

# RESERVE BANK OF FIJI



## *PRESS RELEASE*

---

Press Release No. : 28/2009

Phone: (679) 3313 611

Date : 23 July 2009

Fax : (679) 3301 688

E-mail: [rbf@reserevbank.gov.fj](mailto:rbf@reserevbank.gov.fj)

---

### **FLOOD REHABILITATION FACILITY GUIDELINE CHANGES**

The Reserve Bank of Fiji established the Flood Rehabilitation Facility (FRF) in April 2009 to assist businesses affected by the floods earlier in the year to obtain credit at concessional rates of interest. The total amount available under the facility is \$20 million.

Following a review of the FRF guidelines, three important changes have been made to make the facility more attractive to eligible businesses.

Effective immediately:

- [1] Lending under the facility has been extended from the three years to a maximum of five years;
- [2] Businesses are no longer required to apply for a rollover as loans will be automatically rolled over every six months based on the initial term of loan approved by the commercial bank. However, interest owing will continue to be payable at each six month interval from the drawdown date; and
- [3] Availability of the Facility has been extended to 31 December 2009.

The FRF is also accessible from the Fiji Development Bank and Licensed Credit Institutions including Credit Corporation Fiji Limited, Merchant Finance & Investment Company and Home Finance Company. To-date, the RBF has advanced a total of \$0.7 million under the Facility.

Other terms and conditions of the Facility would apply as usual.

In announcing the above revisions to the policy, the Governor of the Reserve Bank, Mr Sada Reddy acknowledged the submissions made by the business community in this regard. Mr Reddy called for the banks and other financial institutions to be supportive of loan applications made for reconstruction and re-establishment of businesses after the severe flooding early this year.

**RESERVE BANK OF FIJI**