

NATIONAL YOUTH DEVELOPMENT FREQUENTLY ASKED QUESTIONS (FAQs)

1. What is the NYEDF in simple terms?

The NYEDF is a special government fund set up to help young Namibians start or grow their own businesses. It provides loans with very low interest rates (between 2% and 4%) to make it easier for youth to get the money they need without getting into heavy debt.

2. Who is this fund for?

The fund is specifically for Namibian citizens who are between the ages of 18 and 35. You can apply as:

- An individual with a business idea.
- A group (like a cooperative).
- a formally registered business.
- Both part-time and full-time entrepreneurs are welcome to apply.

3. What are the main goals of the fund?

The government wants to:

- Help young people become successful business owners.
- Create new jobs and fight youth unemployment.
- Make money for starting a business more affordable.
- Get young people involved in important sectors of the economy like agriculture and manufacturing.
- Ensure everyone gets a fair chance, especially young women, youth in rural areas, and young people with disabilities.

4. How much money can I apply for?

The amount you can get depends on the stage and size of your business:

- New Start-ups: Between **N\$60,000** and **N\$200,000**
- Existing businesses wanting to grow: Between **N\$200,001** and **N\$1,000,000**
- Very large projects: Over **N\$1,000,000** (these will be looked at specially).

Note: If you need less than N\$60,000, you should contact the National Youth Service (NYS)

5. What are the loan terms? Why are they good?

The terms are designed to be youth-friendly:

- Low interest rate which vary from 2% and 4% (normal bank loans are much higher).
- Short Repayment Period, you can take up to 5 years to pay back the loan.
- You don't have to start paying back immediately. You can get a grace period of up to 12 months to give your business time to get on its feet before repayments start.

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6. What about collateral? I don't have assets like a house or a car.

This is a big concern for many young people. The NYEDF understands this and has flexible rules:

- Collateral can be the assets you buy for the business itself, or the future income you expect the business to make.
- For tender or contract work: The income from the contract can be used as security.
- Collateral-free loans are available for those who don't have any assets. You won't be automatically disqualified for lacking collateral.

7. Which types of businesses are preferred?

The fund is looking to support businesses in key sectors that help Namibia grow:

- **Agriculture & Agro-processing:** Farming, food processing, climate-resilient crops.
- **Green & Eco-friendly projects:** Clean energy (like solar), recycling, sustainable projects.
- **Manufacturing & Trade:** Making products locally instead of importing them.
- **Other sectors:** ICT & technology, creative industries (arts, music), tourism, hospitality, logistics, retail, and beauty salons.

8. What if my business idea is not in one of these sectors?

You can still apply. If your business plan is strong, can create jobs, and is innovative, it will still be considered. The key is to show that your idea is viable and beneficial.

9. How do I apply?

After the fund is officially launched, you will apply directly to the participating development finance institutions (DFIs). The steps are:

1. Prepare your business plan and documents.
2. Submit your application to one of these institutions: **Development Bank of Namibia (DBN), Agribank, or the Environmental Investment Fund (EIF).**
3. Your application will be evaluated for viability and potential.
4. If approved, the funds will be disbursed to you.
5. You will also get support like mentorship and coaching to help you succeed.

10. What documents will I need?

You should start preparing these:

- ✓ A certified copy of your Namibian ID.
- ✓ A certified copy of your business/cooperative registration certificate (if you are already registered).
- ✓ A clear business plan with financial projections (how much money you expect to make and spend).
- ✓ Proof of your business address (if you have one).
- ✓ A bank account confirmation letter.

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11. My business is not registered. Can I still apply?

Yes, you can. Your application will be assessed even if your business is not registered. However, if your application is approved, you will be required to formally register your business before any money is given to you.

12. How will my application be judged?

The institutions will look at:

- Viability - Is your business idea practical and sustainable?
- Job Creation - How many jobs can it create?
- Youth Impact - Does it empower young people?
- Innovation - Is it new or does it solve a local problem?
- Environmental Impact - Is it good for the environment?

13. How is the government make sure this fund works fairly?

The Ministry of Finance will use a special computer system to track the fund's performance in real-time. This ensures:

- Money is distributed fairly across all regions.
- At least 15% of the loans go to beneficiaries from marginalised communities and people with disabilities.
- Resources are used efficiently, and duplication is avoided.
- The impact (like jobs created) is properly measured.

14. Where can I get more information or apply?

You can contact the participating institutions directly:

1. Development Bank of Namibia (DBN):

Website: <http://www.dbn.com.na>

Phone: +264 61 290 8000

2. Agribank:

Email: info@agribank.com.na

Phone: +264 61 207 4111

3. Environmental Investment Fund (EIF):

Website: <http://www.eif.org.na>

Phone: +264 61 431 7700