

PUBLIC FINANCE MANAGEMENT ACT
(Cap. 54:01)

PUBLIC FINANCE MANAGEMENT (CHEMA CHEMA FUND) ORDER, 2024
(Published on 26th March, 2024)

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IN EXERCISE of the powers conferred on the Minister of Finance by section 38 of the Public Finance Management Act, the following Order is hereby made —

1. This Order may be cited as the Public Finance Management (Chema Chema Fund) Order, 2024. Citation
2. In this Order, unless the context otherwise requires — Interpretation
 - “Accounting Officer” means the Permanent Secretary in the Ministry responsible for entrepreneurship appointed under paragraph 5;
 - “agency of Government” means Citizen Entrepreneurial Development Agency (CEDA) or Local Enterprise Authority (LEA);
 - “Committee” means a Management Committee appointed under paragraph 6;
 - “informal sector business” means a citizen-owned business —
 - (a) of an individual who is 18 years or above;
 - (b) that is pre-existing or registered after the commencement of this Order;
 - (c) that is registered or unregistered;
 - (d) of a person not formally employed or where employed, that person earning an income below the taxable income bracket;
 - (e) if a pre-existing business, earning annual taxable below P50 000 and its gross turnover not exceeding P200 000; and
 - (f) registered with a mobile service provider or having a bank account; and
 - “Fund” means the Public Finance Management (Chema Chema) Fund, established under paragraph 3.
3. There is hereby establishment a Special Fund, to be known as the Public Finance Management (Chema Chema) Fund, (hereinafter referred to as “the Fund”). Establishment of Fund
4. The purpose of the Fund is to promote financial inclusion through provision of affordable credit to informal sector businesses with the ultimate goal of accelerating economic growth and sustenance of livelihoods through — Purpose of Fund

- (a) provision of affordable short-term loans to finance existing operations or expand current operations, including procurement of necessary business aiding equipment;
- (b) provision of affordable short-term loans as start-up capital for new entrants in the sector;
- (c) provision of training on viable business management strategies;
- (d) provision of capacity building packages, coaching and mentoring; and
- (e) provision of decent operational infrastructure or equipment to an informal sector business in targeted operating places countrywide.

Administration of Fund

5. (1) The Permanent Secretary in the Ministry responsible for entrepreneurship shall be responsible for the administration of the Fund in accordance with provisions of this Order.

(2) The Accounting Officer may exercise such powers and perform such duties as may be required to be exercised or performed for the proper discharge of his or her duties under this Order.

(3) The Accounting Officer may, in writing, authorise any other public officer or agency of Government to exercise or perform all or any of the duties required by him or her under this Order.

Management of Fund

6. (1) The Minister responsible for entrepreneurship shall, in consultation with the Accounting Officer, appoint a Management Committee for the Fund.

(2) The Committee appointed under subparagraph (1) shall consist of —

- (a) the Deputy Permanent Secretary responsible for entrepreneurship development, who shall be the Chairperson of the Committee;
- (b) director responsible for entrepreneurship development in the Ministry responsible for entrepreneurship;
- (c) a representative from the Ministry responsible for finance;
- (d) a representative from the Ministry responsible for local government;
- (e) a representative from the Ministry responsible for trade and industry; and
- (f) a representative from the Informal Sector.

(3) The Committee shall be responsible for —

- (a) overseeing the management of the Fund;
- (b) advising the Accounting Officer on the performance of the Fund;
- (c) determine the disbursement procedures of the Fund in accordance with the Act;
- (d) review audited financial statements of the Fund and implement audit recommendations;
- (e) make recommendations to the Accounting Officer on any changes or amendments in the Fund Order for subsequent approval by the Minister; and
- (f) approve and regularly review the Fund guidelines.

(4) Department responsible for entrepreneurial mindset change and culture shall provide secretarial services to the Committee.

(5) The members of the Committee shall be appointed for a period of three years, and shall be eligible for re-appointment for a further term not exceeding 3 years.

Receipts into Fund

7. There shall be paid into the Fund —

- (a) such monies as may from time to time be appropriated by the National Assembly for the purposes of the Fund;
- (b) receipts from loan repayments;
- (c) grants, donations and contributions from other sources of income as Minister responsible for finance may approve; and

(d) interest accrued from investment of monies in accordance with paragraph 10.

8. There shall be paid from the Fund monies required for carrying out the purposes set out in paragraph 4 and to defray costs incurred in the administration and management of the Fund. Disbursements from Fund

9. If the Fund is in surplus at the end of a financial year, such surplus shall remain as part of Fund balance and shall be carried forward to the next financial year. Surplus in Fund

10. Any monies accruing to the Fund which is not required for immediate use shall be invested in Botswana in accordance with the objects of the Fund as the Accountant General may direct and interest from such investment shall accrue to the Fund. Investment of Fund monies

11. The Accounting Officer shall —

- Accounts of Fund
- (a) keep and maintain or cause to be kept and maintained, proper books of accounts and records of all financial transactions, assets and liabilities of the Fund in respect of each financial year;
 - (b) maintain an account into which all receipts into the Fund and all disbursements from the Fund shall be recorded and the monthly reconciliation for the Fund accounts shall be carried out; and
 - (c) prepare, sign and transmit to Accountant General and Auditor-General a statement of income and expenditure and a balance sheet of the Fund in respect of the financial year, containing such information in the manner that the Minister in consultation with Accountant-General may direct, within a period of two months after the close of each financial year.

MADE this 25th day of March, 2024.

PEGGY O. SERAME,
Minister of Finance.