flexi 2</li> <li>■ Agriculture loan</li> <li>■ Small business group loan</li> <li>■ Micro, small and medium-sized enterprise (MSME)</li> </ul>	<ul style="list-style-type: none"> <li>■ End of term (EoT): farming households with seasonal (lumpy) cash flows</li> <li>■ Flexi 1: farming and non-farming households with more regular cash flows</li> <li>■ Flexi 2: traders with consistent daily, weekly and/or monthly cash flows</li> <li>■ Agriculture loan: household/semi-commercial/subsistence farmers growing tomato, groundnuts, maize, soya beans and watermelon</li> <li>■ Small business group loan: traders with consistent daily, weekly and/or monthly cash flows</li> <li>■ MSME: small and medium-sized enterprises with monthly cash flow</li> </ul>	<p>Individual and group agriculture; village banking: communities are organized into village banks, which mutually agree and guarantee the individual loans of all the members.</p> <p>For SMEs, loans are individual; collateral is movable and immovable; bank statements, PACRA registration required. Requirements vary according to the size of the business.</p> <p>36 branches nationwide.</p>	Tel.: +260 211 847 838 Email: info@agoramicrofinance.co.zm

Organization	Product/Services	Who can apply	How to apply	Contacts
Entrepreneurs Financial Centre	<ul style="list-style-type: none"> <li>■ Business loans</li> <li>■ Women market traders' loan</li> <li>■ Home improvement loan</li> <li>■ Order finance</li> <li>■ Dairy chain value financing</li> <li>■ Invoice discounting</li> </ul>	<ul style="list-style-type: none"> <li>■ Business loans: MSMEs that need fast and efficient loan services as a way of empowerment</li> <li>■ Women market traders' loan: women with small businesses in need of financial assistance</li> <li>■ Home improvement loan: entrepreneurs who want to expand or upgrade their existing infrastructure</li> <li>■ Order finance: SMEs with orders yet to be performed</li> <li>■ Dairy chain value financing: dairy sector business players</li> <li>■ Invoice discounting: SMEs with confirmed invoice</li> </ul>	Contact the nearest branch.	<p>Tel.: +260 211 420 200  Toll free: 8899  Email: <a href="mailto:customercare@efczambia.com.zm">customercare@efczambia.com.zm</a></p>
Pangaea Add Capital	<ul style="list-style-type: none"> <li>■ Invoice discounting</li> <li>■ Order financing</li> <li>■ Trade financing</li> </ul>	SMEs in the mining sector, trade, industry and agricultural sectors	Book an appointment to discuss company requirements.	<p>Tel.: +260 969 977 000,  +260 967 814 123,  +260 962 225 722,  +260 979 061 959  Email: <a href="mailto:getfinance@pangaeaaddcapital.co.zm">getfinance@pangaeaaddcapital.co.zm</a></p>
Microloan Foundation	Microfinance	Women who are most in need and have the potential and desire to run a business	The Loan and Training officers (LTOs) aided by community leaders identify who are most in need and have the potential, and the desire to run a business.	
Ecsponent Financial Services Limited	<ul style="list-style-type: none"> <li>■ Order finance</li> <li>■ Invoice discounting</li> <li>■ Short- and long-term business loans</li> </ul>	SMEs	Go to a MyBucks branch with the required documentation to apply.	<p>Tel.: +260 975 736 879,  +260 211 230 106, ext. 09  Email: <a href="mailto:info@mybucks.co.zm">info@mybucks.co.zm</a></p>

Source: Desk research undertaken by author

## Technical assistance and business support organizations

**Table 20: Business support organizations**

Organization	Product/Services	Who can apply	How to apply	Contacts
Citizens Economic Empowerment Commission (CEEC)	<ul style="list-style-type: none"> <li>■ Cashew matching grant</li> <li>■ energy loan product</li> <li>■ Aquaculture loan product for cage farming</li> <li>■ Tourism loan product</li> <li>■ Graduate loan product</li> <li>■ Livestock out grower scheme for beef and dairy</li> <li>■ Mining loan product</li> <li>■ Construction and infrastructure loan product</li> <li>■ Own a taxi and minibus loan product</li> <li>■ Agri-processing loan product</li> <li>■ Agricultural mechanization loan product</li> <li>■ Marketeer booster loan (bulk ad cold chains)</li> <li>■ Busulu loans – financing for youth and women-led businesses</li> <li>■ Unsolicited loan facilities for cooperatives)</li> <li>■ Trade finance and working capital for short-term financing</li> </ul>	<ul style="list-style-type: none"> <li>■ Citizens, MSMEs and cooperative enterprises countrywide except for the cashew matching grant, which is only open to citizens and companies in Western province to implement cashew processing</li> <li>■ Zambian youth or woman-owned start-up or operating business</li> <li>■ Zambian citizen with a green NRC</li> <li>■ Valid mobile number linked to the citizen applying for the loan</li> </ul>	<ul style="list-style-type: none"> <li>■ Unsolicited loan: submit complete project applications online or hand deliver to a CEEC provincial office</li> <li>■ Cashew Matching Grant: obtain application forms from CEEC Mongu provincial office; send via email to <a href="mailto:BDS@ceec.org.zm">BDS@ceec.org.zm</a>; or hand deliver to the CEEC Mongu provincial office in the Mongu industrial yard</li> <li>■ Energy loan product, aquaculture loan product for cage farming, tourism loan product, graduate loan product, livestock out grower scheme for beef and dairy, mining loan product, construction and infrastructure loan product, own a taxi and minibus loan product, agri-processing loan product, agricultural mechanization loan product, marketeer booster loan (bulk and cold chains facilities for cooperatives), trade finance and working capital for short-term financing: visit <a href="http://www.ceec.org.zm">www.ceec.org.zm</a>, click 'Online application'. To view your project application status, visit <a href="http://www.ceec.org.zm">www.ceec.org.zm</a>, log in to your profile and click 'Loan Application'.</li> <li>■ Download a free application form from the CEEC website (<a href="http://www.ceec.org.zm">www.ceec.org.zm</a>).</li> <li>■ Submit a completed application at the nearest CEEC provincial office</li> <li>■ Applicants with an active CEEC loan (marketeer booster, trade finance or project finance) are not eligible until they fully repay their current loan.</li> </ul>	<p>Tel.: +260 953 756 468 Email: <a href="mailto:info@ceec.org.zm">info@ceec.org.zm</a></p>

Organization	Product/Services	Who can apply	How to apply	Contacts
KLYN	Consulting and advisory services to support business growth	MSMEs with a viable business idea	Call to schedule a virtual/ in-person appointment. No documents required for the first meeting.	Nsangu SIWALE Managing Consultant +260 96 667 2648 klyn@klyn-consulting.com
German Sparkassenstiftung for International Cooperation	<ul style="list-style-type: none"> <li>■ Business game simulation trainings for farmers and micro entrepreneurs</li> <li>■ Savings game for households and individuals.</li> <li>■ MENTORpreneur Zambia, a mentorship programme for SMEs in Zambia</li> </ul>	SMEs, including farmers, women and all industries of small enterprises	Online via website: <a href="http://www.sparkassenstiftung-southern-africa.org">www.sparkassenstiftung-southern-africa.org</a>	Tel.: +260 765 192 723
Jacaranda Hub	<ul style="list-style-type: none"> <li>■ Next Generation National Youth Incubation Challenge</li> <li>■ Mosi-oa-Tunya pitch</li> <li>■ Rebound</li> </ul>	<ul style="list-style-type: none"> <li>■ Next Generation National Youth Incubation Challenge: young people 18-35 years</li> <li>■ Mosi-oa-Tunya pitch: entrepreneurs aged 18-35 years who have business ideas that they want to bring to life (viable start-ups)</li> <li>■ Rebound: Southern African women aged 18-35 years who are already in business but lack support to improve and scale up their businesses</li> </ul>	Apply online and submit it for assessment. If the application is successful, feedback will be received.	Tel.: +260 973 143 944 Email: hello@jacarandahub.org
GrowthAfrica	GrowthAfrica Accelerator	SMEs	Apply online via website: click 'Apply' and fill in the form. It will take 20-30 minutes.	Tel.: +254 724 151 924, +254 733 151 924 WhatsApp: +254 724 151 924 Email: info@growthafrica.com
Bongo Hive	SC Women in Tech Incubator	Female-run and founded businesses.	Fill in and submit the application on the website.	Tel.: +260 953 017 526 Email: contactus@bongohive.co.zm

Organization	Product/Services	Who can apply	How to apply	Contacts
Women's Entrepreneurship Access Centre (WEAC)	<ul style="list-style-type: none"> <li>■ Business growth tools and programmes</li> <li>■ Networking events</li> <li>■ Mentoring and funding support</li> </ul>	Women entrepreneurs who are interested in building high-growth businesses. WEAC offers services to support women entrepreneurs at all stages to scale their businesses.	Early stage and pre-acceleration stage business programmes are advertised on the WEAC website, Facebook page and during information sessions. Participation in growth stage support programmes is by invitation.	Tel.: +260 954 942 634 Email: info@weaczambia.org Website: www.weaczambia.org
WEINVEST	WEINVEST is an initiative of WEAC, specifically established to respond to challenges faced by majority female owned business pursuing growth and capital raising. It is a joint venture between WEAC and Kleiner Apex.	Female majority owned or managed businesses.	Email cuthbert@kleinerapex.com	cuthbert@kleinerapex.com Nambula@weaczambia.org
Technoserve	Food Enterprises for a Developed Zambia Programme (FED Zambia programme)	Small and medium-sized food processing businesses	Email amwamulombe@tns.org for details on next funding call	Email: info@technoserve.org

Source: Desk research undertaken by author

## Fintech

**Table 21: Fintech institutions**

Organization	Product/Services	Who can apply	How to apply	Contacts
Airtel Zambia	Nasova Cash Loan	Airtel money customers with an Airtel money account	Dial *115#, select option 5, enter airtel money pin and then follow the prompts	Tel.: +260 977 770 097 Toll free: 111 Email: AirtelCustomerServices@zm.airtel.com
MTN Zambia	XtraCash	MTN customers with a mobile money account	Dial *115# and select the option 'Kongola and Savings', then 'Kongola' and then 'XtraCash loan'	Tel.: +260 966 750 750 Toll free: 111 Email: CustomerCare.zm@mtn.com
Zamtel	Chuma	Prepaid and postpaid Zamtel customers	Dial *115# , select option 7 'Chuma loans' , select option 1 'borrow' and then follow the prompts	Tel.: +260 211 333 152 Toll free: 111 Email: customercare@zamtel.co.zm

Source: Desk research undertaken by author

## DEVELOPMENT PARTNERS

**Table 22: Development partners**

Product/Services	Who can apply	How to apply	Contacts
Organization: <b>World Bank - We-Fi Programme</b>			
Women Entrepreneurs Finance Initiative (We-Fi) Programme	Formal women-led/owned small medium enterprises (WSMEs) with more than five employees	Online at: <a href="https://bit.ly/3kmfMbs">https://bit.ly/3kmfMbs</a>	Email: we-fi@worldbankgroup.org
Organization: <b>World Bank - Market Connect - ZATP Programme</b>			
Zambia Agribusiness and Trade Project	Agri-business MSMEs	Request information: <a href="http://www.zatp.org.zm/?page_id=732">http://www.zatp.org.zm/?page_id=732</a>	Tel.: +260 211 220 422 Email: info@zatp.org.zm
Organization: <b>Finland - Accelerated Growth for SMEs in Zambia (AGS) Programme</b>			
Accelerated Growth for Micro, Small and Medium-Sized Enterprises in Zambia (AGS) Programme: 1. LEARN: business development training 2. LEVEL UP: accelerator 3. LINK UP: matchmaking 4. LEAP: innovation support 5. LAUNCH: market access	Micro, small and medium-sized enterprises (MSMEs) and start-ups in Lusaka, Copperbelt and North-Western Provinces	A call for applications is sent out when the applications window is open	Tel.: +260 760 633 618 Email: info@agsprogramme.org
Organization: <b>USAID - EDGE, TradeBoost; BEP and ANIFP</b>			
1. USAID Zambia Enterprise Development and Growth Enhanced (EDGE) Activity 2. TradeBoost Zambia programme 3. Business Enabling Project 4. Alliance for Inclusive and Nutritious Food Processing	1. USAID Zambia Enterprise Development and Growth Enhanced (EDGE) Activity: agricultural SMEs in Zambia 2. TradeBoost Zambia programme: businesses led by women and young people who invest in climate smart production 3. Business Enabling Project: Zambian nationals 4. Alliance for Inclusive and Nutritious Food Processing: food processors	Fill in form to get information: <a href="https://touchpoints.app.cloud.gov/touchpoints/1eceac9/submit">https://touchpoints.app.cloud.gov/touchpoints/1eceac9/submit</a>	Tel.: +260 211 357 000 infozambia@usaid.gov

Product/Services	Who can apply	How to apply	Contacts
Organization: <b>EU Delegation to Zambia</b>			
Support for innovative projects for the production of COVID-19-relevant medical and pharmaceutical products	Private companies, state-owned companies, and institutions located in the SADC region	Answer the call for proposals on their website	Tel.: +260 211 255 583 Email: delegation-zambia@eeas.europa.eu
Organization: <b>Self Help Africa Zambia - EU Enterprise Challenge Fund</b>			
Enterprise Zambia Challenge Fund	Small and medium-sized agri-enterprises with business models that are integrating smallholder farmers into value chains as suppliers and/or customers	Submit concept notes via an online application on the website	Tel.: +260 211 236 595 Email: info@enterprisetzambia.org

Source: Desk research undertaken by author

## FUNDS, VENTURE CAPITAL AND OTHER SOURCES OF FINANCING

**Table 23: Venture capital and alternative sources of financing**

Product/Services	Who can apply	How to apply	Contacts
Organization: <b>Kukula Capital</b>			
1. Zambia Green Outcome Fund (ZGOF) 2. Kukula Fund 1 (KF1)	<ul style="list-style-type: none"> <li>■ Scalable small and medium-sized businesses in the renewable energy and electric mobility sectors (ZGOF)</li> <li>■ Zambian companies with high growth potential (KF1)</li> </ul>		Tel.: +260 954 715 547 Email: info@kukulacapital.com
Organization: <b>Thirty 30 Capital</b>			
Growth capital	MSMEs that demonstrate positive environmental stewardship and promote the empowerment of women, youths and the rural community. Target sectors are agribusiness, clean-tech, renewable energy and technology.	Submit your application via email	Tel.: +260 955 632 721 Email: info@30ThirtyCapital.com
Organization: <b>Longhorn Associates</b>			
1. Pension fund management 2. Longhorn Unit Trust 3. Securities trading and brokerage services 4. Risk management 5. Advisory support services	Businesses with growth potential	Visit a branch	Tel.: +260 956 552 238
Organization: <b>ZICTA - ICT Innovation Programme</b>			
ZICTA ICT Innovation Programme 2023	ICT related innovators, start-ups and entrepreneurs.	Apply online: <a href="https://forms.zicta.zm/">https://forms.zicta.zm/</a>	Tel.: +260 211 378 200 ext. 244424-27 Toll free: 7070 Email: info@zicta.zm
Organization: <b>LOLC Finance Zambia</b>			
SME finance (order finance, invoice discounting, business loans, working capital loan, bonds and guarantees)	Registered MSMEs in Zambia	To apply for financing under the SME loan, visit a branch	Tel.: +260 763 582 875 Email: info@lolczambia.com

Product/Services	Who can apply	How to apply	Contacts
Organization: <b>Agricultural Leasing Company Zambia Limited - AgLease Co</b>			
Finance leasing on farming equipment	Farmers all over Zambia	Visit the local office	Email: info@agleaseco.com
Organization: <b>Madison Finance</b>			
<ol style="list-style-type: none"> <li>1. Agric finance</li> <li>2. Asset financing</li> <li>3. Business loans</li> <li>4. Short-term working capital</li> <li>5. Chilimba loans</li> </ol>	<ol style="list-style-type: none"> <li>1. Agri finance: farmers that deal in poultry (layers and broilers), piggery and dairy farming</li> <li>2. Asset finance: business people including farmers</li> <li>3. Business loans: business people including farmers</li> <li>4. Short-term working capital: SME suppliers of various goods and services</li> <li>5. Chilimba group loans: business people including farmers who are part of the Chilimba loan scheme</li> </ol>	Information available on website	Tel.: +260 211 252 248, ext. 49 Email: customerservice@mfinance.co.zm
Organization: <b>The Rural Finance Expansion Programme (RUFEP)</b>			
Rural finance expansion programme	Economically active small and micro entrepreneurs and smallholder farmers, with an emphasis on women and young people	Guidelines available on website	Email: ifad@ifad.org
Organization: <b>Ministry of Commerce, Trade and Industry</b>			
Zambia Agribusiness and Trade Project (ZATP)	Small scale and emerging farmers already involved in production and value addition	Application forms should be obtained and submitted in hard copy to the regional facilitators who are situated at the following addresses: Copperbelt Province: 1st Floor One Stop Shop, Nchanga House, President Avenue, KITWE Southern Province: One Stop Shop Offices, along Mosi-O-Tunya Road-LIVINGSTONE Eastern Province: ZESCO/ ZANACO Building, 2nd Floor off Perirenyatwa Road, CHIPATA Central Province: Room 2.7, Second Floor, Mukuni House, KABWE Lusaka Province: One Stop Shop, 1st Floor, Kwacha House Annex, Cairo Road, LUSAKA	Tel.: +260 211 228 301, ext. 9 Email: info@mcti.gov.zm

Product/Services	Who can apply	How to apply	Contacts
		Forms can also be obtained and submitted in hard copy to the District Cooperative Development Officers (DCDOs) in the following Provinces: 1. Lusaka Province: Lusaka, Chilanga, Chongwe and Kafue 2. Eastern Province: Chipata, Lundazi, Katete and Petauke 3. Central Province: Kabwe, Kapiri Mposhi, Chisamba and Mumbwa 4. Copperbelt Province: Ndola, Kitwe, Lufwanyama and Mpongwe 5. Southern Province: Livingstone, Choma, Monze and Mazabuka	
Organization: <b>Ministry of Small and Medium Enterprises</b>			
Grants	SMEs	Email: msmed@msme.gov.zm	Tel.: +260 211 250 738 or +260 211 256 114 Email: msmed@msme.gov.zm
Organization: <b>National Technology Business Centre (NTBC)</b>			
Technology Business Development Fund (TBDF)	Innovators, entrepreneurs, SMEs, research development institutions in agriculture, education, health, energy, and trade and commerce sectors	Apply online at <a href="http://www.ntbc.co.zm">www.ntbc.co.zm</a> or <a href="https://tbdf.ntbc.co.zm">https://tbdf.ntbc.co.zm</a>	Tel.: +260 211 222 335, +260 211 222 409 Email: info@ntbc.co.zm
Organization: <b>Ministry of Community Development - Department Community Development</b>			
Supporting Women's Livelihoods (SWL)	Women aged 19-64 from extremely poor households	Not application based; beneficiaries are selected using the Social Cash Transfer (SCT) registry	Tel.: +260 211 225 327 Email: info@mcdsw.gov.zm
Organization: <b>Equity Capital Resources</b>			
Venture Capital	Start-up companies and small businesses	Use this enquiry link <a href="https://ecrinvestments.com/contact.php">https://ecrinvestments.com/contact.php</a>	Tel.: +260 966 778 854, +260 972 325 606 Email: info@ecrinvestments.com

Source: Desk research undertaken by author

CHAPTER 4

RECOMMENDATIONS  
FOR BUSINESS OWNERS  
AND FUNDERS

KEY RECOMMENDATIONS ..... 46

# CHAPTER 4

## Recommendations for business owners and funders

This guide set out to help Zambian businesswomen raise funding for their businesses. Several resources are available in this guide to help women fund their business. The following 12 recommendations are for business owners and funders to consider to help women access the funding they require.

### Key recommendations

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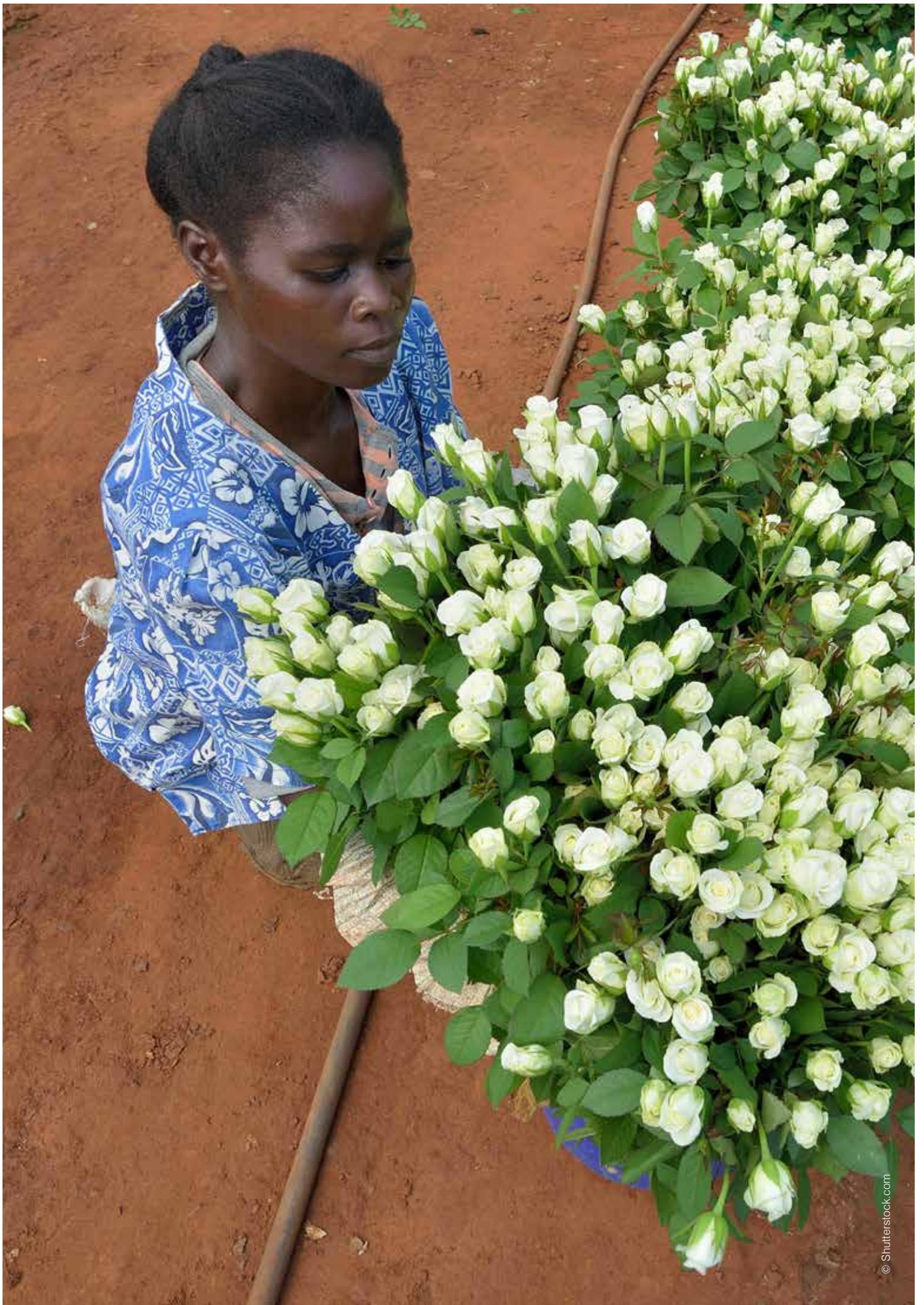
#### Recommendations for women business owners

- Build your network. Attend events, join a group of entrepreneurs and make the most of each networking opportunity to learn about funding. Arrive prepared to discuss your business, ask questions and follow-up afterwards. Share your story as well so other women entrepreneurs learn from your failures and successes.
- Know your numbers. Be clear about your potential revenue and your expected margins. If you have received help preparing your business plan, become familiar with the content.
- Reach out to business support organizations or peers to find a mentor who could offer guidance and support about funding when needed.
- Keep your financial records up to date so you're ready for any opportunity. Know how much you can afford and how much you need to borrow.
- Explore different funding options because some will take longer than others. Be aware of deadlines. Don't wait until the last minute to submit your applications because sometimes resources are limited.
- Learn from each unsuccessful funding application. Always ask for feedback so that you can improve.

#### Recommendations for funders

- Publicize funding opportunities through as many networks as possible. Remember that a wide cross-section of Zambian businesswomen uses social media.
- Improve the turnaround time for loan applications. Provide a clear list of any supporting documentation required for a funding application.
- Include capacity building within your funding packages. Don't overlook the need for training in soft skills like communication, self-confidence, time management and relationship management. Partner with local business capacity development organizations to avoid re-inventing the wheel.
- Supply tools for women in business to compare financing options (formal and informal).
- Share resources that will help women to find business mentors (locally and internationally).
- Encourage business formalization by reducing the time and costs of becoming compliant.





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# APPENDICES

## Appendix I: The policy landscape of business finance for women in Zambia

The policy landscape refers to the existing policies, regulations and frameworks that govern access to finance for women-owned businesses in the country. The policy landscape plays a critical role in shaping the availability and

terms of financing for women entrepreneurs, as well as the broader social and economic impact of their businesses. Below is a summary of policies, key institutions and their role in small business development.

**Table 24: Policy landscape of business finance for women in Zambia**

Institutions	Role	Useful links
Bank of Zambia	<ul style="list-style-type: none"> <li>Regulates and supervises financial institutions and provides stability to the sector.</li> <li>Collects sex-disaggregated data from financial institutions.</li> <li>Applied the ILO's Female and Male Operated Small enterprises (FAMOS) check tool to understand how well women entrepreneurs are supported.</li> </ul> <p>Introduced a Gender Action plan to advocate female leadership and gender diversity within the bank and narrow the gender gap in access to formal financial services to 5% by 2023.</p>	<a href="https://www.boz.zm/Bank-of-Zambia-Strategic-Plan-2020-2023.pdf">https://www.boz.zm/Bank-of-Zambia-Strategic-Plan-2020-2023.pdf</a>
Gender Division	<ul style="list-style-type: none"> <li>Coordinates the implementation of gender policies across government line ministries and among cooperating partners.</li> </ul> <p>Supports entrepreneurship training and grant disbursement through its Women Economic Empowerment Section.</p>	<a href="https://www.gender.gov.zm/">https://www.gender.gov.zm/</a>
Ministry of Commerce, Trade and Industry (MCTI)	<ul style="list-style-type: none"> <li>Designs and administers policies in the commercial and industrial sectors.</li> </ul> <p>Manages the Competition and Consumer Protection Commission (CPC) to protect the competition process and consumers.</p>	<a href="https://www.mcti.gov.zm/">https://www.mcti.gov.zm/</a> <a href="https://www.ccpc.org.zm/aboutUs">https://www.ccpc.org.zm/aboutUs</a>
Ministry of Finance and National Planning	<ul style="list-style-type: none"> <li>Designs and implements policies in the financial sector.<sup>5</sup></li> <li>Promotes inclusion, financial literacy and access to affordable finance for MSMEs.</li> </ul> <p>Manages the Zambia Credit Guarantee Scheme for MSMEs.</p>	<a href="https://www.mofnp.gov.zm/">https://www.mofnp.gov.zm/</a> <a href="https://www.zcgs.co.zm/index.php/who-we-are/">https://www.zcgs.co.zm/index.php/who-we-are/</a>
Ministry of Micro, Small and Medium Enterprises	<ul style="list-style-type: none"> <li>Advocates for small businesses and provides funding for MSMEs.</li> </ul> <p>Manages the Citizens Economic Empowerment Commission (CEEC).</p>	<a href="https://www.ceec.org.zm/">https://www.ceec.org.zm/</a>
Patents and Companies Registration Agency (PACRA)	<ul style="list-style-type: none"> <li>Operates under MCTI. PACRA provides business registration and intellectual property protection services.</li> </ul> <p>Manages the Zambian Collateral Registry and Movable Property Registration System for the use of moveable assets as collateral.</p>	<a href="https://www.pacra.org.zm/">https://www.pacra.org.zm/</a>

Institutions	Role	Useful links
Pensions and Insurance Authority (PIA)	<ul style="list-style-type: none"> <li>Regulates and supervises pension schemes, pension and insurance providers.</li> </ul>	<a href="https://www.pia.org.zm/">https://www.pia.org.zm/</a>
Securities and Exchange Commission (SEC)	<ul style="list-style-type: none"> <li>Regulates capital markets, including the Lusaka Stock Exchange (LuSE) Alternative Market (Alt-M) designed to help small businesses participate in capital markets.</li> </ul>	<a href="https://luse.co.zm/wp-content/uploads/2022/05/The-Alternative-Market.pdf">https://luse.co.zm/wp-content/uploads/2022/05/The-Alternative-Market.pdf</a>
Zambia Development Agency (ZDA)	<ul style="list-style-type: none"> <li>Operates under the MCTI. ZDA provides business development services to MSMEs and export financing through the Zambia Export Development Fund for export ready MSMEs.</li> </ul>	<a href="http://www.zda.org.zm/">http://www.zda.org.zm/</a>

Source: Desk research undertaken by author

## Appendix II: Worked example of calculating how much you should borrow

Balance Sheet Item	Amount	Explanation
Sales growth over last five years	10%	Take the average growth of sales over the last five years, but you could use two years if needed.
Sales this year	ZMW2,500,000	Sales in the current year
Sales next year	ZMW2,750,000	Current sales multiplied by average growth in sales.
Cost of sales	ZMW2,000,000	Spending on producing goods to sell
Pre-tax income	ZMW750,000	Sales minus cost of sales
Taxes next year	ZMW225,000	Projection of 30% tax rate on profits
Net income	ZMW525,000	Pre-tax income, minus taxes
Current assets for next year	ZMW600,000	Current income is accounts receivable, cash and inventory
Current assets for next year	ZMW660,000	This year's account receivable, multiplied by average growth in sales
Current liabilities this year	ZMW500,000	Liabilities to be paid within a year
Current liabilities next year	ZMW550,000	Share of liabilities in sales (20% in this example), projected from the forecast of sales next year
Working capital needs	ZMW-110,000	Subtract current liabilities from current assets
Capital expenditure	ZMW800,000	Worked out either from costing of expansion (as in the ZMW500,000 assumed here for a new shop) or as a percentage of sales
Net capital needed	ZMW165,000	Subtract working capital needed and capital expenditure from projected net income. If the result is negative, then you need financing. In this case, the company needs to borrow ZMW165,000.

Source: Linda Zuze

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# ENDNOTES

- 1 This definition comes from the International Workshop Agreement IWA 34, hosted by the Swedish Institute for Standards in association with ITC's SheTrades Initiative, and adopted by the Bank of Zambia (International Organization for Standardization, 2021).
- 2 The business owners we spoke to either have formalized enterprises or are business-ready although not yet formalized.
- 3 For a current list of registered non-bank financial institutions (31 March 2023), consult the Bank of Zambia website ([https://www.boz.zm/NBFIs\\_March\\_2023.pdf](https://www.boz.zm/NBFIs_March_2023.pdf)).
- 4 While every effort has been made to ensure the accuracy of the data in this catalogue, we acknowledge that the field is dynamic and constantly evolving.
- 5 National Financial Sector Development Policy (2017), National Financial Inclusion Strategy (2017-2022), National Strategy for Financial Education for Zambia (2019-2024), Eighth National Development Plan (2022-2026)

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