

FIJI DEVELOPMENT BANK GUARANTEE (NO. 2) DECREE, 1989

A DECREE TO AUTHORISE THE GOVERNMENT TO GUARANTEE THE REPAYMENT OF THE PRINCIPAL AND THE PAYMENT OF INTEREST ON A LOAN TO BE RAISED BY THE FIJI DEVELOPMENT BANK FROM THE COMMONWEALTH DEVELOPMENT CORPORATION OF UPTO FIVE MILLION POUNDS STERLING FOR THE PROVISION BY THE FIJI DEVELOPMENT BANK OF LOANS TO FISHERMEN AND SMALL FARMERS IN FIJI

IN exercise of the powers vested in me as President and Commander-in-Chief of the Republic of Fiji and acting in accordance with the advice of the Prime Minister and the Cabinet, I hereby make the following Decree—

Short title

1. This Decree may be cited as the Fiji Development Bank Guarantee (No. 2) Decree, 1989.

Interpretation

2. In this Decree, unless the context otherwise requires—

“Bank” means the Fiji Development Bank;

“Corporation” means the Commonwealth Development Corporation;

“dollar” means a dollar in the currency of Fiji;

“Government” means the Government of the Republic of Fiji;

“loan” means the loan to be raised by the Bank from the Corporation referred to in section 3 of this Decree;

“pound sterling” means a pound sterling in the currency of the United Kingdom.

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Government to guarantee loan

3. The Government is authorised to guarantee the repayment of the principal and the payment of all interest on a loan of upto five million pounds sterling payable from the year 1992 until the end of the year 2003 at an interest rate of seven per cent per annum, to be raised by the Bank from the Corporation for the purpose of assisting the Bank in its intended programme of advances by way of loans to persons in Fiji engaged in small-scale farming and fishing enterprises for the purposes of those enterprises.

Government to bear exchange risk

4. The Government is authorised to indemnify the Corporation from or against the effect of any changes in the exchange rate as between the Fiji dollar and pound sterling which result in the amount of dollars required by the Bank to repay the loan being greater than the actual amount in dollars of the proceeds of the loan received by the Bank.

Guarantee to be evidenced by instrument

5. The guarantee authorised by section 3 of this Decree shall be evidenced by an instrument under the hand of the Minister responsible for finance.

Made this 7th day of March 1989.

PENAIA K. GANILAU
President and Commander-in-Chief