

S.I. 110 of 2020**PUBLIC DEBT MANAGEMENT ACT***(Cap 302)***Al Salam Bank Seychelles Ltd Guarantee Order, 2020**

WHEREAS, the global COVID-19 pandemic has caused significant disruptions in the economic activities of Micro, Small and Medium Enterprises in Seychelles;

AND WHEREAS, the Central Bank of Seychelles and the members of the Seychelles Bankers Association have outlined a relief scheme to finance the Micro, Small and Medium Enterprises (hereinafter referred to as the “Purpose”);

AND WHEREAS, the Central Bank of Seychelles has made available to the members of the Seychelles Bankers Association a credit line facility of a maximum of SCR 500, 000, 000 (hereinafter referred to as the “Credit Line Facility”) for a period of 6 months;

AND WHEREAS, the Government of Seychelles has agreed to guarantee 70% of all advances borrowed by the members of the Seychelles Bankers Association from the Central Bank of Seychelles under the Credit Line Facility;

NOW, THEREFORE, in exercise of the powers conferred by section 28 of the Public Debt Management Act, the Minister responsible for Finance makes the following order —

1. This order may be cited as the Al Salam Bank Seychelles Ltd, Guarantee Order, 2020.

Citation

2. The Minister responsible for Finance has, in accordance with section 14 of the Public Debt Management Act, guaranteed a loan borrowed by Al Salam Bank Seychelles Ltd from the Central Bank of Seychelles by an agreement dated 18th May, 2020, the particulars of which are stated in paragraph 3.

The Loan

Particulars

3. The particulars of the Loan Agreement referred to in paragraph 2 are as follows —

- (a) *Amount of Guarantee:* 70% of any amount borrowed by the Borrower from the Lender from time to time under the credit line facility for the Purpose;
- (b) *Terms of repayment:* Every calendar quarter, commencing June, 2021, within 15 days of the end of the relevant quarter;
- (c) *Name of Lender:* Central Bank of Seychelles;
Name of Borrower: Al Salam Bank Seychelles Ltd;
Name of Guarantor: Government of Seychelles;
- (d) *Interest payable:* No interest shall be payable;
- (e) *Manner to be accounted for:* To be treated as guarantee;
- (f) *Purpose of Guarantee:* To allow a relief scheme for the financing of the Micro, Small and Medium Enterprises;
- (g) *Other particulars:* Other particulars are contained in the loan agreement.

MADE this 28th day of August, 2020.

**MAURICE LOUSTAU-LALANNE
MINISTER OF FINANCE, TRADE, INVESTMENT
AND ECONOMIC PLANNING**
