



PRESS RELEASE

Press Release No. : 07/2010 **Phone:** (679) 3313 611
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RESERVE BANK INTRODUCES CONCESSIONAL LOAN FACILITY FOR BUSINESS AFFECTED BY CYCLONE TOMAS

The Governor of the Reserve Bank of Fiji, Mr. Sada Reddy today announced the introduction of the concessional loan facility for businesses affected by tropical cyclone Tomas. The loan facility has similar conditions to the Flood Rehabilitation Facility that was offered by the Reserve Bank after Fiji was hit by massive flash floods at the beginning of 2009.

Mr. Reddy said that the maximum interest rate charged to eligible customers under this facility is 6.00 percent per annum. The term of the loan under this facility is a minimum of 6 months with the possibility of extension up to 5 years.

Governor Reddy added that loans under this facility will complement the assistance already announced by some of the other financial institutions. In this regard, he called on all financial institutions to assist in the quick recovery of the economy by assisting those affected financially by making temporary adjustments to repayments and to extend credit for replanting and business resumptions. He specially requested the insurance companies to assess and settle insurance claims quickly.

The total amount available under this facility is \$20 million. The facility will be offered through the commercial banks and Fiji Development Bank (FDB) and is available only to businesses affected by tropical cyclone Tomas.

Businesses may apply for funds for the following:

- Replacement of cyclone-damaged inventory;
- Repair or replacement of cyclone-damaged plant, equipment and machinery;
- Restoration of cyclone-damaged buildings including resorts and hotels; and
- Replacement of business vehicles damaged by tropical cyclone Tomas.

Application for funding under the facility is subject to normal credit screening process by the respective commercial bank or FDB.

This facility is effective immediately and is available until 30 June 2010. More information including the eligibility criteria can be obtained from the commercial banks, FDB or the Reserve Bank.

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