

RESERVE BANK OF FIJI



PRESS RELEASE

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RESERVE BANK INTRODUCES IMPORT SUBSTITUTION FACILITY

The Reserve Bank of Fiji today announced the introduction of an Import Substitution Facility (ISF) that will assist large scale commercial agricultural businesses to obtain credit at concessional rates of interest.

Governor of the Reserve Bank of Fiji, Mr. Sada Reddy said that “the new Facility is another of the RBF’s initiatives to help Fiji’s balance of payments.” He added that the Facility is expected to encourage domestic agricultural production and advance the competitiveness of local agricultural produce, resulting in a reduction in imports payments.

A total amount of \$20 million is available through the scheme. New and existing local businesses engaged in commercial agriculture may access funds from the Facility at a fixed rate of 6.00 percent per annum. Eligible businesses may apply for concessional funding for the production of the following after first satisfying to RBF that their business is import substitution related:-

- Fruit;
- Vegetables;
- Root crops;
- Dairy produce; and
- Beef.

However, businesses that produce items in which Fiji is already self-sufficient, such as pork, canned meat and chicken will not be able to access funds under the Facility.

The Facility is available for a maximum loan term of 5 years and is available through the commercial banks, licensed credit institutions and the Fiji Development Bank (FDB). Application for funding under the Facility is subject to normal credit screening processes by respective lending institutions.

This Facility is effective immediately and more information, including the eligibility criteria, can be obtained from the RBF.

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