



## NATIONAL FISHERIES CREDIT FACILITY

The National Development Bank (formerly Rural Development Bank Ltd) and The National Fisheries Authority (NFA) signed a Memorandum of Agreement (MOA) on the 12<sup>th</sup> January 2007 paving way for the establishment of the Fisheries Credit Facility. The facility was established to assist coastal fisherman, inland fish farmers and fish exporters with access to credit on commercial basis.

A number of awareness meetings have been conducted so far between NFA, the respective Provincial Fisheries Office and NDB in a number of coastal and Highlands provinces. These meetings are geared towards explaining the Fisheries Credit Facility and the eligibility requirements of accessing credit. Under this credit facility there are three lines of credit to cater for the needs of almost every Papua New Guinean from the grassroots level to the local exporters.

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### 1. Micro-Credit line

With the aim to deliver small lines of credit to village based fishermen or enterprises that may not necessarily have access to credit from mainstream financial institutions.

### 2. Small Enterprise Credit-line:

With the aim to targets small fishing enterprises with financial assistance to assist small enterprises to strengthen their operations and become new segment of small enterprises operating within the fisheries sector. Under this credit line, it is anticipated that they will be able to pledge some form of tangible collateral to the Bank to secure credit funds from the facility.

### 3. Business Credit line

Aims to specifically target the established private fishing companies and may also be extended to those individual members of fisheries cooperatives or associations that have been successful and are expanding their operations or seeking to improve internal management.

### Product Features

	Micro-Credit Line	Small Business Credit	Business Credit
<b>Max Amount</b>	K5000.00	K50, 000.00	K1, 000,000.00
<b>Min Amount</b>	K1000.00	K5001.00	K50, 001.00
<b>Max Loan Term</b>	12 months	24 months	84 months
<b>Interest Rate</b>	10%	10%	10%
<b>Security</b>	10% CBO Deposit	Security Deposit	Security Deposit
<b>Repayment Frequency</b>	Based on cash flow	Based on cash flow	Based on cash flow
<b>Equity</b>	10% Cash, 20% Kind	20% Cash	As per policy
<b>Application Fee</b>	K50	K50	K50
<b>Approval Fee</b>	Nil	1% Loan Amount	0.75% Loan Amount
<b>Grace Period</b>	1 month	1 month	1 month

Should you require further information please contact NDB Fisheries Credit Facility on phone 3247600 or call into our nearest National Development Bank branch.